



Charles Darwin University

Annual Report

2025 Financial Statements

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Report by Members of Council

The members of the Council of Charles Darwin University (the University) present their report on the consolidated entity and the entity it controlled as at the end of, and for the year ended 31 December 2025.

Members

The following persons were members of the Council of Charles Darwin University during the year and up to the date of this report:

Hon Paul Henderson AO	Appointed Chancellor on 20 March 2019 until term ended on 30 June 2025
Hon Trevor Riley AO KC	Appointed Chancellor by University Council on 1 July 2025 and continues in office at the date of this report.
Professor Scott Bowman AO	Ex-officio member (Vice-Chancellor) from 5 April 2021 ended on 5 May 2026.
Professor Louise King	Ex-officio member (Chair of Academic Board) from 1 January 2022 and continues in office at the date of this report.
Mr Ken Davies PSM	Appointed a member on 28 June 2013 and continues in office at the date of this report.
Mr Dick Guit OAM	Appointed a member on 26 June 2020 and continues in office at the date of this report.
Mr Craig Graham	Appointed a member on 29 July 2020 and continues in office at the date of this report.
Ms Susan Bowden	Appointed a member on the 30 July 2025 and continues in office at the date of this report.
Mr Mark Munnich	Appointed a member on 25 February 2021 and continues in office at the date of this report.
Emeritus Professor Charles Webb	Appointed a member on 25 February 2022 with term ending 17 February 2025. Re-appointed by the administrator 1 May 2025.
Dr Ruth Schubert	Appointed a member on 25 February 2022 with term ending 17 February 2025. Re-appointed by the administrator 1 May 2025.
Mr Raymond Simpson	Appointed by Council to fill a casual vacancy from 1 November 2024 and continues in office at the date of this report.
Associate Professor Jon Mason	Elected a member on 1 January 2024 and continues in office at the date of this report.
Mr Mir Asif Hossain	Elected a member on 1 January 2025 to 28 March 2025.
Mr Maged Mohamed Esmat Mohamed	Elected a member on 1 January 2025 to 12 June 2025.
Mr Rodney Peake	Appointed by Council to fill a casual vacancy from 1 May 2025 to 31 December 2025.
Mr Manoj Thapa	Appointed by Council to fill a casual vacancy from 8 August 2025 to 31 December 2025.

Meetings of Committees

	Council Meetings		Finance and Infrastructure Development Committee		Audit Risk and Compliance Committee		Nominations Honorary Awards and Legislation Committee	
	A	B	A	B	A	B	A	B
Hon Paul Henderson AO	7	4	2	1	3	1	2	2
Hon Trevor Riley AO KC	4	4	2	2	2	2	2	2
Professor Scott Bowman AO	11	11	4	4	4	4	4	4
Professor Louise King	11	10	-	-	4	2	4	4
Mr Ken Davies PSM	11	9	-	-	-	-	4	3
Mr Dick Guit OAM	11	9	4	3	-	-	-	-
Mr Craig Graham	11	9	-	-	-	-	-	-
Ms Susan Bowden	3	2	-	-	-	-	-	-
Mr Mark Munnich	11	7	-	-	-	-	-	-
Emeritus Professor Charles Webb	7	7	-	-	-	-	-	-
Dr Ruth Schubert	7	6	-	-	-	-	-	-
Associate Professor Jon Mason	11	11	-	-	-	-	-	-
Mr Raymond Simpson	11	10	-	-	-	-	-	-
Mr Mir Asif Hossain	4	3	-	-	-	-	-	-
Mr Maged Mohamed Esmat Mohamed	7	7	-	-	-	-	-	-
Mr Rodney Peake	6	6	-	-	-	-	-	-
Mr Manoj Thapa	2	1	-	-	-	-	-	-

A = Indicates the number of meetings the Committee Member was eligible to attend as a member.

B = Indicates the number of meetings attended.

Principal Activities

As of 31 December 2025, the Charles Darwin University Group (the Group) consists of the following entities:

Charles Darwin University

Menzies School of Health Research

During the year, the principal continuing activities of the Group were:

- a) to undertake teaching activities that fulfil the requirements of an undergraduate and postgraduate university education and training and further education by way of a course of instruction that is, or is preparatory to, a course of a kind relevant to a trade, technical or other vocational education;
- b) to undertake research (taking advantage of the human and physical resources of the University) and, where appropriate, to consider commercial exploitation of research that is undertaken;
- c) to undertake teaching activities to provide other education and training as determined by the Council;
- d) to co-operate with other universities and with institutions of higher education, training and further education or research (whether within or outside of Australia);
- e) to liaise with industry and professional organisations, training committees and the community;
- f) to disseminate knowledge and advance skills and their practical application;

- g) to provide consultative and research services and facilities;
- h) to administer schemes of financial and other assistance for students of the University and persons studying or carrying out research at the University including, in the case of students, financial assistance in the form of loans;
- i) to provide library and other educational facilities that may be used by the public on conditions as determined by the Council; and
- j) to carry out any other functions that is conferred on it by or under the *Charles Darwin University Act 2003* and any other Act.

Review of Operations

Introduction

The University's world-class education was reflected in the University achieving a ranking in the 401 – 500 in the Times Higher Education World University Rankings 2025. Charles Darwin University is also ranked in the 201 - 300 category in the Impacts Rankings 2025 which is assessed against United Nations' Sustainable Development Goals.

Capital Works

Construction was completed on the following major capital projects during 2025:

- Centre for Better Health Futures

Construction commenced or was continuing on the following major capital projects during 2025:

- Airconditioning Chiller refurbishment at Casuarina.
- Nursing Sim Lab construction in Melbourne

Specific Purpose Grants

\$12.5 million was received in cash contributing to the completion of the Centre for Better Health Futures. A further \$9.1 million has been received to support the development of the CDU Menzies medical program throughout the Northern Territory.

The Better Health Futures Building was completed and commissioned during 2025. The facility is designed to support leading-edge health education, research and workforce development in Northern Australia. Located on the Casuarina campus, the building brings together modern teaching spaces, specialist laboratories and collaborative areas that strengthen connections between the university, health professionals and the broader community.

Financial Performance

The University's net result from continuing operations was a \$15.4 million surplus for 2025 (2024: \$3.2 million deficit). Revenue increased by \$56m (15%) overall from last year with \$25.6m (21%) growth in Australian Government grants. Fees and charges increased \$23m (15%). Expenses grew \$37.5m (10%) mainly in employee costs \$11.1m (6%), Scholarships, grants and prizes \$12m (27%) and \$5.1m (23%) depreciation.

Significant Changes in the State of Affairs

There are no matters or circumstances which significantly affected or may affect the operations of the Group.

Matters Subsequent to the End of the Financial Year

Subsequent to 31 December 2025, the Vice-Chancellor, Professor Scott Bowman AO, ceased employment with the University. Professor Fiona Coulson was appointed Acting Vice-Chancellor on 23 February 2026, and transitioned to Interim Vice Chancellor on 04 May 2026. The University has commenced the process to appoint a permanent Vice-Chancellor.

This event relates to circumstances arising after the end of the reporting period and has not resulted in any adjustment to the financial statements at 31 December 2025.

There are no other matters or circumstances which significantly affected or may affect the operations of the Group, the results of those operations, or the state of the affairs of the Group in future financial years, refer to Note 34.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Insurance of officers

In 2025, the Group held comprehensive insurance policies in relation to its members of the Council and its Committees and the Officers against claims arising from their involvement in the activities of the Group. The cover for Menzies School of Health Research is \$5.0 million and for Charles Darwin University is \$10.0 million.

Environmental Regulation

The Group is subject to the following environmental regulations:

- *Gene Technology Act 2000 and Gene Technology Regulations 2001*
- *Gene Technology (Northern Territory) Act 2004*
- *Radiation Protection Act 2004 and Radiation Protection Regulations 2007*
- *Dangerous Goods Act 1998 and Dangerous Goods Regulations 1985*
- *Transport of Dangerous Goods by Road and Rail (National Uniform Legislation) Act 2011*
- *Waste Disposal on Royal Darwin Hospital Campus Regulations*
- *Waste Management and Pollution Control Act 1998 and Waste Management and Pollution Control (Administration) Regulations 1998*
- *International Air Transport Association (IATA) Dangerous Goods Regulations*

Proceedings on behalf of the entity

There were no significant legal proceedings ongoing against the University at the end of 2025. This report is made in accordance with a resolution of the members of the Council.

Signed at Darwin this 2 Day of June 2026



CHANCELLOR
The Hon Trevor Riley AO KC



VICE-CHANCELLOR AND PRESIDENT
Professor Fiona Coulson

Consolidated Financial Statements

Consolidated Income Statement

For the year ended 31 December 2025

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3.1	171,044	138,640	144,691	119,113
HELP- Australian Government payments	3.1	37,237	36,008	37,237	36,008
NT Government financial assistance	3.2	17,597	18,685	11,621	12,340
HECS- HELP student payments		5,596	4,300	5,596	4,300
Fees and charges	3.3	179,866	154,815	176,441	153,317
Consultancy and contract fees	3.4	50,063	40,970	30,645	25,881
Other revenue	3.5	20,133	18,307	17,841	16,412
Investment revenue	4	11,930	12,799	8,679	9,578
Gains on disposal of assets	24	148	-	101	24
Share of profit on investments accounted for using the equity method	16	683	514	683	514
Total revenue and income from continuing operations		494,297	425,039	433,535	377,487
Expenses from continuing operations					
Employee-related expenses	5	248,856	232,134	209,372	196,682
Depreciation	6	28,128	23,053	27,469	22,336
Repairs and maintenance	7	8,575	7,294	8,124	6,995
Impairment of assets	8	1,941	287	1,941	287
Losses on disposal of assets	24	-	106	-	-
Other expenses	9	178,451	159,246	171,250	154,356
Total expenses from continuing operations		465,951	422,120	418,156	380,656
Net result from continuing operations		28,346	2,918	15,379	(3,169)

The above Consolidated Income Statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Net result from continuing operations		28,346	2,918	15,379	(3,169)
Items that will not be reclassified to profit or loss in subsequent periods					
Loss on value of financial assets at fair value through other comprehensive income 25(a)		(6,410)	(14,186)	(6,413)	(14,291)
Increase on revaluation on property, plant & equipment 25(a)		43,770	-	43,770	-
Total other comprehensive income (loss)		37,360	(14,186)	37,357	(14,291)
Total comprehensive income (loss) from continuing operations		65,706	(11,268)	52,736	(17,460)

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 31 December 2025

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	10	131,174	101,481	114,334	81,150
Receivables	11	19,433	15,537	18,193	14,571
Inventories	12	670	661	670	661
Other financial assets	14	117,691	120,408	87,450	104,912
Other assets	15	12,775	11,507	12,194	10,829
Total current assets		281,743	249,594	232,841	212,123
Non-current assets					
Biological assets	13	887	1,017	887	1,017
Other financial assets	14	1,999	1,880	-	-
Investments accounted for using the equity method	16	2,881	2,198	2,881	2,198
Property, plant and equipment	17	792,614	735,578	791,373	734,118
Total non-current assets		798,381	740,673	795,141	737,333
Total assets		1,080,124	990,267	1,027,982	949,456
LIABILITIES					
Current liabilities					
Trade and other payables	20	146,038	129,088	113,727	94,756
Lease liabilities	19(a)	4,272	3,923	4,236	3,784
Provisions	22	38,638	34,454	32,474	28,657
Other liabilities	23	290	36	43,017	42,764
Total current liabilities		189,238	167,501	193,454	169,961
Non-current liabilities					
Trade and other payables	20	167	244	156	207
Lease liabilities	19(a)	31,574	29,766	31,574	29,766
Borrowings	21	126,500	126,500	126,500	126,500
Provisions	22	3,473	2,791	2,893	2,353
Total non-current liabilities		161,714	159,300	161,123	158,827
Total liabilities		350,952	326,801	354,577	328,788
Net assets		729,172	663,466	673,405	620,668
Equity					
Reserves	25(a)	294,366	285,587	293,531	284,757
Restricted funds	25(b)	57,044	58,783	57,044	58,783
Retained earnings	25(c)	377,762	319,096	322,830	277,128
Total equity		729,172	663,466	673,405	620,668

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Note	Restricted Funds \$'000	Reserves \$'000	Retained Earnings \$'000	Total \$'000
GROUP					
Balance at 1 January 2024		49,396	299,050	326,157	674,603
Net result		-	-	2,918	2,918
Other comprehensive loss		-	(14,186)	-	(14,186)
Total comprehensive income/(loss)		-	(14,186)	2,918	(11,268)
Transfers from / (to) restricted fund reserve	25(b)(c)	9,387	-	(9,387)	-
Transfers to / (from) revaluation reserves	25(a)(c)	-	723	(723)	-
Related party disposals	25(c)	-	-	131	131
Balance at 31 December 2024		58,783	285,587	319,096	663,466
Balance at 1 January 2025		58,783	285,587	319,096	663,466
Net result		-	-	28,346	28,346
Other comprehensive income		-	37,360	-	37,360
Total comprehensive income		-	37,360	28,346	65,706
Transfers (from) / to restricted fund reserve	25(b)(c)	(1,739)	-	1,739	-
Transfers (from) / to revaluation reserves	25(a)(c)	-	(28,581)	28,581	-
Balance at 31 December 2025		57,044	294,366	377,762	729,172
PARENT					
Balance at 1 January 2024		49,396	298,325	290,407	638,128
Net result		-	-	(3,169)	(3,169)
Other comprehensive loss		-	(14,291)	-	(14,291)
Total comprehensive loss		-	(14,291)	(3,169)	(17,460)
Transfers from / (to) restricted fund reserve	25(b)(c)	9,387	-	(9,387)	-
Transfers to / (from) revaluation reserves	25(a)(c)	-	723	(723)	-
Balance at 31 December 2024		58,783	284,757	277,128	620,668
Balance at 1 January 2025		58,783	284,757	277,128	620,668
Net result		-	-	15,379	15,379
Other comprehensive income		-	37,357	-	37,357
Total comprehensive income		-	37,357	15,379	52,736
Transfers (from) / to restricted fund reserve	25(b)(c)	(1,739)	-	1,739	-
Transfers (from) / to revaluation reserves	25(a)(c)	-	(28,584)	28,584	-
Balance at 31 December 2025		57,044	293,531	322,830	673,405

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash flows from operating activities					
Australian Government Financial Assistance		218,785	176,594	185,299	154,267
OS-HELP (net)		252	(205)	252	(205)
Commonwealth Prac Payment (net)		123	-	123	-
NT Government grants		17,501	18,277	11,667	12,340
HECS-HELP student payments		8,477	7,640	8,477	7,640
Receipts from student fees and other customers		249,255	215,690	231,327	200,023
Interest received		11,843	12,981	8,730	9,625
Dividend received		324	623	165	623
Payments to suppliers and employees		(424,281)	(397,790)	(375,741)	(357,630)
Interest on borrowings		(2,220)	(2,193)	(2,220)	(2,193)
Lease interest payments		(560)	(619)	(559)	(612)
Low value / short term lease payments		(4,006)	(4,416)	(3,815)	(4,240)
Net cash from operating activities	35	75,491	26,582	63,705	19,638
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment	24	148	24	103	24
Proceeds from sale of biological assets		355	369	355	369
Payments for property, plant and equipment		(36,725)	(71,953)	(36,421)	(71,303)
Payments for biological assets		(76)	(45)	(76)	(45)
Proceeds from sale of equity investments		16,870	42,683	16,714	42,500
Increase in Term deposits		(21,642)	(75)	(6,500)	-
Net cash used in investing activities		(41,071)	(28,997)	(25,825)	(28,455)
Cash flows from financing activities					
Payment of principal portion of lease liabilities		(4,727)	(3,221)	(4,697)	(3,082)
Proceeds from borrowings		-	8,125	-	8,125
Net cash (used in)/from financing activities		(4,727)	4,904	(4,697)	5,043
Net increase/(decrease) in cash and cash equivalents		29,693	2,489	33,184	(3,774)
Cash and cash equivalents at the beginning of the financial year		101,481	98,992	81,150	84,924
Cash and cash equivalents at the end of the financial year	10	131,174	101,481	114,334	81,150

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements

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Note 1: Summary of material accounting policy information

Charles Darwin University (the University) was enacted as a Body Corporate on 5 November 2003 by the *Charles Darwin University Act 2003* (the Act) and is domiciled in Australia. The University is subject to all directions of the Council of the University. The functions of the University are set out in Section 5 of the Act. Under the provisions of the Act, at its commencement, the University assumed all the property, rights and liabilities of Northern Territory University, Centralian College (Alice Springs based), and Northern Territory Rural College (Katherine based), except for the superannuation liability for Centralian College which remained with the Northern Territory Government's Central Holding Authority. Subsequently as per the *Charles Darwin University Act 2003* and amendment to the *Menzies School of Health Research Act 1985*, the Menzies School of Health Research became a controlled entity of the University from 1 January 2004.

The principal material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all years reported, unless otherwise stated. The financial statements include separate statements of Charles Darwin University as the parent entity and the Group consisting of Charles Darwin University and its controlled entity, refer to Note 1(b) and Note 31.

The principal address of Charles Darwin University is Ellengowan Drive, Casuarina, Darwin.

(a) Basis of preparation

As per AASB 1054 *Australian Additional Disclosures*, the annual financial statements represent the audited general purpose financial statements of Charles Darwin University. They have been prepared on an accrual basis and comply with Australian Accounting Standards (AAS), Australian Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), *Australian Charities and Not-for-profits Commission Act 2012*, the *Australian Charities and Not-for-profits Commission Regulation 2022*, and the *Charles Darwin University Act 2003* the requirements of the Australian Department of Education and other State and Commonwealth Government legislative requirements.

Additionally, these statements have been prepared in accordance with the *Higher Education Support Act 2003* (Financial Statement Guidelines).

Date of authorisation for issue

The financial statements were authorised for issue by the Council members of Charles Darwin University on 27 May 2026.

Historical cost convention

These financial statements have been prepared under the historical cost convention, except for equity instruments (other financial assets) that have been measured at fair value through other comprehensive income or profit or loss, certain classes of property, plant and equipment, and biological assets.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Charles Darwin University Group's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, have been explained in the accounting policy notes.

(b) Basis of consolidation

The entity controlled by Charles Darwin University and forming part of the Charles Darwin University Group (the Group) is:

- Menzies School of Health Research (Menzies)

Note 1: Summary of material accounting policy information (continued)

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Group and each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. Amounts receivable and payable in foreign currencies are translated at the rate of exchange ruling at balance date. Translation differences on non-monetary financial assets and liabilities are recognised in the Income Statement as part of other income or expenses.

(d) Taxation

Charles Darwin University is a public authority within the meaning of Section 50-25 of the *Income Tax Assessment Act 1997* and its income is exempt under the provisions of that Act. The University's controlled entities are also exempt from income tax.

The University and Menzies incur payroll tax at the rate determined by the relevant state and territory government for payments made to and benefits received by employees.

(e) Rounding of amounts

Amounts have been rounded off to the nearest thousand dollars.

(f) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i) Where the amount of GST incurred is not recoverable from the Australian Tax Office, the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii) For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position. Cash flows are presented in the Statement of Cash Flows on a net basis, including the GST component of investing and financing activities, which are disclosed as operating cash flows.

(g) Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

Note 1: Summary of material accounting policy information (continued)

(h) Initial application of AAS

Charles Darwin University applied for the first-time certain standards and/or amendments, which are effective for annual periods beginning on or after 1 January 2025 (unless otherwise stated). The impact has been disclosed in the table below.

Standard/Amendment	Application date	Implications
AASB2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability Amendments to AASB1, AASB121 and AASB1060	1-Jan-25	The amendments had no material impact to the Group

(i) New accounting standards, amendments and interpretations issued but not yet effective

The following standards, amendments and interpretations have been issued but are not mandatory for 31 December 2025 reporting periods. Charles Darwin University has elected not to early adopt any of these standards, amendments and/or interpretations. Charles Darwin University's assessment of the impact of these new standards, amendments and interpretations is set out below.

Standard/Amendment	Application date	Implications
AASB2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments – Amendments to AASB7 and AASB9	1-Jan-26	There could be minimal impact – subject to management assessment
AASB2024-2 Amendments to Australian Accounting Standards – Annual improvements Volume 11	1-Jan-26	There could be minimal impact – subject to management assessment
AASB18 Presentation and Disclosure in Financial Statements – Replacement of AASB101 Presentation of Financial Statements	1-Jan-28	There could be minimal impact – subject to management assessment
AASB2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to AASB10 and AASB128	1-Jan-28	There will be no material impact to the Group

Note 2: Disaggregated information

(a) Industry - Dual Sector Providers (Parent)

Operating revenues and expenses for Higher Education and Vocational Education Training (VET) are shown in the following tables. The figures refer only to the parent entity; consolidated entity totals are not included. Discrete sets of accounts are not maintained for these divisions.

INCOME STATEMENT	Note	Parent Entity			Parent Entity		
		Higher Education	VET	Total Parent	Higher Education	VET	Total Parent
		2025 \$'000	2025 \$'000	2025 \$'000	2024 \$'000	2024 \$'000	2024 \$'000
Revenue and Income from continuing operations							
Australian Government financial assistance							
Australian Government grants	3.1	141,701	2,990	144,691	117,952	1,161	119,113
HECS- HELP Australian Gov payments	3.1	37,199	38	37,237	36,223	(215)	36,008
NT Government financial assistance	3.2	10,070	1,551	11,621	9,254	3,086	12,340
HECS- HELP student payments		5,596	-	5,596	4,300	-	4,300
Fees and charges	3.3	119,661	56,780	176,441	95,481	57,836	153,317
Consultancy and contract fees	3.4	30,821	(176)	30,645	25,582	299	25,881
Other revenue and income	3.5	12,739	5,102	17,841	12,601	3,811	16,412
Investment revenue	4	5,726	2,953	8,679	7,240	2,338	9,578
Gain on disposal of assets	24	59	42	101	18	6	24
Share of profit or (loss) on investments accounted for using the equity method	16	444	239	683	386	128	514
Total revenue and income from continuing operations		364,015	69,519	433,535	309,037	68,450	377,487
Expenses from continuing operations							
Employee-related expenses	5	147,197	62,175	209,372	145,419	52,884	198,303
Depreciation	6	17,855	9,614	27,469	16,752	5,584	22,336
Repairs and maintenance	7	5,235	2,889	8,124	5,128	1,873	7,001
Impairment of assets	8	1,211	730	1,941	140	147	287
Other expenses	9	135,483	35,767	171,250	130,398	22,331	152,729
Total expenses from continuing operations		306,982	111,175	418,156	297,837	82,819	380,656
Net result from continuing operations		57,033	(41,655)	15,379	11,200	(14,369)	(3,169)

Note 2: Disaggregated information (continued)

(a) Industry - Dual Sector Providers (Parent) (continued)

STATEMENT OF FINANCIAL POSITION	Note	Parent Entity			Parent Entity		
		Higher Education	VET	Total Parent	Higher Education	VET	Total Parent
		2025 \$'000	2025 \$'000	2025 \$'000	2024 \$'000	2024 \$'000	2024 \$'000
ASSETS							
Current assets							
Cash and cash equivalents	10	305,845	(191,511)	114,334	237,736	(156,586)	81,150
Receivables	11	13,644	4,549	18,193	10,929	3,642	14,571
Inventories	12	503	167	670	496	165	661
Other financial assets	14	65,588	21,862	87,450	78,683	26,229	104,912
Other non-financial assets	15	9,146	3,048	12,194	8,122	2,707	10,829
Total current assets		394,726	(161,885)	232,841	335,966	(123,843)	212,123
Non-current assets							
Biological assets	13	-	887	887	-	1,017	1,017
Investments accounted for using the equity method	16	2,881	-	2,881	2,198	-	2,198
Property, plant and equipment	17	593,530	197,843	791,373	550,588	183,530	734,118
Total non-current assets		596,411	198,730	795,141	552,786	184,547	737,333
Total assets		991,137	36,846	1,027,982	888,752	60,704	949,456
LIABILITIES							
Current liabilities							
Trade and other payables	20	85,295	28,432	113,727	10,082	3,361	13,443
Lease liabilities	19(a)	3,177	1,059	4,236	2,838	946	3,784
Provisions	22	24,355	8,119	32,474	21,492	7,165	28,657
Other liabilities	23	32,263	10,754	43,017	93,058	31,019	124,077
Total current liabilities		145,090	48,364	193,454	127,470	42,491	169,961
Non-current liabilities							
Trade and other payables	19(a)	117	39	156	156	52	208
Lease liabilities	19(a)	23,681	7,893	31,574	22,324	7,442	29,766
Borrowings	21	94,875	31,625	126,500	94,875	31,625	126,500
Provisions	22	2,170	723	2,893	1,764	589	2,353
Total non-current liabilities		120,843	40,280	161,123	119,119	39,708	158,827
Total liabilities		265,933	88,643	354,577	246,589	82,199	328,788
Net assets / (liabilities)		725,203	(51,797)	673,405	642,163	(21,495)	620,668
Equity							
Reserves	25(a)	246,067	47,464	293,531	236,626	48,131	284,757
Restricted funds	25(b)	61,431	(4,387)	57,044	60,819	(2,036)	58,783
Retained earnings / (deficit)	25(c)	417,704	(94,874)	322,830	344,718	(67,590)	277,128
Total equity / (deficit)		725,203	(51,797)	673,405	642,163	(21,495)	620,668

Note 2: Disaggregated information (continued)

(a) Industry - Dual Sector Providers (Parent) (continued)

STATEMENT OF CHANGES IN EQUITY	Higher Education \$'000	VET \$'000	Total Parent \$'000
Parent Entity			
Balance at 1 January 2024	649,477	(11,349)	638,128
Net result	11,201	(14,370)	(3,169)
Other comprehensive loss	(10,718)	(3,573)	(14,291)
Total comprehensive loss	483	(17,943)	(17,460)
Transfers from / (to) restricted reserves	(7,808)	7,808	-
Transfers to asset revaluation reserves	11	(11)	-
Balance at 31 December 2024	642,163	(21,494)	620,668
Balance at 1 January 2025	642,163	(21,494)	620,668
Net result	57,033	(41,654)	15,379
Other comprehensive loss	28,017	9,339	37,357
Total comprehensive income / (loss)	85,051	(32,314)	52,736
Transfers from / (to) restricted reserves	(2,011)	2,011	-
Transfers to asset revaluation reserves	-	-	-
Balance at 31 December 2025	725,203	(51,797)	673,405

Note 2: Disaggregated information (continued)

(a) Industry - Dual Sector Providers (Parent) (continued)

STATEMENT OF CASH FLOWS Note	Parent Entity			Parent Entity		
	Higher Education	VET	Total Parent	Higher Education	VET	Total Parent
	2025 \$'000	2025 \$'000	2025 \$'000	2024 \$'000	2024 \$'000	2024 \$'000
Cash Flows from operating activities						
Australian Government Financial Assistance	184,181	1,118	185,299	152,960	1,307	154,267
OS-HELP (net)	252	-	252	(205)	-	(205)
Commonwealth Prac Payment (net)	123	-	123	-	-	-
NT Government grants	10,208	1,459	11,667	8,979	3,361	12,340
HECS-HELP student payments	8,477	-	8,477	7,640	-	7,640
Receipts from student fees and other customers	166,374	64,953	231,327	136,884	63,139	200,023
Interest received	6,547	2,183	8,730	7,219	2,406	9,625
Dividend received	124	41	165	467	156	623
Payments to suppliers and employees	(280,130)	(95,611)	(375,741)	(288,335)	(69,296)	(357,631)
Interest on borrowings	(1,665)	(555)	(2,220)	(1,645)	(548)	(2,193)
Lease interest payments	(419)	(140)	(559)	(459)	(153)	(612)
Low value / short term lease payments	(2,860)	(955)	(3,815)	(3,180)	(1,060)	(4,240)
Net cash provided by / (used in) operating activities	91,212	(27,507)	63,705	20,326	(688)	19,638
Cash flows from investing activities						
Proceeds from sale of property, plant and equipment	77	26	103	18	6	24
Proceeds from sale of biological assets	-	355	355	-	369	369
Payments for property, plant and equipment	(27,315)	(9,106)	(36,421)	(53,478)	(17,825)	(71,303)
Payments for biological assets	-	(76)	(76)	-	(45)	(45)
Proceeds from sale of equity investments	12,536	4,178	16,714	31,875	10,625	42,500
Increase in term deposits	(4,875)	(1,625)	(6,500)	-	-	-
Net cash used in investing activities	(19,577)	(6,246)	(25,825)	(21,585)	(6,870)	(28,455)
Cash flows from financing activities						
Payment of principal portion of lease liabilities	(3,523)	(1,174)	(4,697)	(2,312)	(770)	(3,082)
Other financing inflows	-	-	-	6,094	2,031	8,125
Net cash (used in)/from financing activities	(3,523)	(1,174)	(4,697)	3,782	1,261	5,043
Net increase / (decrease) in cash and cash equivalents	68,110	(34,926)	33,184	2,523	(6,297)	(3,774)
Cash and cash equivalents at the beginning of the financial year	237,734	(156,585)	81,150	235,212	(150,288)	84,924
Cash and cash equivalents at the end of the financial year	305,845	(191,511)	114,334	237,735	(156,585)	81,150

Note 3: Revenue and income

Revenue is recognised in accordance with the requirements of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities. The University receives a wide range of funding from government, students and external partners, each of which is assessed to determine whether it gives rise to enforceable and sufficiently specific performance obligations. This assessment includes consideration for the existence of contracted clauses requiring return of unspent funds and termination clauses. Management is required to exercise judgement in assessing the nature of each funding arrangement resulting in revenue being recognised, either over time as those obligations are satisfied, or at the point the University obtains control of the funds.

The Notes 3.1. to 3.6 disclose the revenue and income received during the period according to the mandatory disclosures required by the Australian Government Department of Education. The disclosures as per AASB 15 and AASB 1058 are included in the Note 3.6 and a reconciliation is included in Note 3.7.

Note 3.1: Australian Government financial assistance including Australian Government loan programs (HELP)

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(a) Commonwealth grant scheme and other grants	38.1				
Commonwealth grants scheme ¹		73,970	63,790	73,970	63,790
Indigenous, Regional and Low-SES Attainment Fund ²		18,404	17,228	18,404	17,228
Indigenous Student Success Program		2,552	2,419	2,552	2,419
Higher Education Disability Support Program ³		498	83	498	83
National Priorities and Industry Linkage Fund		6,157	5,159	6,157	5,159
Other ⁴		123	-	123	-
Total Commonwealth grants scheme and other grants		101,704	88,679	101,704	88,679
(b) Higher Education Loan Programs	38.2				
HECS-HELP		32,472	30,816	32,472	30,816
FEE-HELP		3,418	3,880	3,418	3,880
VET FEE-HELP		47	-	47	-
SA-HELP	38.7	1,301	1,312	1,301	1,312
Total Higher Education Loan Programs		37,237	36,008	37,237	36,008
(c) Education - research	38.3a				
Research support program		12,856	12,535	12,856	12,535
Research training program		10,393	10,171	10,393	10,171
Total education research grants		23,249	22,706	23,249	22,706
(d) Other capital funding					
Other	38.4	12,587	1,216	12,587	1,216
Total other capital funding		12,587	1,216	12,587	1,216
(e) Australian Research Council	38.5				
Discovery		1,771	1,501	1,771	1,501
Linkages		1,059	1,062	934	904
Other		-	-	-	-
Total Australian Research Council		2,831	2,563	2,706	2,405

Notes to the Consolidated Financial Statements
For the year ended 31 December 2025

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(f) Other Australian Government Financial Assistance					
Non-capital					
Department of Health and Aged Care Grants		5,174	4,688	2,077	2,800
Away from Base		1,119	1,307	1,119	1,307
National Health and Medical Research Council Grants		18,531	12,822	-	-
Other	38.1	5,850	4,659	1,250	-
Total		30,674	23,476	4,446	4,107
Australian Government grants (a+c+d+e+f)		171,044	138,640	144,691	119,113
HELP - Australian Government payments (b)		37,237	36,008	37,237	36,008
Total Australian Government financial assistance		208,281	174,648	181,928	155,121

- 1 Includes the basic CGS grant amount, CGS – Medical Student Loading, Transition Fund loading, Allocated Places, Non-Designated Courses.
- 2 Includes the Higher Education Participation and Partnership Program and regional loading.
- 3 Higher Education Disability Support Program includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education and Training.
- 4 Includes administration component of the Commonwealth Prac payment received to support system and process implementation

Note 3.1: Australian Government financial assistance including Australian Government loan programs (HELP) (continued)

Accounting Policy

Commonwealth grant scheme and other grants

Commonwealth Grant Scheme funding represents subsidies for tuition costs for higher education students. This falls under AASB 15 and the revenue is recognised over time as the students receive the tuition services.

The Indigenous, Regional and Low-SES Attainment Fund represents grants provided to undertake activities and implement strategies that improve access to undergraduate courses for people from low socio-economic status (SES) backgrounds, as well as improving the retention and completion rates of those students. This falls under AASB 1058 as the agreement does not contain sufficiently specific and enforceable performance obligations. Accordingly, the revenue is recognised upon receipt or when the University obtains control of the funds.

The National Priorities and Industry Linkage Fund represents grants provided to universities to support industry engagement and produce job-ready graduates. This falls under AASB 1058 as the agreement does not contain sufficiently specific and enforceable performance obligations. Accordingly, the revenue is recognised upon receipt or when the University obtains control of the funds.

Indigenous Support Program funding represents grants provided to accelerate improvements in the university enrolment, progression and award completions of Indigenous Australians. This falls under AASB 1058

(as the performance obligations are not 'sufficiently specific') and the revenue is recognised when received.

Commonwealth Prac Payment (CPP)

CPP receipts from the Australian Government that are provided to support system and process implementation are recognised as revenue in the Income Statement. These amounts meet the definition of revenue in accordance with AASB 1058 and are disclosed under Other programs at Note 3.1(a) and Note 38(a).

CPP receipts that are intended for direct payments to students are not included in the Income Statement. The cash received by the HEP for this purpose does not meet the definition of revenue under AASB 15 Appendix A, as the HEP effectively acts as a transfer agent. The net CPP amount, being the difference between CPP cash received in the year and the amount actually paid to students, is reported in the Statement of Cash Flows.

Higher Education Loan Programs

HELP represents financial assistance provided by the Commonwealth Government (in the form of a loan between the government and the student) that allows eligible students to pay their student contribution amounts (HECS-HELP), tuition fees (FEE-HELP), and student services and amenities fee (SA-HELP). This falls under AASB 15 and the revenue is recognised over time as the students receive the tuition services and other amenities.

Education – research

Research Training Program funding represents grants provided to support both domestic and overseas students undertaking Research Doctorate and Research Master's degrees. This falls under AASB 1058 (as the performance obligations are not 'sufficiently specific') and the revenue is recognised when received.

Research Support Program funding represents grants provided to support the systemic costs of research not supported directly through competitive and other grants. This falls under AASB 1058 (as the performance obligations are not 'sufficiently specific') and the revenue is recognised when received.

Other capital funding

Other capital funding represents grants provided to acquire or construct a recognisable non-financial asset (e.g. land, buildings, infrastructure, plant and equipment) to be controlled by the Group. This falls under AASB 1058 and the revenue is recognised over time as the asset is acquired or constructed.

Research

Research funding represents grants to support the highest-quality fundamental and applied research and research training.

Research grants are accounted for under AASB 15 when there is an enforceable contract and sufficiently specific performance obligations in the form of a transfer and or licensing of intellectual property to the donor or a third party at the donor's request or a transfer of research findings. Generally, research grant revenue is recognized over time because the research data is made available as it is collected or at conclusion of the research but there is no alternative use of the data because the research cannot be directed to another use. When the funding agreement allows the research data to be used for any other purposes (i.e. the research creates an asset with an alternative use) or requires to make available the de-identified research findings, research grant revenue is recognized at a point in time, for example, when the research findings to date are made available or at the end of the grant period.

Note 3.1: Australian Government financial assistance including Australian Government loan programs (HELP) (continued)

Research (continued)

The only exception is ARC funded assets including Linkage, Infrastructure, Equipment and Facilities. These contracts meet the criteria of AASB 1058 and are treated as transfers to enable an entity to acquire or construct a recognisable non-financial asset to be controlled by the Group. For other funding bodies, if the contract is sufficiently specific it will determine it is accounted for in accordance with AASB 15. Income is recognised immediately when the Group has the contractual right to receive the grant and there are no identified sufficiently specific performance obligations.

Other Australian Government Financial Assistance

The remaining revenue in this category consists of a mix of other operating and research grants provided by the Commonwealth Government. This falls under AASB 15 and the revenue is recognised over time, as the grant funds are expended, where sufficient performance obligations exist. Where performance obligations are not 'sufficiently specific' the revenue is recognised when received consistent with AASB 1058.

National Health and Medical Research Council (NHMRC) funding

NHMRC research grant funding is in the scope of AASB15. Funding received in advance is recognised as a contract liability and recognised as revenue as the obligations are satisfied.

Note 3.2: Northern Territory Government financial assistance

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-capital					
NTG- other financial assistance		15,256	15,632	9,280	9,287
Total non-capital		15,256	15,632	9,280	9,287
Capital					
Vocational Education and Training		2,305	2,837	2,305	2,837
Education and Community Precinct		36	216	36	216
Total capital		2,341	3,053	2,341	3,053
Total Northern Territory Government Financial Assistance		17,597	18,685	11,621	12,340

Accounting Policy

State and local government financial assistance

The revenue in this category consists of operating grants provided by state and local governments. This falls under AASB 15 where significant judgement is required to identify specific performance obligations, allowing the revenue to be recognised over time. Where AASB 1058 applies, the revenue is recognised upon receipt of funds.

Capital funding

Capital funding represents grants provided to acquire or construct a recognisable non-financial asset (e.g. land, buildings, infrastructure, plant and equipment) to be controlled by the Group. This falls under AASB 1058 and the revenue is recognised over time as the asset is acquired or constructed.

Note 3.3: Fees and charges

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Course fees and charges					
Fee-paying onshore overseas students		111,082	92,772	111,082	92,772
Vocational Educational and Training		45,827	49,210	45,827	49,210
Continuing education		9,536	8,498	9,536	8,498
Fee-paying domestic postgraduate students		4,804	64	4,804	64
Fee-paying domestic undergraduate students		-	80	-	80
Fee-paying domestic non-award students		1,083	693	1,083	693
Total course fees and charges		172,332	151,317	172,332	151,317
Other non-course fees and charges					
Application fees		17	63	17	63
Administration fees and charges		1,223	504	1,182	456
Student services fees from students	38.7	1,803	1,337	1,803	1,337
Other		4,490	1,594	1,107	144
Total other non-course fees and charges		7,534	3,498	4,109	2,000
Total fees and charges		179,866	154,815	176,441	153,317

Note 3.3: Fees and charges (continued)

Accounting Policy

Student fees and charges

Course fees and charges relate to undergraduate programs, graduate and professional degree programs, and continuing education and executive programs. It excludes fees and charges for Commonwealth Government funded courses (this is categorised separately as Australian Government Financial Assistance). This falls under AASB 15 and the revenue is recognised over time as the students receive the tuition services over the semester.

When the courses or training have been paid in advance by students or the Group has received the government funding in advance, the Group recognises a contract liability until the services are delivered.

There is no significant financing component, as the period from when the student pays and the service is provided is less than 12 months and the consideration is not variable.

Non-course fees and charges

Student service and amenities fee revenue is derived when a student pays the fee up-front to the University (and does not enter into a SA-HELP loan arrangement with the Commonwealth Government if eligible to do so). This falls under AASB 15 and the revenue is recognised over time as the students receive the student services and amenities.

Other non-course fees and charges revenue relates to the use of facility charges, commercial sales, accommodation services and other miscellaneous revenue. Revenue is recognised when the Group satisfies a performance obligation by transferring a good / service to a customer.

The revenue is recognised:

- Over time when the service is provided over the defined period.
- At a point in time when the goods / service is in relation to the completion of sufficiently specific performance obligations.

Note 3.4: Consultancy and contract fees

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Contract research	50,063	40,970	30,645	25,881
Total consultancy and contract fees	50,063	40,970	30,645	25,881

Accounting Policy

Contract research

Contract research revenue represents grants received from non-government and government entities that relate to research and experimental development. Each research project is reviewed individually with regard to the enforceability and sufficiently specific performance obligations criteria to determine whether AASB 15 or AASB 1058 applies. Contract research is deemed to have sufficiently specific performance obligations if there is an obligation to provide to the customer or on behalf of the customer

- Comprehensive academic paper
- Publishing research data and results on an ongoing basis in an openly accessible repository as requested by the grantor or
- Intellectual property

Depending upon the nature of the promise, the consolidated entity either recognizes revenue at a point in time when the promise is delivered, or research or service is performed. Where the consolidated entity recognizes revenue as the research or service is performed, it may use costs incurred to measure progress towards satisfying performance obligations.

Note 3.5: Other income and revenue

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Other income				
Donations – CDU Foundation Trust and other	1,371	1,741	1,088	1,382
Scholarships and prizes	2,453	1,721	2,453	1,721
Financial assistance/grants	6,655	6,712	3,095	3,968
Total other income	10,479	10,174	6,636	7,071
Other revenue				
Sales	4,025	3,529	5,393	4,594
Facility and equipment hire	1,596	1,189	1,596	1,189
Catering	104	162	104	162
Guest accommodation	313	2,780	369	2,851
Other	3,616	473	3,743	545
Total other revenue	9,654	8,133	11,205	9,341
Total other revenue and income	20,133	18,307	17,841	16,412

Accounting Policy

Donations

Donations and bequests consist of voluntary, unencumbered gifts where no material benefit or advantage is received by the donor. All donations and bequests fall under AASB 1058 (as there are no material obligations or conditions) and the revenue is recognised when received.

Scholarships and prizes

Scholarships and prizes represent funds received by the Group from non-government entities to provide support to students to further their education. This falls under AASB 15 and the revenue is recognised over time as the scholarships and prizes are provided to students.

Financial Assistance and Grants

Financial assistance and grants represent funds received by the Group from government and non-government entities to provide financial support for specific activities, programs, or purposes, which may include support for students, research activities, or operational initiatives.

Where the funding arrangements give rise to enforceable obligations and sufficiently specific performance obligations, the income is accounted for under AASB 15 and recognised over time. However if the arrangements do not give rise to enforceable obligations, then AASB1058 applies and revenue is recognised when received.

Sale of goods

Sale of goods includes the sale of livestock, books, food and drink. This falls under AASB 15 and the revenue is recognised when the promised goods are provided to the customer (i.e. when the customer obtains control).

Hire and guest accommodation

Facility and equipment hire and guest accommodation includes hire of university spaces and student accommodation. This falls under AASB 15 and the revenue is recognised when the promised goods are provided to the customer (i.e. when the customer obtains control).

Rendering of services

Sale of services includes the provision of medical examinations, internet access and catered functions. This falls under AASB 15 and the revenue is recognised when the promised service is provided to the customer.

Other revenue

Other revenue consists of other small revenue items that are not classified elsewhere the revenue is recognised when earned.

Note 3.6: Revenue and Income from continuing operations

Basis for disaggregation

Revenue streams disclosed below are considered to be different in nature, amount, timing and uncertainty.

Sources of funding

The Group receives funds from the Australian Government as well as State and Local Government to assist with education programs across a wide range of disciplines and at different education qualification levels. Apart from the sources received from Government, the Group also receives funds and fees from private organisations or individuals that are used for the different programs, including research programs across a wide range of disciplines led by the Group or corresponding to the education services provided by the Group.

Revenue and income streams

The streams are distinguishing the different activities performed by the Group as well as acknowledging the different type of users of the programs and services provided:

- I. Course fees and charges: The Group has domestic and overseas students enrolled in a variety of programs for different qualification levels. Whilst the number of domestic students is affected by national economic factors such as interest rates or unemployment, the overseas students are also impacted by the changes in the immigration policies.
- II. Research: The Group performs research activities in different fields such as health, engineering, education, the environment and sciences. The Group enters into many different types of research agreements with different counterparties, such as with private sector customers and Government agencies that award research grants. Each grant agreement needs to be assessed as to whether it is an enforceable arrangement and contains sufficiently specific promises to transfer outputs from the research to the customer (or at the direction of the customer). Judgement is required in making this assessment. The Group has concluded that some research agreements represent a contract with a customer whereas other research grants are recognised as income when the Group obtains control of the research funds.
- III. Non-course fees and charges: these correspond to some recurrent grants, capital grants and commercial sales such as accommodation, books and facility hire amongst others.

Note 3.6: Revenue and Income from continuing operations (continued)

	Consolidated Sources of Funding					For the year ended 31 December 2025			
	Higher Education Loan Program \$'000	Student fees \$'000	Australian Government financial assistance \$'000	Government financial assistance \$'000	NT Government financial assistance \$'000	Donations \$'000	Others \$'000	Revenue from contracts with customers \$'000	Total Income of not-for-profit entities \$'000
Revenue and income streams									
Course fees and charges									
Fee-paying onshore overseas students	-	111,082	-	-	-	-	-	111,082	-
Fee-paying domestic students	37,237	66,846	73,970	-	-	-	-	178,053	-
Other administration fees and charges	-	7,534	-	-	-	-	-	7,534	-
Total course fees and charges	37,237	185,462	73,970	-	-	-	-	296,669	-
Research									
Research goods and services	-	-	8,005	-	-	-	-	2,831	5,174
Research income	-	-	41,779	-	-	-	50,063	50,063	41,779
Total research	-	-	49,784	-	-	-	50,063	52,894	46,952
Non-course fees and charges									
Recurrent Government grants	-	-	20,956	15,256	-	-	-	-	36,213
Other Government grants	-	-	13,747	-	-	-	-	1,617	12,130
Capital grants	-	-	12,587	2,341	-	-	-	-	14,928
Commercial sales	-	-	-	-	-	-	6,038	6,038	-
Other	-	-	-	-	-	1,371	12,724	12,724	1,371
Total non-course fees and charges	-	-	47,290	17,597	-	1,371	18,762	20,379	64,642
Total revenue from contracts with customers	37,237	185,462	78,418	-	-	-	68,825	369,942	-
Total income of not-for-profit	-	-	92,626	17,597	1,371	1,371	-	-	111,594

Note 3.6: Revenue and Income from continuing operations (continued)

	Consolidated Sources of Funding					For the year ended 31 December 2024		
	Higher Education Loan Program \$'000	Student fees \$'000	Australian Government financial assistance \$'000	NT Government financial assistance \$'000	Donations \$'000	Others \$'000	Total Revenue from contracts with customers \$'000	Total Income of not-for-profit entities \$'000
Revenue and income streams								
Course fees and charges								
Fee-paying onshore overseas students	-	92,772	-	-	-	-	92,772	-
Fee-paying domestic students	36,008	62,844	63,790	-	-	-	162,642	-
Other administration fees and charges	-	3,499	-	-	-	-	3,499	-
Total course fees and charges	36,008	159,115	63,790	-	-	-	258,913	-
Research								
Research goods and services	-	-	7,250	-	-	40,970	48,075	145
Research income	-	-	35,527	-	-	-	-	35,527
Total research	-	-	42,777	-	-	40,970	48,075	35,672
Non-course fees and charges								
Recurrent Government grants	-	-	-	15,632	-	-	10,872	4,760
Other Government grants	-	-	6,549	-	-	-	6,549	-
Capital grants	-	-	1,216	3,053	-	-	-	4,269
Commercial sales	-	-	-	-	-	7,660	7,660	-
Other	-	-	24,308	-	1,741	8,906	24,308	10,647
Total non-course fees and charges	-	-	32,073	18,685	1,741	16,566	49,389	19,676
Total revenue from contracts with customers	36,008	159,115	101,897	10,872	-	48,485	356,377	-
Total income of not-for-profit	-	-	36,743	7,813	1,741	9,051	-	55,348

Note 3.6: Revenue and Income from continuing operations (continued)

	Parent Sources of Funding					For the year ended 31 December 2025			
	Higher Education Loan Program \$'000	Student fees \$'000	Australian Government financial assistance \$'000	Government financial assistance \$'000	NT Government financial assistance \$'000	Donations \$'000	Others \$'000	Revenue from contracts with customers \$'000	Total Income of not-for-profit entities \$'000
Revenue and income streams									
Course fees and charges									
Fee-paying onshore overseas students	-	111,082	-	-	-	-	-	111,082	-
Fee-paying domestic students	37,237	66,846	73,970	-	-	-	-	178,053	-
Other administration fees and charges	-	4,109	-	-	-	-	-	4,109	-
Total course fees and charges	37,237	182,037	73,970	-	-	-	-	293,244	-
Research									
Research goods and services	-	-	4,783	-	-	-	-	2,706	2,077
Research income	-	-	23,249	-	-	-	30,645	30,645	23,249
Total research	-	-	28,032	-	-	-	30,645	33,351	25,326
Non-course fees and charges									
Recurrent Government grants	-	-	20,956	9,280	-	-	-	-	30,236
Other Government grants	-	-	9,147	-	-	-	-	1,617	7,530
Capital grants	-	-	12,587	2,341	-	-	-	-	14,928
Commercial sales	-	-	-	-	-	7,462	-	7,462	-
Other	-	-	-	-	-	1,088	9,291	9,291	1,088
Total non-course fees and charges	-	-	42,690	11,621	-	1,088	16,753	18,370	53,782
Total revenue from contracts with customers	37,237	182,037	78,293	-	-	-	47,398	344,965	-
Total income of not-for-profit	-	-	66,398	11,621	-	1,088	-	-	79,107

Note 3.6: Revenue and Income from continuing operations (continued)

	Parent Sources of Funding					For the year ended 31 December 2024			
	Higher Education Loan Program \$'000	Student fees \$'000	Australian Government financial assistance \$'000	Government financial assistance \$'000	NT Government financial assistance \$'000	Donations \$'000	Others \$'000	Revenue from contracts with customers \$'000	Total Income of not-for-profit entities \$'000
Revenue and income streams									
Course fees and charges									
Fee-paying onshore overseas students	-	92,772	-	-	-	-	-	92,772	-
Fee-paying domestic students	36,008	62,844	63,790	-	-	-	-	162,643	-
Other administration fees and charges	-	2,000	-	-	-	-	-	2,000	-
Total course fees and charges	36,008	157,616	63,790	-	-	-	-	257,415	-
Research									
Research goods and services	-	-	5,205	-	-	-	25,811	30,940	145
Research income	-	-	22,706	-	-	-	-	-	22,706
Total research	-	-	27,911	-	-	-	25,881	30,940	22,852
Non-course fees and charges									
Recurrent Government grants	-	-	-	9,287	-	-	-	9,287	-
Other Government grants	-	-	6,549	-	-	-	-	6,549	-
Capital grants	-	-	1,216	3,053	-	-	-	-	4,269
Commercial sales	-	-	-	-	-	-	8,795	8,795	-
Other	-	-	19,649	-	-	1,382	6,234	19,647	7,618
Total non-course fees and charges	-	-	27,414	12,340	-	1,382	15,029	44,278	11,887
Total revenue from contracts with customers	36,008	157,616	95,046	9,287	-	-	34,676	332,633	-
Total income of not-for-profit	-	-	24,069	3,053	1,382	6,234	34,738	-	34,738

Note 3.7: Reconciliation of revenue and income

The following table reconciles the amounts disclosed in Notes 3.1 to 3.5 which contain the mandatory disclosures required by required by the Australian Government Department of Education and the disclosures provided in Note 3.6 as per AASB 15 and AASB 1058:

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Revenue and income from continuing operations					
Australian Government financial assistance					
Australian Government grants	3.1	171,044	138,640	144,691	119,113
HELP- Australian Government payments	3.1	37,237	36,008	37,237	36,008
NT Government financial assistance	3.2	17,597	18,685	11,621	12,340
HECS- HELP student payments		5,596	4,300	5,596	4,300
Fees and charges	3.3	179,866	154,815	176,441	153,317
Consultancy and contract fees	3.4	50,063	40,970	30,645	25,881
Other revenue and income	3.5	20,133	18,307	17,841	16,412
Total		481,536	411,725	424,072	367,371
Total revenue from contracts with customers as per AASB15	3.6	369,942	356,377	344,965	332,633
Total income of not-for-profit as per AASB1058	3.6	111,594	55,348	79,107	34,738
Total revenue and income from continuing operations		481,536	411,725	424,072	367,371

Note 4: Investment revenue

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Interest		11,606	12,057	8,514	8,955
Dividends		324	742	165	623
Total investment revenue		11,930	12,799	8,679	9,578

Accounting Policy

Investment revenue

Interest income is recorded using the effective interest rate (EIR) for all financial instruments measured at amortised cost and debt instruments measured at fair value through other comprehensive income. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Dividend revenue is recognised at the point in time the Group's right to receive payment has been established.

Note 5: Employee-related expenses

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Academic				
Salaries	78,621	67,164	76,723	65,921
Contributions to funded superannuation and pension schemes	16,582	11,326	12,840	11,185
Payroll tax	7,042	4,741	5,381	4,665
Worker's compensation	330	723	330	723
Long service leave	2,353	1,538	1,818	1,505
Annual leave	13,354	9,941	9,452	9,832
Total academic	118,282	95,434	106,544	93,831
Non-academic				
Salaries	98,497	94,553	71,169	70,173
Contributions to funded superannuation and pension schemes	13,916	17,503	13,768	14,220
Payroll tax	5,317	6,147	5,243	4,864
Worker's compensation	862	618	862	618
Long service leave	1,971	3,030	1,942	2,348
Annual leave	9,925	14,708	9,758	10,487
Other	86	140	86	140
Total non-academic	130,574	136,700	102,828	102,851
Total employee related expenses	248,856	232,134	209,372	196,682

Accounting Policy

Wages and salaries

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements (other than annual and long service), worker's compensation, and termination payments.

Superannuation

The Group recognises amounts payable to defined contribution schemes as an expense in the Income Statement in the period that the service has been rendered by the employee.

Annual Leave

Annual leave is classified as a current provision as the Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period, however the liability is not expected to be settled

in full within twelve months of the reporting period. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 6: Depreciation

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Depreciation					
Buildings		16,840	12,865	16,840	12,865
Plant and equipment		4,738	3,692	4,228	3,119
Leasehold improvements		423	456	423	456
Land improvements		1,273	1,219	1,273	1,219
Books and periodicals		429	425	429	425
Right of use assets	19(b)	4,425	4,396	4,276	4,252
Total depreciation		28,128	23,053	27,469	22,336

Accounting Policy

Land and Works of Art are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

	2025	2024
Buildings	15 – 80 years	15 – 80 years
Building improvements	5 – 65 years	5 – 65 years
Leasehold improvements and land improvements	Useful life or unexpired period of the lease, whichever is shorter	Useful life or unexpired period of the lease, whichever is shorter
Plant and equipment	3 – 25 years	3 – 25 years
Library books and periodicals	10 years	10 years
Right of use assets	2 – 5 years	2 – 5 years

Note 7: Repairs and maintenance

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Building maintenance	885	1,016	874	976
Grounds maintenance	877	357	877	357
Electrical works	1,899	1,295	1,899	1,295
Air-conditioning	1,746	1,854	1,746	1,854
Building energy maintenance	768	822	768	822
Repairs and maintenance information technology	503	152	382	143
Plumbing	1,273	1,181	1,273	1,181
Repairs and maintenance general	624	617	305	366
Total repairs and maintenance	8,575	7,294	8,124	6,995

Accounting Policy

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case, the costs are capitalised and depreciated. Other routine operating maintenance, repair and minor renewal costs are also recognised as expenses, as incurred.

Note 8: Impairment of assets

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Property, plant and equipment - Buildings	1,569	-	1,569	-
General debts	15	28	15	28
Student debts	357	259	357	259
Total impairment of assets	1,941	287	1,941	287

Accounting Policy

Impairment of assets

Non-financial assets are reviewed for impairment when indicators exist. Recoverable amount is determined as fair value based on current utilisation, supported by independent valuation (performed every three years) and annual desktop valuation updates. An impairment loss is recognised where carrying amount exceeds fair value. For revalued assets, impairment losses are treated as revaluation decrements and offset against any revaluation surplus for the relevant class, with any excess recognised in profit or loss.

During the year, an impairment assessment was undertaken for the Alice Springs Trades Training Centre (Building 13) in accordance with AASB 136. Indicators of impairment included sustained underutilisation of the facility, ongoing challenges in recruiting qualified staff, and reduced student demand relative to capacity. As a result, the recoverable amount of the asset was reassessed and determined to be lower than its carrying amount. Accordingly, an impairment loss of \$1.569 million was recognised during the reporting period.

Impairment of financial assets, including general and student debts, is recognised under expected credit loss principles in accordance with AASB 9 Financial Instruments. Refer to Note 11 for further details on financial asset impairment.

Note 9: Other expenses

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Scholarships, grants and prizes	49,428	38,423	56,394	44,452
Non-capitalised equipment	2,573	4,011	2,395	3,821
Advertising, marketing and promotional expenses	7,714	6,925	7,427	6,648
Commission (Agent Fees)	10,036	8,212	10,036	8,212
Materials	15,436	11,219	18,215	13,859
Stationery, photocopying and postage	3,495	2,957	3,267	2,772
Licenses, fees and charges	14,627	13,448	14,072	13,170
Travel, staffing and related costs	14,427	11,716	10,779	8,881
Utilities and facilities management	17,964	16,514	17,307	15,928
Interest on borrowings	2,220	2,193	2,220	2,193
low value / short term leases	2,603	2,671	1,928	2,106
Motor vehicle expenses	793	776	690	696
Insurance	4,482	3,813	4,015	3,369
Inventory used	786	1,024	786	1,024
Consultants- teaching	49	853	49	853
Contractors	15,508	22,109	7,988	16,429
Labour hire	1,248	1,514	557	966
Professional Services	2,311	883	2,311	322
Consultants- general	5,524	2,543	4,018	1,661
Communications	2,296	2,332	2,116	2,171
Audit of financial statements	397	313	299	218
Other Interest Expense	2,447	2,752	2,446	2,745
Miscellaneous	2,087	2,045	1,935	1,860
Total other expenses	178,451	159,246	171,250	154,356

Note 10: Cash and cash equivalents

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash at bank and on hand	95,873	45,148	93,109	40,525
Cash at bank- at call account	15,301	16,333	1,225	625
Term deposits (maturity of 90 days or less)	20,000	40,000	20,000	40,000
Total cash and cash equivalents	131,174	101,481	114,334	81,150

(a) Reconciliation to cash at the end of the year

The above figures are reconciled to cash at the end of the year as shown in the Statement of Cash Flows as follows:

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Balances as above	131,174	101,481	114,334	81,150
Balance per Statement of Cash Flows	131,174	101,481	114,334	81,150

Note 10: Cash and cash equivalents (continued)

Accounting Policy

Cash and cash equivalents

For the statement of cash flow presentation purposes, cash and cash equivalents includes cash-on-hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of 90 days or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(b) Cash at bank and on hand

The cash at bank and on hand include cash held in operating and replenishing bank accounts which are subject to a variable interest rate between 3.85% and 4.60% (2024 – 4.60%).

(c) At call

The cash at bank at call account is subject to variable interest rates of 0.25% (2024 - 0.25% and 3.30%).

(d) Term deposits (maturity of 90 days or less)

The deposits are bearing floating interest rates between 4.00% and 5.01% (2024 – 4.35% and 4.80%). These deposits have a maturity date of 90 days or less or at notice.

(e) Bank guarantees

The University has six bank guarantees totalling \$1.65 million (2024: \$1.055 million) for the lease of level 7, 10 & 11, 815-825 George Street, Sydney, Level 10 and 11, 410 Ann Street, Brisbane, Auditorium & Level 2 187-189 Thomas Street, Sydney and Level 2 1010 La Trobe Street, Melbourne

Note 11: Receivables

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current				
Trade receivables	4,942	13,160	3,726	12,260
Student fees	13,519	2,057	13,519	2,057
GST receivable	1,459	1,135	1,435	1,069
Less: Provision for impaired receivables	(487)	(815)	(487)	(815)
Total receivables	19,433	15,537	18,193	14,571

Accounting Policy

Trade receivables

Trade receivables are recognised initially at fair value being original invoice amount, subsequently measured at amortised cost, less provision for impairment. Trade receivables are due for settlement within no more than 30 days.

Impairment

For trade receivables, the Group applies a simplified approach in calculating expected credit losses (“ECLs”). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Note 11: Receivables (continued)

As of 31 December 2025, trade receivables of the Group with a nominal value of \$2,861,685 (2024: \$2,367,556) were past due but not impaired. These relate to a number of independent customers and students for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
The ageing of these receivables is:				
1 to 3 months	2,476	1,584	1,958	1,469
3 to 6 months	115	631	115	236
Over 6 months	271	153	271	153
Total	2,862	2,368	2,343	1,858

Set out below is the movement in the allowance for expected credit losses of trade and student fee receivables:

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	815	1,315	815	1,315
Provisions for expected credit losses	372	287	372	287
Receivables written off during the year as uncollectible	(699)	(787)	(699)	(787)
At 31 December	487	815	487	815

Information about the credit exposures are disclosed in Note 36 Financial Risk Management.

Note 12: Inventories

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
CDU Bookshop	629	613	629	613
Uniprint	41	48	41	48
Total inventories	670	661	670	661

Accounting Policy

Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials and, for work in progress and finished goods, direct labour and other directly attributable costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value represents the estimated selling price less costs of completion and costs necessary to make the sale.

Note 13: Biological assets

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cattle				
Carrying amount at 1 January	898	1,249	898	1,249
Loss from changes to fair value less estimated point of sale costs	(107)	(288)	(107)	(288)
Purchases	55	27	55	27
Sales	(330)	(352)	(330)	(352)
Births	296	279	296	279
Deaths	(12)	(17)	(12)	(17)
Carrying amount at 31 December	800	898	800	898
Horses				
Carrying amount at 1 January	119	165	119	165
Loss from changes to fair value less estimated point of sale costs	(29)	(47)	(29)	(47)
Purchases	22	18	22	18
Sales / deaths	(25)	(17)	(25)	(17)
Carrying amount at 31 December	87	119	87	119
Total biological assets	887	1,017	887	1,017

Accounting Policy

Biological assets

Livestock consists of cattle and horses located at Katherine Rural Campus. Livestock are measured at their fair value less estimated point of sale costs. The fair value of the livestock is determined by an independent valuation based on market prices for livestock in the local area, at the time of sale. Changes in the fair value less estimated point of sale costs are recognised in the Income Statement in the year they arise. Purchases of livestock are recorded as cash flows used in operating activities.

There is no restriction on the title of the cattle and horses and the carrying amounts of the livestock have not been pledged as security for liabilities.

In 2025 the fair value of biological assets is based on the valuation performed by Beansville Livestock & Property Pty Ltd.

As at 31 December 2025, the University had no commitment to purchase any livestock.

Livestock comprised 474 cattle and 13 horses (2024: 568 cattle and 14 horses).

Note 14: Other financial assets

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current				
Accrued interest receivable	1,240	1,711	999	1,215
Contract assets	11,451	12,069	11,451	12,069
Fair value through other comprehensive income (FVOCI)	-	23,128	-	23,128
Term deposits (maturity greater than 90 days)	105,000	83,500	75,000	68,500
Total current	117,691	120,408	87,450	104,912
Non Current				
Fair value through other comprehensive income (FVOCI)	1,999	1,880	-	-
Total non current	1,999	1,880	-	-
Total other financial assets	119,691	122,288	87,450	104,912

All investments in IDP Education Ltd measured at fair value in 2024 were sold during 2025 on the Australian Stock Exchange.

A franking credit receivable of \$22.8m (2024: \$22.8m) relating to the divestment of Education Australia Limited has not been recognised as an asset, as the claim is currently under review by the Australian Taxation Office. The benefit will be recognized when it is probable that the claim will be accepted and can be reliably measured.

The deposits are bearing floating interest rates between 4.00% and 5.01% (2024 - 4.35% and 5.39%). These deposits have an average maturity of 138 days (2024 - 115 days).

Accounting Policy

Contract assets

The University's right to consideration in exchange for goods or services that the University has transferred to the customer when that right is conditional on the delivery of sufficiently specific outcomes other than the passage of time.

(a) Allowances for financial instruments other than receivables

The Group has evaluated its financial instruments, including loans, investments, and other financial assets, in accordance with *AASB9 Financial Instruments*. As of the reporting date, there are no specific allowances established for financial instruments other than receivables (2024 - nil).

The information about the credit exposures is disclosed in Note 36 Financial risk management.

Note 14: Other financial assets (continued)

Accounting Policy

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets are classified at initial recognition and subsequently measured at amortised cost, fair value through Other Comprehensive Income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in five categories:

- (Other) financial assets at amortised cost
- (Other) financial assets at fair value through Other Comprehensive Income
- Investments in equity instruments designated at fair value through Other Comprehensive Income
- (Other) financial assets at fair value through profit or loss
- (Other) financial assets designated at fair value through profit or loss.

i) Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and

- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables, and loans to related parties.

ii) Financial assets at fair value through Other Comprehensive Income

The Group measures financial instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For financial instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the Income Statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

The Group's financial instruments at fair value through OCI includes investments in quoted financial instruments included under other non-current financial assets.

iii) Investments in equity instruments designated at fair value through Other Comprehensive Income

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under AASB9 Financial Instruments and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the Income Statement when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Note 14: Other financial assets (continued)

The Group elected to irrevocably classify its non-listed equity investments under this category.

iv) Financial assets at fair value through profit or loss (including designated)

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for financial instruments to be classified at amortised cost or at fair value through OCI, as described above, financial instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the Statement of Financial Position at fair value with net changes in fair value recognised in the Income Statement.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the Income Statement when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's Statement of Financial Position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated entity Statement of Financial Position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Impairment of financial instruments other than receivables

The Group recognises an allowance for expected credit losses (ECLs) for all financial instruments other than receivables not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For financial instruments at fair value through OCI, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the financial instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the financial instrument. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Note 15: Other assets

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Prepayments	12,685	11,418	12,194	10,829
Deposits	90	89	-	-
Total other assets	12,775	11,507	12,194	10,829

Note 16: Investments accounted for using the equity method

(a) Associates

Name of Entity	Place of business / country of incorporation	Measurement method	Quoted Fair Value		Ownership interest	
			2025 \$'000	2024 \$'000	2025 %	2024 %
FCD Health Limited	Australia	Equity	2,202	1,676	50	50
South Australian Tertiary Admissions Centre Limited	Australia	Equity	678	522	20	20
			2,881	2,198		

Accounting Policy

Associates

Associates are all entities over which the Group has significant influence but not control. Investments in associates are accounted for in the parent entity financial statements using the cost method or the equity method, and in the consolidated entity financial statements using the equity method of accounting, after initially being recognised at cost.

The Group's share of its associates' post acquisition profits or losses is recognised in the Income Statement, and its share of post acquisition movements in reserves is recognised in reserves. The cumulative post acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised in the parent entity's Income Statement, while in the consolidated entity financial statements they reduce the carrying amount of the investment.

The Parent Entity has a 50% interest in FCD Health Limited, a company limited by guarantee, incorporated and operating in Australia. The principal activity is the provision of medical services and training.

The Parent Entity has a 20% interest in South Australian Tertiary Admissions Centre Limited (SATAC), a not for profit body operating in Australia, incorporated in July 2017. The principal activity is the processing of applications, assessing qualifications, ranking applicants and making offers to courses at TAFE SA and the four Universities that form part of the administration agreement.

Note 16: Investments accounted for using the equity method (continued)

Summarised financial information in respect of the Associates is set out below:

	FCD Health		SATAC		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial position						
Current assets	2,267	1,819	970	853	3,237	2,672
Non-current assets	163	112	458	554	621	666
Total assets	2,430	1,931	1,428	1,407	3,858	3,338
Current liabilities	80	255	265	435	345	690
Non-current liabilities	147	-	485	451	632	451
Total liabilities	227	255	750	886	977	1,141
Net assets	2,202	1,676	678	521	2,881	2,197

Summarised financial information in respect of the Associates is set out below:

	FCD Health		SATAC		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Reconciliation of carrying amount						
Balance at 1 January	1,676	1,069	522	615	2,198	1,684
Share of profit / (loss) for the year	526	607	157	(94)	683	513
Balance at 31 December	2,202	1,676	678	521	2,881	2,197
Financial performance						
Revenues	3,503	3,049	2,200	1,952	5,703	5,001
Expenses	(2,977)	(2,442)	(2,043)	(2,046)	(5,020)	(4,488)
Net operating result before income tax	526	607	157	(94)	683	514

Note 17: Property, plant and equipment

GROUP	Land Improvements \$'000	Land Improvements \$'000	Buildings \$'000	Works of Art \$'000	Library Books and Periodicals \$'000	Plant and Equipment \$'000	Leasehold Improvements \$'000	Right-of-use assets \$'000	Work in Progress \$'000	TOTAL \$'000
At 1 January 2025										
- Cost	-	3,877	242,487	-	76	42,817	6,155	48,397	20,015	363,824
- Valuation	40,400	32,811	369,760	2,238	4,196	-	-	-	-	449,405
- Accumulated depreciation	-	(2,379)	(24,522)	-	(846)	(29,611)	(4,533)	(15,760)	-	(77,651)
Net book amount	40,400	34,309	587,725	2,238	3,426	13,206	1,622	32,637	20,015	735,578
Year Ended 31 December 2025										
Opening net book amount	40,400	34,309	587,725	2,238	3,426	13,206	1,622	32,637	20,015	735,578
Additions	-	1,119	17,506	-	35	7,709	-	7,650	10,471	44,491
Remeasurement of lease	-	-	-	-	-	-	-	(1,519)	-	(1,519)
Revaluation increment	5,655	6,456	29,899	545	1,215	-	-	-	-	43,770
Transfers	-	(7)	17,244	-	-	2,381	-	-	(19,618)	-
Disposals	-	-	-	-	-	(10)	-	-	-	(10)
Impairment loss recognised in profit or loss	-	-	(1,569)	-	-	-	-	-	-	(1,569)
Depreciation expense	-	(1,273)	(16,840)	-	(429)	(4,738)	(423)	(4,425)	-	(28,128)
Closing net book amount	46,055	40,604	633,965	2,783	4,248	18,549	1,199	34,344	10,868	792,614
At 31 December 2025										
- Cost	-	70	652	-	112	51,727	6,155	54,529	10,868	124,112
- Valuation	46,055	40,539	633,358	2,783	5,412	-	-	-	-	728,147
- Accumulated depreciation	-	(6)	(45)	-	(1,276)	(33,178)	(4,956)	(20,185)	-	(59,645)
Net book amount	46,055	40,604	633,965	2,783	4,248	18,549	1,199	34,344	10,868	792,614

Note 17: Property, plant and equipment (continued)

GROUP	Land Improvements \$'000	Land Improvements \$'000	Buildings \$'000	Works of Art \$'000	Library Books and Periodicals \$'000	Plant and Equipment \$'000	Leasehold Improvements \$'000	Right-of-use assets \$'000	Work in Progress \$'000	TOTAL \$'000
At 1 January 2024										
- Cost	-	581	7,055	-	40	34,118	6,010	40,065	193,260	281,133
- Valuation	40,400	32,811	369,760	2,238	4,196	2,838	-	-	-	452,243
- Accumulated depreciation	-	(1,160)	(11,657)	-	(421)	(26,216)	(4,077)	(11,508)	-	(55,039)
Net book amount	40,400	32,232	365,158	2,238	3,815	10,740	1,933	28,557	193,260	678,337
Year Ended 31 December 2024										
Opening net book amount	40,400	32,232	365,158	2,238	3,815	10,740	1,933	28,557	193,260	678,337
Additions	-	3,296	235,431	-	36	6,011	145	3,685	(173,245)	75,359
Remeasurement of lease	-	-	-	-	-	-	-	4,791	-	4,791
Disposals	-	-	-	-	-	(149)	-	-	(4)	(153)
Add back accumulated Depreciation	-	-	1	-	-	296	-	-	-	297
Depreciation expense	-	(1,219)	(12,865)	-	(425)	(3,692)	(456)	(4,396)	-	(23,053)
Closing net book amount	40,400	34,309	587,725	2,238	3,426	13,206	1,622	32,637	20,015	735,578
At 31 December 2024										
- Cost	-	3,877	242,487	-	76	39,979	6,155	48,397	20,015	360,986
- Valuation	40,400	32,811	369,760	2,238	4,196	2,838	-	-	-	452,243
- Accumulated depreciation	-	(2,379)	(24,522)	-	(846)	(29,611)	(4,533)	(15,760)	-	(77,651)
Net book amount	40,400	34,309	587,725	2,238	3,426	13,206	1,622	32,637	20,015	735,578

Note 17: Property, plant and equipment (continued)

PARENT ENTITY	Land Improvements \$'000	Land \$'000	Buildings \$'000	Works of Art \$'000	Library Books and Periodicals \$'000	Plant and Equipment \$'000	Leasehold Improvements \$'000	Right-of-use assets \$'000	Work in Progress \$'000	TOTAL \$'000
At 1 January 2025										
- Cost	-	3,877	242,486	-	76	31,196	6,155	48,228	20,015	352,033
- Valuation	40,400	32,811	369,761	2,238	4,196	-	-	-	-	449,407
- Accumulated depreciation	-	(2,379)	(24,521)	-	(846)	(19,282)	(4,533)	(15,760)	-	(67,321)
Net book amount	40,400	34,309	587,726	2,238	3,426	11,914	1,622	32,468	20,015	734,118
Year Ended 31 December 2025										
Opening net book amount	40,400	34,309	587,726	2,238	3,426	11,914	1,622	32,468	20,015	734,118
Additions	-	1,119	17,506	-	35	7,289	-	7,624	10,471	44,045
Remeasurement of lease	-	-	-	-	-	-	-	(1,521)	-	(1,521)
Revaluation increment	5,655	6,456	29,899	545	1,215	-	-	-	-	43,770
Transfers	-	(7)	17,244	-	-	2,381	-	-	(19,618)	-
Disposals	-	-	-	-	-	(2)	-	-	-	(2)
Impairment loss recognised in profit or loss	-	-	(1,569)	-	-	-	-	-	-	(1,569)
Depreciation expense	-	(1,273)	(16,840)	-	(429)	(4,228)	(423)	(4,276)	-	(27,469)
Closing net book amount	46,055	40,605	633,966	2,783	4,247	17,354	1,198	34,298	10,868	791,373
At 31 December 2025										
- Cost	-	70	652	-	111	40,256	6,155	54,333	10,868	112,444
- Valuation	46,055	40,540	633,359	2,783	5,412	-	-	-	-	728,149
- Accumulated depreciation	-	(5)	(44)	-	(1,276)	(22,902)	(4,956)	(20,036)	-	(49,219)
Net book amount	46,055	40,605	633,966	2,783	4,247	17,354	1,198	34,298	10,868	791,373

Note 17: Property, plant and equipment (continued)

	Land Improvements \$'000	Land Improvements \$'000	Buildings \$'000	Works of Art \$'000	Library Books and Periodicals \$'000	Plant and Equipment \$'000	Leasehold Improvements \$'000	Right-of-use assets \$'000	Work in Progress \$'000	TOTAL \$'000
PARENT ENTITY										
At 1 January 2024										
- Cost	-	581	7,055	-	40	25,647	6,010	39,752	193,260	272,345
- Valuation	40,400	32,811	369,761	2,238	4,196	-	-	-	-	449,406
- Accumulated depreciation	-	(1,160)	(11,657)	-	(421)	(16,251)	(4,077)	(11,508)	-	(45,074)
Net book amount	40,400	32,232	365,159	2,238	3,815	9,396	1,933	28,244	193,260	676,677
Year Ended 31 December 2024										
Opening net book amount	40,400	32,232	365,159	2,238	3,815	9,396	1,933	28,244	193,260	676,677
Additions	-	3,296	235,431	-	36	5,698	145	3,829	(173,245)	75,190
Remeasurement of lease Transfers	-	-	-	-	-	-	-	4,647	-	4,647
Disposals	-	-	-	-	-	(149)	-	-	-	(149)
Add back accumulated depreciation	-	-	-	-	-	88	-	-	-	89
Depreciation expense	-	(1,219)	(12,865)	-	(425)	(3,119)	(456)	(4,252)	-	(22,337)
Closing net book amount	40,400	34,309	587,726	2,238	3,426	11,914	1,622	32,468	20,015	734,118
At 31 December 2024										
- Cost	-	3,877	242,486	-	76	31,196	6,155	48,228	20,015	352,032
- Valuation	-	32,811	369,761	2,238	4,196	-	-	-	-	449,407
- Accumulated depreciation	40,400	(2,379)	(24,521)	-	(846)	(19,282)	(4,533)	(15,760)	-	(67,321)
Net book amount	40,400	34,309	587,726	2,238	3,426	11,914	1,622	32,468	20,015	734,118

Note 17: Property, plant and equipment (continued)

Accounting Policy

Property, Plant and Equipment

Land, buildings, land improvements, work of arts, and library books are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Work in progress (WIP) is measured at cost and represents assets under construction. Cost includes direct materials, direct labour and other directly attributable costs. WIP is not depreciated until the asset is complete and available for use, at which point it is transferred to the appropriate asset class.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land, land improvements, buildings, works of art and library books and periodicals are recognised, in Other Comprehensive Income and accumulated in equity under the heading Property, plant and equipment revaluation reserve. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are also firstly recognized in Other Comprehensive Income before reducing the balance of revaluation surpluses in equity, to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the income statement.

Charles Darwin University has adopted the policy of revaluing its land and buildings once every three years unless there is a material change in the market value. Marsh Limited carried out a physical valuation including site visits for a valuation of land, buildings, land improvements and Library Collections as at 31 December 2025 (2024 – Desktop valuation). The basis of the valuation was fair value methodology in accordance with AASB 13. The fair value was determined by reference to the asset's market price or depreciated replacement cost when there was no active market or readily available market evidence of sales of similar assets because of the specialized nature of the assets. Depreciated replacement cost represents the current cost to a market participant buyer to acquire or construct a substitute asset of comparable utility, adjusted for obsolescence, such as physical deterioration, functional (technological) obsolescence and economic (external) obsolescence.

All additions during 2025 have been recorded at cost which equates approximately to fair value.

During the year, the University recognised a material impairment loss in respect of one building as a result of sustained under-utilisation. The impairment reflects a reduction in the asset's service potential, and the building was written down to its recoverable amount, being fair value.

The determination of fair value was supported by both internal assessments and an independent external valuation, which took into account current and forecast utilisation of the building. No other University buildings were impaired during the year.

The works of art collections were revalued by Miller Fine Art in 2025. The basis of the valuation was fair value and is carried out every three years.

A right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

A right-of-use asset associated with land and buildings is subsequently measured at fair value.

Dependencies on concessionary leases

Menzies School of Health Research has two leases for the use of office buildings in Darwin. In 2012 Menzies Secured Commonwealth and NT Government capital funding for the development of two buildings, being at Royal Darwin Hospital and Charles Darwin University Campus. As part of the funding was the agreement to gift the buildings to both NT Department of Health and Charles Darwin University respectively. Those entities lease these facilities to Menzies on a peppercorn lease for 20 years. The buildings were completed in 2014 and Menzies uses these facilities to operate most of its Darwin-based operations. The lease agreements are for office, teaching and community spaces. The lease payments are for the consideration of \$1 per annum. These leases are classified as concessionary as they are peppercorn leases.

Note 18: Right-of-use assets

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Right-of-use assets building (tenancy)				
As at 1 January	32,254	27,922	32,091	27,615
Additions of right-of-use assets	7,650	3,683	7,624	3,827
Remeasurement of lease	(1,517)	4,659	(1,519)	4,659
Disposals of right-of-use assets	-	-	-	-
Depreciation charge	(4,188)	(4,010)	(4,039)	(4,010)
Balance at the end of the year	34,199	32,254	34,157	32,091
Right-of-use assets plant & equipment				
As at 1 January	383	635	377	629
Additions of right-of-use assets	-	-	-	-
Remeasurement of lease	(2)	(11)	-	(11)
Depreciation charge	(237)	(241)	(237)	(241)
Balance at the end of the year	144	383	140	377
Total right-of-use-assets	34,344	32,637	34,298	32,468

Note 19: Leases

(a) Lease liabilities

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current				
Plant & equipment	141	240	141	240
Building (tenancy)	4,131	3,683	4,095	3,544
Total lease liabilities - current	4,272	3,923	4,236	3,784
Non-current				
Plant & equipment	-	141	-	141
Building (tenancy)	31,574	29,625	31,574	29,625
Total lease liabilities - non-current	31,574	29,766	31,574	29,766
Total lease liabilities	35,846	33,689	35,811	33,550

Note 19: Leases (continued)

(b) Amount recognised in profit and loss

	Note	Group		Parent Entity	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Leases expense					
Interest on lease liabilities		560	619	559	612
Depreciation on right-of-use-assets	6	4,425	4,396	4,276	4,252
Total recognised in profit and loss		4,985	5,015	4,835	4,864

(c) Amount recognised in statement of cash flows

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Plant & equipment	242	251	242	251
Building (tenancy)	5,045	3,589	5,014	3,443
Total cash outflow for leases	5,287	3,840	5,256	3,694

Accounting Policy

Operating leases and rental expenses

Under AASB 16 Leases, right-of-use (ROU) assets and corresponding lease liabilities are recognised at the commencement date of the lease for all leases, except for short-term leases and leases of low-value assets. ROU assets are included within property, plant and equipment and lease liabilities are presented separately in the statement of financial position.

The leases held are for IT equipment and tenancy leases, these leases are recognised in accordance with AASB 16 and result in Right-of-Use Assets and Lease Liabilities.

The Right-of-Use Assets are depreciated on a straight-line basis. The depreciation expense and interest expense are recognised in the Income Statement.

Lease liability

A lease liability is initially measured at the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily determined, the incremental borrowing rate at the commencement date of the lease is used. Lease payments included in the measurement of lease liabilities comprise:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the

commencement date (e.g. payments varying on account of changes in CPI);

- Amounts expected to be payable by the lessee under residual value guarantees;
 - The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequently, the lease liability is measured at amortised cost using the effective interest rate method resulting in interest expense being recognised as a borrowing cost in the Income Statement. The lease liability is remeasured when there are changes in future lease payments arising from a change in an index or rate with a corresponding adjustment to the right-of-use asset, the adjustment amount is factored into depreciation of the right-of-use asset prospectively.

Right-of-use assets are presented within property, plant and equipment in Note 17 and lease liabilities are presented as Leases in Note 19.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e., when the value of the leased asset when new is \$10,000 or less. The Group recognises the lease payments associated with these leases as expenses on a straight-line basis over the lease term.

Note 20: Trade and other payables

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current				
Contract liabilities – Australian Government	18,510	24,651	18,510	24,651
Other Contract liabilities	110,285	90,072	78,874	56,546
Trade payables	2,642	4,001	2,413	3,824
Other payables	14,280	10,248	13,608	9,619
OS-HELP liability to Australian Government*	322	116	322	116
Commonwealth Prac Payment Liability	-	-	-	-
Total non-current trade and other payables	146,038	129,088	113,727	94,756
Non-current				
OS-HELP liability to Australian Government*	167	244	156	207
Total non-current trade and other payables	167	244	156	207
Total trade and other payables	146,205	129,332	113,883	94,963

*The Department of Education Guidelines require OS-HELP to be recorded as a liability as it considers that the University acts as an agent on behalf of the Australian Government in distributing the loans to students.

Accounting Policy

Trade and other payables

These amounts represent liabilities for goods and services supplied to the Group prior to the end of the financial year and which are unpaid. The amounts are unsecured and are normally paid within 30 days of recognition.

Contract liabilities

Contract liabilities arise from contracts with customers and represent amounts billed in accordance with customer contracts, but where the Group has not yet provided a good or service. Contract liabilities are recognised as revenue when the Group performs its obligations under the contract.

Note 21: Borrowings

The University signed a loan facility agreement with the Northern Territory Government on 24 September 2020 for the development of the Charles Darwin University Education and Community Precinct and the upgrades to the infrastructure at the Casuarina campus. The loan facility amount is \$151.5 million, to date the University has drawn down \$126.5 million as of 31 December 2025.

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current				
Borrowings- Northern Australia Infrastructure Facility	126,500	126,500	126,500	126,500
Total non-current borrowings	126,500	126,500	126,500	126,500
Total borrowings	126,500	126,500	126,500	126,500

Note 21: Borrowings (continued)

Under the loan agreement established with the Northern Australia Infrastructure Facility (NAIF), the University is required to make repayments in accordance with the agreed repayment schedule. The interest rate for each period comprises a base rate and a variable margin, beginning at 0.20% per annum for the initial decade and increasing to 0.50% per annum after 21 years from 24 September 2020.

Interest is payable half-yearly on 15 June and 15 December until the maturity date of 31 March 2048. The agreement requires repayment to commence after the 10th anniversary of completion of construction, with full repayment by the maturity date. Overdue amounts attract additional interest at 2% per annum above the applicable rate.

The loan is unsecured. The University is required to comply with contractual obligations under the facility and was in compliance with these requirements during the reporting period.

The loan is classified as current and non-current based on contractual repayment obligations. Amounts due within 12 months are classified as current liabilities, with the remaining balance classified as non-current liabilities.

Accounting Policy

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Income Statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not incremental costs relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and

the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date and does not expect to settle the liability for at least 12 months after the reporting date.

Financing costs

Financing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. All other financing costs are recognised as an expense when incurred.

Note 22: Provisions

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave	18,766	17,621	15,244	14,363
Long service leave	17,860	16,833	15,258	14,294
Employee Redundancy	40	-	-	-
Other – Carpentry remediation	1,972	-	1,972	-
Total current provisions	38,638	34,454	32,474	28,657
Non-current provisions				
Employee benefits				
Long service leave	3,473	2,790	2,893	2,353
Total non-current provisions	3,473	2,790	2,893	2,353
Total provisions	42,111	37,244	35,367	31,010

There were 1,401 equivalent full time and fixed period contract employees at the end of 2025 and there were 1,279 equivalent full time and fixed period contract employees at the end of 2024.

In November 2025, following a change in program oversight within the Engineering and Construction team, a detailed review of delivery and assessment practices was undertaken across carpentry programs, including CPC30220 Certificate III in Carpentry. The review identified that, in some instances, required unit components had not been fully evidenced or formally recorded in alignment with training product requirements.

An independent review commenced on 23 February 2026 to examine contributing factors and assess strengthened delivery and assessment arrangements. It is expected that this review will highlight the extent of the issues and allow for a comprehensive costing to be completed. This issue is expected to be completed prior to 31 December 2026. Preliminary estimations into this issue suggest that additional costs will be required for student consumables, consultants, and reimbursed expenses to both students and their employees. University estimates have total costs of \$2 million to be provided. and \$4 million.

CDU has recognised a provision of \$1.97 million in respect of this matter. The provision represents management's best estimate of the present obligation at reporting date, determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*. The recognised amount reflects costs that are considered probable and can be reliably estimated at reporting date, with any remaining exposure within the estimated range not recognised as it does not meet the recognition criteria under AASB 137.

Note 22: Provisions (continued)

Accounting Policy

Employee benefits

(i) Short-term obligations

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before twelve months after the end of the reporting period and is recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

(ii) Other long-term obligations

Long-term obligations are those that are not expected to be settled wholly before twelve months after the end of the annual reporting period. Long-term employee benefits include such things as annual leave and long service leave liabilities.

The obligations are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Retirement benefit obligations

The Group does not have any retirement benefit obligations.

(iv) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Group recognises termination benefits when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of *AASB 137 - Provisions, Contingent Liabilities and Contingent Assets* that involves the payment of termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility or withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits are measured on initial recognition and subsequent changes are measured and recognised in accordance with the nature of the employee benefit. Benefits not expected to be settled wholly before twelve months after the reporting period are discounted to present value.

Note 23: Other liabilities

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Funds held in trust	-	-	42,727	42,727
Other	290	36	290	37
Total other liabilities	290	36	43,017	42,764

Note 24: Gain / (loss) on disposal of assets

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Proceeds on sale of property, plant and equipment	148	24	103	24
Less: Carrying amount of property, plant and equipment sold	-	(130)	(2)	-
Total (loss) / gain on disposal of assets	148	(106)	101	24
Gain / (loss) is disclosed in the income statement as follows:				
Gain on disposal of assets	148	-	101	24
Loss on disposal of assets	-	(106)	-	-
Total (loss) / gain on disposal of assets	148	(106)	101	24

Note 25: Reserves, restricted funds and retained earnings

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(a) Reserves				
Property, plant and equipment revaluation reserve	293,531	261,630	293,531	261,630
Available for sale assets revaluation reserve	115	23,240	-	23,127
Capital Asset reserve	720	717	-	-
Total reserves	294,366	285,587	293,531	284,757

Note 25: Reserves, restricted funds and retained earnings (continued)

MOVEMENTS	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Property, plant and equipment revaluation reserve				
Balance at 1 January	261,630	260,907	261,630	260,907
Revaluation surplus / (deficit) on:				
Land	5,655	-	5,655	-
Land improvements	6,456	-	6,456	-
Buildings	30,628	-	30,628	-
Library collection	1,215	-	1,215	-
Work of art	545	-	545	-
Sub-total	44,499	-	44,499	-
Impairment loss on Building recognised in OCI	(729)		(729)	
Transfer between equity accounts:				
Land, building, plant and equipment*	(11,870)	723	(11,870)	723
Balance at 31 December	293,531	261,630	293,531	261,630
FVOCI Financial assets revaluation reserve				
Balance at 1 January	23,240	37,426	23,127	37,418
Revaluation loss on financial assets at FVOCI	(6,414)	(14,186)	(6,414)	(14,291)
Transfer to Retained Earnings	(16,711)	-	(16,714)	-
Balance at 31 December	115	23,240	-	23,127
Capital assets reserve				
Balance at 1 January	717	717	-	-
Transfers from Retained Earnings	3	-	-	-
Balance at 31 December	720	717	-	-

*Depreciation-related transfers: During 2025, the University applied progressive realisation of the asset revaluation reserve for certain depreciable assets by transferring to retained earnings the portion of the revaluation surplus representing additional depreciation arising from revalued amounts, in accordance with paragraph 41 of AASB 116 Property, Plant and Equipment.

Note 25: Reserves, restricted funds and retained earnings (continued)

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(b) Restricted funds reserve				
Balance at 1 January	58,783	49,396	58,783	49,396
Adjustments via revenue	(1,739)	9,387	(1,739)	9,387
Balance at 31 December	57,044	58,783	57,044	58,783

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(c) Retained earnings				
Retained earnings at 1 January	319,096	326,157	277,128	290,407
Operating result for the period	28,346	2,918	15,379	(3,169)
Accumulated funds before transfers to reserves and restricted funds	347,442	329,075	292,507	287,238
Transfers (to) / from restricted funds	1,739	(9,387)	1,739	(9,387)
Transfer of property, plant and equipment revaluation reserve for retired assets	28,581	(723)	28,584	(723)
Related party disposal	-	131	-	-
Total retained earnings at 31 December	377,762	319,096	322,830	277,128

(d) Nature and purpose of reserves

Property, plant and equipment revaluation reserve

The property, plant and equipment revaluation reserve arises on the revaluation of non-current assets. Where a revalued asset is sold or retired, that portion of the asset revaluation reserve which relates to that asset, and is effectively realised, is transferred to retained earnings.

Capital assets reserve

Capital assets reserve arises from the need to plan the purchase of large capital items. Amounts transferred to the capital assets reserve are calculated on an annual basis.

Restricted funds reserve

Restricted funds arise where funds are received in advance and are subject to contractual obligations, including activity and financial acquittal.

Related party disposal

Upon dissolution in 2024, Bridging the Gap Foundation transferred all remaining funds, to Menzies, and have been recognised as part of the consolidated retained earnings.

Note 26: Key management personnel disclosures

(a) Names of responsible persons and executive officers

The following persons were responsible persons and executive officers of the Group during the financial year:

Council members

Hon Paul Henderson AO	Chancellor, Term ended 30 June 2025
Hon Trevor Riley AO KC	Chancellor, Appointed 1 July 2025
Professor Scott Bowman AO*	Vice-Chancellor and President, Term ended 5 May 2026
Professor Louise King*	Chair Academic Board, Ex Officio Member
Mr Ken Davies PSM	Deputy Chancellor, Member appointed by the Administrator
Mr Dick Guit OAM	Member appointed by the Administrator
Mr Craig Graham	Member appointed by the Administrator
Ms Susan Bowden	Member appointed by the Administrator
Mr Mark Munnich	Member appointed by the Administrator
Emeritus Professor Charles Webb	Member appointed by the Administrator
Dr Ruth Schubert	Member appointed by the Administrator
Mr Raymond Simpson	Members Elected by the Academic Staff (TAFE)
Associate Professor Jon Mason	Members Elected by the Academic Staff (HE)
Mr Mir Asif Hossain	Members Elected by Undergraduate Students
Mr Maged Mohamed Esmat Mohamed	Members Elected by Postgraduate Students
Mr Rodney Peake	Members Elected by Undergraduate Students
Mr Manoj Thapa	Members Elected by Postgraduate Students

(b) Executive officers

Professor Scott Bowman AO	Vice-Chancellor and President
Ms Shannon Holborn	Vice-President Global and External Relations
Mr Brendon Douglas	Vice-President Governance and University Secretary
Mr Rick Davies	Vice-President Corporate and Chief Financial Officer
Professor Fiona Coulson	Deputy Vice-Chancellor, Academic
Professor Steve Rogers	Deputy Vice-Chancellor, Research and Community Connection
Professor Reuben Bolt	Deputy Vice-Chancellor, First Nations Leadership resigned 25 July 2025
Professor Dominic Upton	Pro Vice-Chancellor Faculty of Health
Professor Ruth Wallace	Pro Vice-Chancellor First Nations Leadership
Professor Suresh Thennadil	Pro Vice-Chancellor, Faculty of Science and Technology
Mr Mike Hamilton	Pro Vice-Chancellor and Chief Executive Officer, CDU TAFE
Professor Louise King	Chair Academic Board
Professor Maneka Jayasinghe	Acting Pro Vice Chancellor, Faculty of Arts and Society

All of the above persons were key management persons during the year ended 31 December 2025.

*Council members may include the Group's employees who may be ex-officio members or elected staff members. No Council member (including Chancellor or Vice-Chancellor) has received any remuneration in his/her capacity as a Council member. Council members may also be executive officers of the parent entity. Where this is the case, they have been included in the following executive officer remuneration bands.

Note 26: Key management personnel disclosures (continued)

(c) Remuneration of Council members and executives

Remuneration paid or payable or otherwise made available to Council members and executives of the Group:

	Parent Entity	
	2025 Headcount	2024 Headcount
Remuneration of Council members		
Nil to \$14,999	15	16
Remuneration of executives		
Less than \$199,999	1	-
\$225,000 to \$239,999	-	2
\$240,000 to \$254,999	2	-
\$255,000 to \$269,999	-	-
\$270,000 to \$284,999	-	-
\$285,000 to \$299,999	-	1
\$300,000 to \$314,999	1	2
\$315,000 to \$329,999	2	-
\$330,000 to \$344,999	1	2
\$345,000 to \$359,999	1	1
\$360,000 to \$374,999	2	3
\$375,000 to \$399,999	2	1
\$630,000 to \$644,999	-	-
\$685,000 to \$699,999	1	1

(d) Key management personnel compensation

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Short-term employee benefits	5,774	6,038	3,835	3,917
Post-employee benefits*	769	754	552	533
Other long-term benefits	200	235	123	134
	6,743	7,027	4,510	4,584

* Superannuation is included in post-employee benefits.

(e) Loans to key management personnel

There were no loans provided to Council members or other key management personnel of the Group, including their personal related parties, during the year.

Note 27: Remuneration of auditors

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Audit services				
Fees paid to the Northern Territory Auditor-General's Office	397	313	299	218
Total remuneration for audit services	397	313	299	218

Note 28: Contingencies

Contingent liabilities

In 2021, the University identified an underpayment of casual employees engaged in professional and academic roles across a range of our business units/schools. It was found that there are underpayments due to non-payment of minimum engagement periods, where staff were rostered for one hour of work on occasion rather than the minimum of three. \$2.7m of the casual underpayment has been paid to December 2025, with an expected \$1.5m to \$4.5m remaining to be paid according to the University estimates. Payments to affected employees commenced in 2023 and are expected to be finalised in 2026. As a result of this incident, a change in casual timesheets has been implemented to ensure that the minimum hours are paid to casual staff in accordance with the enterprise agreement.

There were no other material contingent liabilities as at 31 December 2025.

Note 29: Commitments

(a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

BUILDING WORKS	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Payable:				
Within one year	3,046	13,253	3,046	13,253
Later than one year but not later than five years	-	-	-	-
Later than five years	-	-	-	-
	3,046	13,253	3,046	13,253

Better health building on Casuarina campus is \$8m of the 2024 Capital commitment and was completed in 2025. Ongoing projects in 2025 include the chiller replacement in Blue 5 at Casuarina, and the Nursing Sim lab construction in Melbourne.

Note 29: Commitments (continued)

(b) Lease

All leases of the Group are operating leases.

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(i) Short-term and low value leases				
Office equipment	45	65	45	65
Computing equipment	64	315	64	315
Total leases	109	380	109	380

(c) Revenue

During the year \$21.6 million (2024: \$2.8 million) was received in cash and is committed to fund specific capital projects, of the amounts received, \$7.5m for the Better Health building, and further \$4.9mil for the Menzies Medical Program teaching space (2024: \$2.8 million) is included in income from continuing operations for capital work performed.

Note 30: Related parties

(a) Parent entity

The parent entity is Charles Darwin University.

(b) Subsidiaries

Subsidiary include:

- Menzies School of Health Research (MSHR)

(c) Key management personnel

Disclosures relating to responsible persons and executive officers are set out in Note 26.

Note 30: Related parties (continued)

(d) Transactions with related parties

The following transactions took place with related parties:

Menzies School of Health Research (MSHR)	2025 \$'000	2024 \$'000
Income		
Other	1,657	1,460
Total income	1,657	1,460
Expenditure		
Student fees *	2,213	2,294
Projects	68	159
Research grant expenditure	10,543	8,185
Other	2,309	2,842
Total expenditure	15,133	13,840
Total transactions with related parties	(13,476)	(12,020)

*Student fee income was earned by Menzies School of Health Research from students enrolled with the University but undertaking course work with the Education Section of Menzies School of Health Research. The terms and conditions governing the payment of these fees are covered in Attachments One and Two of the Memorandum of Understanding signed between Menzies School of Health Research and the University in March 2004.

Effective from September 2015 Menzies School of Health Research liquid investments have been pooled with Charles Darwin University investments. As at 31 December 2025, the University holds \$42.7 million (2025: \$42.7 million) investment on behalf of Menzies School of Health Research (disclosed in Note 23).

FCD Health Limited

During the year ended 31 December 2025, the parent entity had no material transactions with FCD Health Limited.

South Australian Tertiary Admissions Centre Limited (SATAC)

During the year ended 31 December 2025, the University paid \$787,092 (2024: \$821,469) in member contributions and license fees to SATAC.

(e) Advances to/from related parties

During the year ended 31 December 2025, there were no loans to/from related parties.

Note 31: Subsidiaries

The consolidated entity financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(b):

		Equity Holding	
		2025 %	2024 %
Principal place of business			
Menzies School of Health Research	Building 58, Royal Darwin Hospital Campus, Rocklands Drive, Tiwi, NT 0810	100	100

On 2 January 2024, the directors of Bridging the Gap Foundation (the Company) decided to wind up the Company. In 2023, Bridging the Gap Foundation was unable to find another partner to become a fundraising entity, a self-reliant and financially independent charity, and continue its operation. In early 2023, Menzies School of Health Research decided not to support further the Company's operating costs to continue its operation. As such, Menzies School of Health Research and the Company undertook activities to commence the wind up of the Company. The directors of the Company formally endorsed the decision in early 2024, which the members subsequently agreed upon.

The change in the basis of preparation of the Company's annual financial statements has resulted in no impact on the classification and measurement of the Company's assets and liabilities as at 31 December 2025 and its comparative figures. No additional provisions have been recognised in relation to the costs expected to be incurred in winding up the Company.

Accounting Policy

Subsidiaries

The consolidated entity financial statements incorporate the assets and liabilities of all subsidiaries of Charles Darwin University (parent entity) as at 31 December 2025 and the results of all subsidiaries for the year/period then ended. Charles Darwin University and its subsidiaries together are referred to in this financial report as the Group.

Subsidiaries are all those entities (including structured entities) over which the Group has control. The Group has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power over the investee exists when the Group has existing rights that give it current ability to direct the relevant activities of the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing

whether the Group controls another entity. Returns are not necessarily monetary and can be only positive, only negative, or both positive and negative.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

There are no non-controlling interests.

Note 32: Joint operations

The University also participates in other joint venture entities for which the University's interest is not considered to be material. Accordingly, they have not been taken up in the accounts on an equity or proportional consolidation basis as per AASB11 Joint Arrangements.

Note 33: Economic dependency

The Group is funded predominantly from both the Australian and Northern Territory Government to meet proposed cash expenditure on both operational and capital items in the current financial year. These financial statements have been prepared on a going concern basis in the expectation that such funding will continue.

Note 34: Events subsequent to the end of the financial year

Subsequent to 31 December 2025, the University commenced the process to appoint a permanent Vice-Chancellor. As this event relates to circumstances arising after the reporting date, no adjustment has been made to the financial statements as at 31 December 2025.

Note 35: Reconciliation of operating result to net cash flows from operating activities

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Operating result for the period	28,346	2,918	15,379	(3,169)
Depreciation	28,128	23,053	27,469	22,336
Unknown bank transactions classification	-	3	-	2
Proceeds for sale of biological assets	-	45	-	45
Non-cash Donation	(125)	-	-	-
Net loss/(gain) on disposal of non-current assets	(148)	91	(101)	(24)
Net loss on ROU asset	-	(1,144)	-	(1,144)
Net gain on disposal of biological assets	136	(369)	136	(369)
Provision for impairment- student and general debts	372	287	372	287
Provision for impairment - PPE	1,569	-	1,569	-
Non-cash investment income	(812)	(303)	(683)	(514)
	57,466	24,581	44,141	17,450

**Note 35: Reconciliation of operating result to net cash flows from operating activities
(continued)**

	Group		Parent Entity	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Change in operating assets and liabilities				
Increase in receivables	(3,896)	(8,200)	(3,622)	(8,468)
(Increase) / Decrease in inventories	(9)	104	(9)	104
Decrease in biological assets	130	397	130	397
Decrease / (Increase) in other financial assets	1,089	(2,387)	835	(2,945)
Increase in other non-financial assets	(1,268)	(2,394)	(1,365)	(2,318)
Increase / (Decrease) in trade and other payables	16,859	(7,221)	18,985	(7,320)
Increase in other liabilities	254	17,962	253	19,887
Increase in provisions	4,865	3,740	4,357	2,851
	18,025	2,001	19,564	2,188
Net cash provided by operating activities	75,491	26,582	63,705	19,638

Note 36: Financial risk management

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

There has been no significant change in the risk factors from the prior year or management thereof.

Risk management is carried out by executive officers under policies approved by the Council. The Group identifies and evaluates financial risks in close co-operation with the Group's operating units. The Council provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investment of excess liquidity. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate.

The Group's financial instruments consist mainly of deposits with banks, term deposits, financial assets measured at FVOCI, accounts receivable, accounts payable and borrowings. The main risks that the Group is exposed through financial instruments are deposit interest rate risk and credit risk.

(a) Market risk

i) Foreign exchange risk

Foreign exchange risk arises from overseas sources of income for research and consultancies and payments to creditors for overseas sourced supplies. The main currencies the Group is exposed to are the US dollar followed by British pounds and the Euro. The level of exposure to foreign exchange risk is not considered to be material. The Group does not engage in hedge contracts or other hedging instruments.

ii) Price risk

The Group has limited exposure to financial instruments subject to price risk. The parent entity's investment policy is limited to deposits in Authorised Deposit-taking Institutions (ADIs). Some of the entities controlled by the Group have exposure to shares. The level of exposure is not considered material.

Note 36: Financial risk management (continued)

iii) Cash flow and fair value interest rate risk

The Group's funds on deposit are at rates fixed for the term of the deposit. At balance sheet date, all funds were deposited with ADIs with Standard and Poor's credit ratings of A-2 or higher. Movement of rates will not affect the fair value of the assets, as the deposits will be held to maturity. At call funds are subject to market rate movements. During 2025, the weighted average term interest rate range was 4.00% and 5.01% with an average term of 138 days. This is compared to 4.35% and 5.39% and 115 days, respectively, in 2024. The change was driven by prevailing economic conditions, with 2025 reflecting lower market deposit rates in an easing interest rate environment, compared to 2024 which reflected higher rates.

iv) Inter-Bank Offered Rate (IBOR) Reform

Inter-Bank Offered Rate reform refers to a global reform of interest rate benchmarks. These benchmarks are used to determine interest rates and payment obligations for a wide range of financial arrangements such as loans, bonds and derivatives. The IBOR Reform is not expected to have any material impact to the Group.

v) Summarised sensitivity analysis

The table below summarises the sensitivity of the Group's financial assets to interest rate risk. There have been no changes from the previous period in the methods and assumptions used.

At 31 December 2025, if interest rates had moved, as illustrated in the table below, with all the other variables held constant, the result and equity would have been affected as follows:

	Group carrying amount \$'000	Interest rate risk			
		-1.01%		1.01%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
31 December 2025					
Financial assets					
Cash and cash equivalents	131,174	(1,325)	(1,325)	1,325	1,325
Other financial assets – term deposits	105,000	(1,061)	(1,061)	1,061	1,061
Total (decrease) / increase		(2,386)	(2,386)	2,386	2,386
31 December 2024					
Financial assets					
Cash and cash equivalents	101,481	(1,055)	(1,055)	1,055	1,055
Other financial assets – term deposits	83,500	(868)	(868)	868	868
Total (decrease) / increase		(1,923)	(1,923)	1,923	1,923

*2024 Interest rate risk was 1.04%

The assumptions used in the interest rate sensitivity analysis include, potential movements in interest rates based on the Group's mix of investments in Australia, relationships with financial institutions as well as the last year's historical movements and economists' expectations.

The Group's receivables and trade and other payables are not exposed to interest rate risk as these are not interest bearing and expected to be collected and paid within 30 days normal course of business. Exposure to foreign exchange risk and other price risk of these financial assets and liabilities are not considered material.

The borrowing is not included in the analysis because the interest rate is fixed and increasing to 0.50% per annum after 21 years from 24 September 2020 as disclosed in Note 21.

The movements in the result are due to higher/lower interest revenue from variable rate cash balances.

As the Group does not engage in hedging, it is subject to market variations in foreign exchange. The majority of its income and expenditure for foreign currency is in US dollars, which has been subject to a range of \$0.07 from the lowest exchange rate received to the highest in 2025. Forecasts vary on the expectations of the exchange rate for 2025, the weighted average for 2025 was \$0.64.

Note 36: Financial risk management (continued)

(b) Credit risk

The Group's exposure to credit risk is mainly restricted to receivables. The Group does not have significant exposure to any one debtor. Credit risk from balances with banks and financial institutions is managed by the Group in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's executive officers on an annual basis, and may be updated throughout the year subject to approval of the Council members. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. At balance sheet date, all funds were deposited with Authorised Deposit-taking Institutions with Standard and Poor's credit ratings of A-2 or higher. The Group's maximum exposure to credit risk at balance sheet date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the Statement of Financial Position.

(c) Liquidity risk

There is no significant risk associated with the Group meeting its obligations associated with financial liabilities. Cash flow to meet ongoing commitments is monitored daily. Strict budgeting and forecasting procedures are in place.

Note 37: Fair value measurements

(a) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying amounts and aggregate fair values of financial assets and liabilities at balance date are:

	Note	Carrying Amount		Fair Value	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial assets					
Cash and cash equivalents	10	131,174	101,481	131,174	101,481
Receivables	11	19,433	15,537	19,433	15,537
Other financial assets	14	117,691	120,408	117,691	120,408
Deposits	15	91	89	91	89
Total financial assets		268,389	237,515	268,389	237,515
Financial liabilities					
Trade and other payables	20	146,205	129,332	146,205	94,963
Borrowings	21	126,500	126,500	126,500	126,500
Total financial liabilities		272,705	255,832	272,705	221,463

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- land (including improvements) and buildings
- library books and periodicals
- works of art
- investment in shares.

Note 37: Fair value measurements (continued)

(b) Fair value hierarchy

Accounting Policy

Fair value measurement

The fair value of assets and liabilities must be measured for recognition and disclosure purposes.

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements.

The fair value of assets or liabilities traded in active markets is based on quoted market prices for identical assets or liabilities at the reporting date. The quoted market price used for assets held by the Group is the most representative of fair value in the circumstances within the bid-ask spread.

The fair value of instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Fair value measurement of non-financial assets is based on the highest and best use of the asset. The Group considers market participants use of, or purchase price of the asset, to use it in a manner that would be highest and best use.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The following tables categorise assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurement. The different levels of the fair value hierarchy are defined below:

- level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities
- level 2 - inputs other than quoted prices within level 1 that are observable for the asset or liability either directly or indirectly
- level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Recognised fair value measurements

Fair value measurements recognised in the Group's Statement of Financial Position are categorised into the following levels at 31 December 2025

Note 37: Fair value measurements (continued)

Fair value measurements at 31 December 2025

	Note	2025 \$'000	2024 \$'000	Category	Valuation technique and inputs used
Financial assets measured at FVOCI	14	1,999	25,008	Level 1	Market valuation- The fair value of assets traded in active markets is based on quoted market prices at the end of the reporting year.
Total other financial assets		1,999	25,008		
Land	17	46,055	40,400	Level 2	Market valuation- Sales prices of comparable land adjusted for property size, location, topography, and other inherent attributes.
Works of art	17	2,783	2,238	Level 2	Market valuation- Sales prices of comparable artworks, furniture, jewelry, book collections, coin collections and works of art and heritage properties.
Land Improvements	17	40,604	34,309	Level 3	Application of unit rates- Unit rates are developed by summing each component which goes into producing a unit of an asset. The major components of any asset are the raw materials, plant, labour and intangibles.
Buildings	17	633,965	587,725	Level 3	Current Replacement Cost-construction costs of replacement assets having similar service potential including preliminaries and professional fees, adjusted for the consumed economic benefit and / or obsolescence of the asset.
Library books	17	4,248	3,426	Level 3	Current Replacement Cost- estimated by determining an average fair value for each type of item and extrapolating over the number of items in each category.
Total non-financial assets		727,654	668,098		

The reconciliation from the opening balances and closing balances, and the changes during the year for the capital assets measured at fair value categorised within Level 3 is disclosed in Note 17.

Note 38: Acquittal of Australian Government financial assistance

1. Education - CGS and other education grants

	Commonwealth Grants Scheme ¹		Indigenous, Regional and Low SES Attainment Fund ²		Higher Education Disability Support Program ³	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Note						
Financial Assistance received in Cash during the reporting period (total cash received from the Australian Government for the Programs)	72,583	71,253	18,646	20,810	498	83
Net accrual adjustments	1,387	(7,463)	2,310	(1,163)	-	-
Revenue for the period	73,970	63,790	20,956	19,647	498	83
Receivable from Commonwealth	-	-	139	-	-	-
Total revenue including accrued revenue	73,970	63,790	21,095	19,647	498	83
Less expenses including accrued expenses	73,970	63,790	21,078	19,508	498	83
Surplus / (deficit) for reporting period	-	-	17	139	-	-
	National Priorities and Industry Linkage Fund		Other ⁴		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Note						
Financial Assistance received in Cash during the reporting period (total cash received from the Australian Government for the Programs)	5,059	3,659	123	(2,451)	96,909	93,354
Net accrual adjustments	2,348	1,500	-	2,451	6,045	(4,675)
Revenue for the period	7,407	5,159	123	-	102,953	88,679
Receivable from Commonwealth (CPP)	-	-	-	-	139	-
Total revenue including accrued revenue	7,407	5,159	123	-	103,092	88,679
Less expenses including accrued expenses	7,856	5,159	123	-	103,524	88,540
Surplus / (deficit) for reporting period	(449)	-	-	-	(432)	139

1. Includes the basic CGS grant amount, CGS – Medical Student Loading, Transition Fund loading, Allocated Places, Non Designated Courses and CGS – Special Advances from Future Years.

2. Includes the Higher Education Participation and Partnership Program, regional loading and enabling loading.

3. Higher Education Disability Support Program includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education & Training.

4. Includes the administrative component of Commonwealth Prac Payment receipts to support system and process implementation only. Comparative figures for 2024 include \$2,451M relating to TAP funding. This amount has been included for comparative purposes only and does not form part of the 2025 reporting period balances.

Note 38: Acquittal of Australian Government financial assistance (continued)

2. Higher Education Loan Programs (excl OS-HELP)

	HECS-HELP Australian Government Payments only		FEE – HELP		VET FEE-HELP		SA-HELP		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Note										
Cash Payable / (Receivable) at beginning of year	-	-	-	-	-	-	-	-	-	-
Financial Assistance received in Cash during the reporting period	35,039	29,310	3,531	3,218	47	11	1,301	1,312	39,917	33,852
Net accrual adjustments	(2,567)	1,506	(113)	662	-	(11)	-	-	(2,680)	2,156
Cash available for period	32,472	30,816	3,418	3,880	47	-	1,301	1,312	37,237	36,008
Less: Revenue earned	32,472	30,816	3,418	3,880	47	-	1,301	1,312	37,237	36,008
Cash Payable / (Receivable) at end of year	-	-	-	-	-	-	-	-	-	-

Note 38: Acquittal of Australian Government financial assistance (continued)

3a. Department of Education and Research

	Note	Research Training Program		Research Support Program		Total	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial Assistance received in Cash during the reporting period (total cash received from the Australian Government for the Programs)		10,393	10,171	12,856	12,535	23,249	22,706
Net accrual adjustments		-	-	-	-	-	-
Revenue for the period	3.1(c)	10,393	10,171	12,856	12,535	23,249	22,706
Surplus / (deficit) from the previous year		5,480	2,737	-	171	5,480	2,908
Total revenue including accrued revenue		15,873	12,908	12,856	12,706	28,729	25,614
Less expenses including accrued expenses		(9,986)	(7,428)	(12,856)	(12,706)	(22,842)	(20,134)
Surplus / (deficit) for reporting period		5,887	5,480	-	-	5,887	5,480

3b. Total Higher Education provider Research Training Program expenditure

	Total domestic students \$'000	Total overseas students \$'000	Total RTP expenses \$'000
Research Training Program Fees offsets	5,395	-	5,935
Research Training Program Stipends Research	2,841	993	3,834
Training Program Allowances	711	47	757
Total for all types of support	8,947	1,039	9,986

4. Other capital funding

	Note	Other Capital Funding		Total	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial Assistance received in Cash during the reporting period (total cash received from the Australian Government for the Programs)		12,587	-	12,587	-
Net accrual adjustments		-	1,216	-	1,216
Revenue for the period	3.1 (d)	12,587	1,216	12,587	1,216
Surplus / (deficit) from the previous year		-	-	-	-
Total revenue including accrued revenue		12,587	1,216	12,587	1,216
Less expenses including accrued expenses		12,587	1,216	12,587	1,216
Surplus / (deficit) for reporting period		-	-	-	-

Note 38: Acquittal of Australian Government financial assistance (continued)

5. Australian Research Council grants

Note	Discovery		Linkages		Other		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial Assistance received in Cash during the reporting period (total cash received from the Australian Government for the Programs)	1,696	1,833	934	904	-	-	2,631	2,736
Net accrual adjustments	75	(332)	-	-	-	-	75	(332)
Revenue for the period	1,771	1,501	934	904	-	-	2,706	2,405
Surplus from the previous year	1,723	1,750	1,140	800	49	58	2,912	2,608
Total revenue including accrued revenue	3,494	3,251	2,074	1,704	49	58	5,618	5,013
Less expenses including accrued expenses	1,932	1,528	754	564	49	9	2,735	2,101
Surplus for reporting period	1,562	1,723	1,320	1,140	-	49	2,883	2,912

Note 38: Acquittal of Australian Government financial assistance (continued)

6. OS-HELP

	OS-HELP		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash received during the reporting period	252	214	252	214
Less carry forward adjustment	52	(52)	52	(52)
Net cash received	200	162	200	162
Surplus from the previous period	324	269	324	269
Less cash spent during the reporting period	99	107	99	107
Cash Surplus for reporting period	425	324	425	324

7. Student services and amenities fee (SSAF)

	Note	SSAF		Total	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Unspent / (overspent) revenue from previous period		440	(846)	440	(846)
Carry Forward Adjustment		-	-	-	-
SA-HELP Revenue Earned	3.1 (b)	1,301	1,312	1,301	1,312
Student services fees direct from students	3.3	1,803	1,337	1,803	1,337
Total revenue expendable in period		3,544	1,803	3,544	1,803
Less student services expenses during period		2,421	1,363	2,421	1,363
Overspent student services revenue		1,123	440	1,123	440

Members of Council Certification

1. In our opinion:
 - a) the accompanying financial statements of the University and the Group are drawn up so as to give a true and fair view of the state of affairs as at 31 December 2025, and the results for the year ended on that date, of the University and the Group; and
 - b) at the date of this statement there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due.
2. The accompanying financial statements and notes thereto, of the University and the Group have been prepared in accordance with the *Charles Darwin University Act 2003* and Australian Accounting Standards, *Australian Charities and Not-for-profits Commission Act 2012*, Australian Charities and Not-for-profits Commission Regulation 2013, and as per the Commonwealth Department of Education Guidelines for the Preparation of Annual Financial Statements for the 2025 Reporting Period by Australian Higher Education Institutions.
3. The amount of Commonwealth Government financial assistance expended during the reporting period was for the purpose(s) for which it was provided.
4. Charles Darwin University has complied with the requirements of various program guidelines that apply to the Commonwealth Government financial assistance identified in the financial statements.
5. Charles Darwin University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

Signed at Darwin this 2 June 2026



CHANCELLOR
The Hon Trevor Riley AO KC



VICE-CHANCELLOR AND PRESIDENT
Professor Fiona Coulson

Independent Auditor's Report

To the Minister for Education and Training

Charles Darwin University

Report on the audit of the financial report for the year ended 31 December 2025

Opinion

I have audited the financial report of the Charles Darwin University (CDU) and its controlled entity (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including material accounting policy information, and the Interim Vice-Chancellor's declaration.

In my opinion, the accompanying financial report:

- presents fairly, in all material respects, the financial position of the Group as at 31 December 2025 and its financial performance, cash flows and changes in equity for the year then ended
- is in accordance with the *Charles Darwin University Act 2003* (NT), the *Australian Charities and Not-for-profits Commission Act 2012* (Cth), including Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022* (Cth), the *Higher Education Support Act 2003* (Cth) and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

I am independent of CDU and the Group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board (the Code) that are relevant to my audit of the financial report in Australia. My authorised auditors and I have also fulfilled our other ethical responsibilities in accordance with the Code. My independence is further established by the *Audit Act 1995*.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the matter
Recognition of revenue and income	
<p>Both CDU and its controlled entity, the Menzies School of Health Research, derive a significant portion of their income from government grants, research contracts and student fees. Revenue from these sources is material to the financial report and involves a high degree of complexity and judgement.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> ▪ understanding controls over key revenue streams ▪ assessing accounting policies for revenue recognition, particularly how management determines whether funding falls under AASB 15 or AASB 1058, ensuring the policies were

Key audit matter

How my audit addressed the matter

Recognition of revenue and income

Revenue recognition in the education and research sectors requires management to assess the nature of funding arrangements, including whether they are within the scope of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, and to determine the appropriate timing of revenue recognition. This includes identifying performance obligations and assessing whether revenue should be recognised over time or at a point in time.

I consider this to be a key audit matter because these revenue sources are financially significant, the judgement involved in identifying performance obligations and recognition timing and the presumed risk of fraud in revenue recognition.

Further information on accounting for revenue is disclosed in Note 3 *Revenue and income*.

applied consistently and complied with the relevant accounting standards

- performing detailed testing of selected revenue transactions to underlying contracts and funding agreements to understand the terms and conditions and to identify any performance obligations to assess the appropriate accounting treatment
- assessing the revenue amounts are appropriately aggregated or disaggregated and the adequacy of the related disclosures in the notes to the financial statements.

Valuation of property, plant and equipment (PPE)

As at 31 December 2025, the Group reported \$792.6 million in PPE, which represents a significant proportion of total assets. Land, land improvements and buildings, which totalled \$720.6 million are measured at fair value, which is determined using valuation techniques that involve significant judgement and estimation.

I consider this to be a key audit matter because of the financial significance and key judgements involved in determining replacement costs of specialised buildings, assessing the condition and remaining useful lives of buildings and infrastructure assets and selecting appropriate valuation inputs and assumptions.

Details of the valuation techniques, inputs and processes for these major asset classes are disclosed in Note 37 *Fair value measurements*.

Key audit procedures included the following:

- assessing the accuracy and completeness of PPE, including testing, on a sample basis, asset additions and disposals to supporting documentation
- assessing the competence and independence of the external valuer engaged by management
- evaluating valuation methodologies against relevant accounting standards and testing key inputs and assumptions
- considering whether there has been a material impairment of assets during the year and reviewing management's assessment
- evaluating the adequacy of disclosures.

Other information

The members of the Council are responsible for the other information. The other information comprises the information included in the *Report by Members of Council* but does not include the financial report and my auditor's report thereon, which I obtained prior to the date of this auditor's report, and CDU's Annual Report, which is expected to be made available to me after that date.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, I consider whether the other information is materially inconsistent with the financial report or the knowledge obtained in the audit, or otherwise appears to be materially misstated.



If, based on the work performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Vice-Chancellor for the financial report

The Vice-Chancellor is responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards and the *Charles Darwin University Act 2003* (NT), the *Australian Charities and Not-for-profits Commission Act 2012* (Cth), including Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022* (Cth), the *Higher Education Support Act 2003* (Cth) and for such internal control as the Vice-Chancellor determines is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement whether due to fraud or error.

In preparing the financial report, the Vice-Chancellor is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Council members are responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Vice-Chancellor.
- Conclude on the appropriateness of the Group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report however future events or conditions may cause CDU or its controlled entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Vice-Chancellor and Council members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Jara K Dean
Auditor-General

Darwin, Northern Territory
2 June 2026



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