Annual Report 2025

AUSTRALIAN CATHOLIC UNIVERSITY

Australian Catholic University (ACU) was established in November 1990 through incorporation as a public company limited by guarantee, established and set up with the resources of the Catholic Church and incorporated pursuant to the *Corporations Act 2001*. It is a national university that operates in a number of jurisdictions domestically and overseas.

It is regulated by the *Corporations Act* and the *Australian National Charities and Not-for-profits Commission Act 2012* and lodges its annual report in accordance with those statutory requirements.

ACU was formed through the amalgamation of the Catholic College of Education (NSW), the Institute of Catholic Education (Vic), McAuley College (Qld) and Signadou College of Education (ACT). Today, ACU has seven campuses in Australia: Ballarat (Aquinas), Blacktown (Saint Josephine Bakhita), Brisbane (McAuley at Banyo), Canberra (Signadou), Melbourne (St Patrick's), North Sydney (MacKillop), Strathfield (Mount Saint Mary); and a campus in Rome, Italy.

A public university, recognised and funded by the Commonwealth Government, ACU is open to students and staff of all beliefs. View this report online at **acu.edu.au/annualreports**

LETTER OF TRANSMITTAL

May 2026

Australian Charities and Not-for-profits Commission GPO Box 5108, Melbourne Vic 3001

I am pleased to submit for your information the Australian Catholic University *Annual Report* for the year ending 31 December 2025.

The Financial Statements were approved by the Australian Catholic University Senate on 17 April 2026.

Yours sincerely

The Honourable Martin Daubney AM KC
Chancellor

Contents

Message from the Chancellor

The Honourable
Martin Daubney AM KC
Chancellor

On behalf of the university's Senate, I am pleased to present ACU's 2025 Annual Report.

It was another year that tested the entire higher education sector – yet ACU demonstrated, with quiet confidence, the strength of the foundations we have built.

Our mission-led focus continues to underpin our social licence, distinguishing the university at a time when public trust in higher education is under intense scrutiny. In the face of external policy and funding pressures in an increasingly constrained and regulated higher education environment, I am proud to report that ACU has responded with both prudence and purpose.

Through careful fiscal management, and under the vigilant governance of Senate, the Vice-Chancellor and senior management have achieved a net surplus of $60.1 million, a significant increase on the $38.3 million surplus of 2024 and strongly ahead of budget.

This is not simply a financial result. It is evidence of institutional maturity, strategic clarity, and disciplined stewardship that protects ACU's ability to serve our mission over the long term.

The pages that follow report on Australia's only truly national university – an institution with much to celebrate. Highlights include:

- Continued strengthening of mission-informed leadership, teaching, research and engagement.
- A new institutional record in student load, exceeding 26,000 EFTSL for the second consecutive year. This is particularly significant given sector-wide stagnation in domestic demand and increasing volatility in the international student market.
- Continued growth in research income and output, positioning ACU well toward our Vision 2033 ambitions. This growth balances excellence with impact, strengthening HDR enrolments, industry-linked PhDs and interdisciplinary collaboration and building a robust pipeline for future research growth while remaining faithful to our human-centred mission.
- ACU scholars continued achieving global recognition, with multiple researchers named among the world's most highly cited. We are ranked in the top tier internationally across theology, psychology, education, nursing and health-related disciplines.
- Measurable social value through place-based partnerships, service-learning and mission-aligned research, reinforcing the university's standing as a national leader in community-engaged higher education.
- The creation of student veteran hubs at our Melbourne and Brisbane campuses, removing barriers to higher education for veterans and their families. Both facilities recognise the unique needs of current and former defence personnel in accessing higher education and transitioning from military to civilian life.
- Our Step Up Into Teaching program, which gives Year 11 and 12 students an early start on a teaching degree, helping to boost the teaching pipeline and supporting first-in-family, low SES, and First Nations students to succeed at university.
- A strengthened financial position, building genuine institutional resilience as the sector faces continued uncertainty in 2026.

Recognition of these accomplishments ought not to diminish the importance of our daily commitment to excellence in teaching, research and engagement. Our staff and students bear witness every day to the values of truth and service that inform the pursuit of our Catholic mission in higher education, and thereby, to quote St Pope John Paul II, "unite existentially the intellectual effort to discover reality and the certainty of already knowing the fount of truth".

As we look to 2026 and beyond, the external environment will remain demanding. Yet ACU enters the next chapter from a position of strength – financially, academically, and in terms of our sense of purpose. Senate remains committed to the strategic oversight that will allow the Vice-Chancellor and senior management to continue advancing Vision 2033 with confidence.

As always, we're motivated by the promise of what we can achieve together, guided by our university motto: **'Truth in love.'**

Message from the Vice-Chancellor and President

Professor Zlatko Skrbis
Vice-Chancellor and President

Across the higher education sector, 2025 saw significant policy and regulatory shifts. The combined pressures of the Universities Accord reforms, international enrolment caps, constrained domestic growth, shifting visa settings, the cost of regulatory and non-regulatory compliance, and declining government funding required decisive responses to an increasingly unpredictable environment. Guided by Vision 2033 and anchored in our Catholic mission, the university further strengthened its educational performance, research impact, financial resilience and global standing, positioning ACU to navigate the challenges ahead.

Our strategic direction strives to build a stronger, more agile and resilient university – one that pursues the flourishing of students and staff as human persons created in the image of God. As a Catholic institution inspired by *Ex Corde Ecclesiae*, we live up to the Church's long-standing vision of higher education as formation of the whole person – body, mind and spirit – and a fundamental commitment to the pursuit of truth through academic inquiry.

Our identity continues to give our work its distinctive character and its deepest motivation, and that sense of clarity and purpose underpins our results.

In 2025, our financial performance reflected the cumulative effect of strategic decisions taken over several years. A net surplus of $60.1 million was achieved through growth in revenue across grants for Commonwealth Supported Places, international student fees and finance income, alongside disciplined management of our cost base.

On enrolments, it was another record-breaking year. We attracted all-time high total student enrolments, with international students also at historic levels, enriching our campus culture and contributing to our financial resilience. These records speak to the growing recognition of ACU's quality and reputation, both locally and globally. The university's focus on mission and impact, including our commitment to prepare students for purposeful and impactful careers, is nationally recognised. ACU not only ranked number one in Australia for employer satisfaction, but also second among public universities for student experience overall.

Our research performance also continued its upward trajectory. With the Graduate Research School now an established part of our ecosystem, our HDR load is now at its highest point on record. We also built on the high level of research income reported in 2024. Our engagement with local and international partners continues to open new avenues for collaboration and impact, with community-led research initiatives across all disciplines.

Our working capital position swung from a deficit to a healthy surplus, a margin that gives us the capacity to reinvest in our people, our infrastructure and our mission – and to do so from a position of security.

Taken together, these results demonstrate what becomes possible when strategy, mission and management discipline are well aligned.

But while we navigated 2025 from a position of relative strength, we must not take that for granted. Our planning for 2026 and beyond must reflect a clear-eyed assessment of what lies ahead. The sector finds itself in an industrial and regulatory environment more demanding and uncertain than it has been for some time. As we steer through these complexities in a rapidly changing landscape, we must be direct about the challenges we face.

Our unwavering commitment to our Catholic identity and mission – sustained amid an overwhelming secular culture – also calls for creative and courageous responses. Fidelity to our mission is as much a journey as a destination, and that journey is not always straightforward – but it is the right one. The positive results of recent years show the fruits of knowing who we are and where we're going.

In presenting this annual report, we celebrate the collective efforts of our staff, students and partners who have shaped this positive transformation. We acknowledge our successes while remaining vigilant to the challenges and opportunities ahead.

Together, we will stay proactive in securing our resilience and sustaining essential investments toward our Vision 2033 ambitions. We will build on our strengths, uphold our values, and work toward a brighter future for ACU and the communities we serve.

Thank you for your dedication and support as we continue to advance our mission and purpose.

ACU mission

Within the Catholic intellectual tradition and acting in truth and love, Australian Catholic University is committed to the pursuit of knowledge, the dignity of the human person and the common good.

About Australian Catholic University

An ACU education is grounded in the Catholic understanding of faith and reason working together in the pursuit of knowledge, promotion of human dignity and advancement of the common good.

We aim to transform lives and communities. Students are challenged to look beyond the classroom, solve real-world problems, develop their own search for meaning and cultivate strong professional ethics. They are invited to stand up for people in need and causes that matter.

Opportunities for personal and professional growth are critical to ACU. This is a university of service – so much so that it is built into the curricula. All ACU courses offer work placements, internships or volunteering opportunities.

High-impact research – with social, cultural and economic benefits – is core to our institution. Our research and enterprise activities develop innovative solutions to issues impacting human dignity and the common good. Through ethically informed research we deliver positive change across ACU, industry, community and government.

We foster academic collaboration and engage with local and international partners to enable the exchange of knowledge and skills and develop dynamic educational and research initiatives. We build healthy social partnerships, assisting communities in actively shaping initiatives that directly impact them.

ACU is a university for everyone. Like all Catholic institutions, the university is inclusive and supportive of everyone, every day – regardless of their faith, tradition or circumstance.

ACU is a young university making a significant impact. Ranked in the top 10 Catholic universities[1], we're also a leader in employability, with 95 per cent of our graduates employed[2]. We are ranked first nationally for employer satisfaction, with more than 90 per cent of employers expressing satisfaction with ACU graduates[3]. We are ranked second among public universities for overall student experience[4].

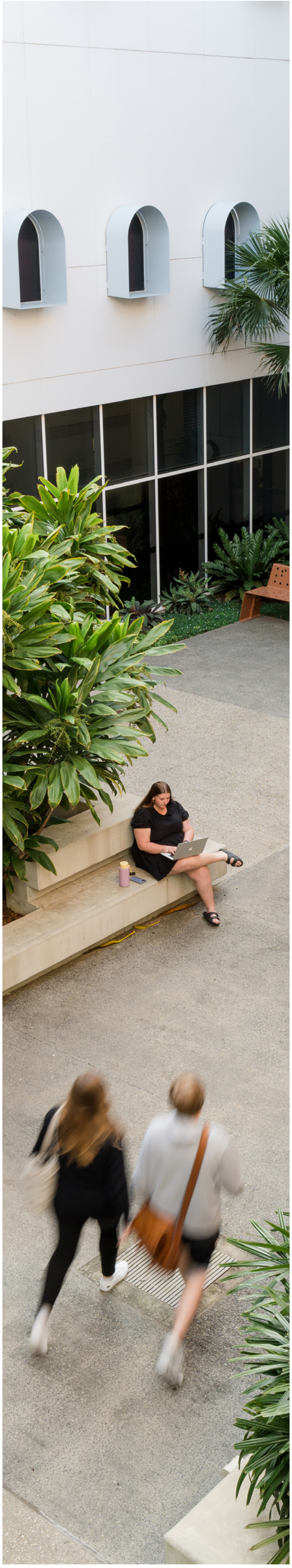
1. Based on International Federation of Catholic Universities members ranked on *Times Higher Education* World University Rankings 2026
2. Graduate Outcomes Survey – Longitudinal 2024, domestic overall employment
3. Employer Satisfaction Survey
4. Student Experience Survey

Key statistics

	2025	
ENROLMENTS*		
Total	**35,112**	
Undergraduate	26,197	
Postgraduate coursework	6,833	
Higher degree research	351	
Non-award	1,731	
Domestic	29,609	
International	5,499	
STAFF		
Academic	1,201	
Professional	1,279	
RESEARCH**	**$'000**	
Category 1 – Australian competitive grant R&D income	8,965	
Category 2 – Other public sector R&D income	1,176	
Category 3 – Industry and other R&D income	6,536	
HERDC reportable	16,679	
Non-HERDC reportable	294	
Total	16,973	
INCOME	**$'000**	**(%)**
Commonwealth Government grants	296,528	42.1
HELP	196,547	27.9
Fees and charges	154,366	21.9
Other	56,216	8.1
Total income	703,657	100.0
EXPENDITURE	**$'000**	**(%)**
Employee benefits	433,093	67.3
Other operating expenses	210,476	32.7
Total expenditure	643,569	100.0
ASSETS	**$'000**	
Total assets	1,328,047	

* The 2025 student data (course headcount) is preliminary and will be finalised in April 2026, after the time of printing.

** The income figures reported for HERDC research income in 2025 are based on draft data and are subject to change. These figures may be revised during the comprehensive HERDC income preparation and assessment process, which involves a more detailed evaluation.



Governance and management

GOVERNANCE

ACU is incorporated as Australian Catholic University Limited, a public company limited by guarantee.

The President of the Corporation was the Most Reverend Mark Coleridge, who was elected by the members on 12 November 2018 and re-elected for a second term on 23 November 2023. Archbishop Emeritus Coleridge retired with effect from 11 September 2025. The Most Reverend Shane Mackinlay was elected as President of the Corporation with effect from 31 October 2025.

The Corporation's members are the Catholic Archbishops of the Archdioceses of Sydney, Melbourne, Brisbane and Canberra-Goulburn, the Bishops of the Dioceses of Ballarat and Parramatta, congregational leaders of founding religious institutions, and nominees of the Archbishops and the Bishop of Ballarat. ACU's Constitution can be viewed on the university's website at acu.edu.au/governance

The ACU Senate is the governing authority of the Corporation.

Senate has six sub-committees, each one enshrined in ACU's statutes.

These are:

- Senate Standing Committee
- Audit and Risk Committee
- Finance and Resources Committee
- Honorary Awards Committee
- Mission Committee
- Academic Board

ACU SENATE

The 18 members of Senate – the Board of Directors – are appointed in different ways:

- The Chancellor, Pro-Chancellor, Vice-Chancellor and President, Chair of Academic Board, and one Cleric nominated by the Australian Catholic Bishops' Conference are ex-officio members. Members of the Corporation appoint the Chancellor and Pro-Chancellor. The Senate appoints the Vice-Chancellor and President subject to the approval of the members.
- Members of the Corporation elect four senators, one from each state and territory, nominated by the relevant State Chapter and approved by the local Archbishop.
- Members of the Corporation elect four senators from nominations provided by members of the Corporation and the Senate.
- Academic staff elect three senators.
- Professional staff elect one senator.
- Students elect one senator.

ACADEMIC BOARD

The Academic Board is established by the ACU Constitution and has responsibility for academic governance, including administering and implementing the academic policies and programs of ACU and advising Senate on quality assurance matters relating to ACU's teaching and research activities.

Academic Board has the following standing committees:

- Courses and Academic Quality Committee
- Faculty Boards
- Internationalisation Committee
- University Learning and Teaching Committee
- University Research Committee

EXECUTIVE GOVERNANCE

Chaired by the Vice-Chancellor and President, the Vice-Chancellor's Advisory Committee (VCAC) is the university's principal senior executive management committee. It provides advice to the Vice-Chancellor on matters of strategic importance to the university. Membership includes members of the senior executive.

IN 2025, SENATE MEMBERSHIP COMPRISED OF:

Chancellor
The Hon Martin Daubney AM KC

Pro-Chancellor
Ms Virginia Bourke

Vice-Chancellor and President
Professor Zlatko Skrbis

Chair of Academic Board
Professor Timothy McKenry

Cleric nominated by the Australian Catholic Bishops' Conference
The Most Reverend Peter A Comensoli

State Chapter nomination (NSW)
Ms Marita Winters

State Chapter nomination (Vic)
Mr Damian Murphy (from 16 May 2025)

State Chapter nomination (Qld)
Dr Peter Steer

State Chapter nomination (ACT)
Mr Ross Fox (until 15 May 2025)
Ms Anne Kirwan (from 16 May 2025)

Senate Panel and ACU Corporation nominated member (NSW)
Ms Francine Pirola

Senate Panel and ACU Corporation nominated member (Vic)
Ms Róisín Annesley KC (from 16 May 2025)

Senate Panel and ACU Corporation nominated member (Qld)
The Hon Justice James Douglas KC (until 15 May 2025)
Ms Marita Corbett (from 16 May 2025)

Senate Panel and ACU Corporation nominated member (ACT)
Mr Julian Widdup

Elected by academic staff ACU
Professor Elspeth Froude (until 30 April 2025)
Associate Professor Leah Kaufmann
Professor Michael Champion (from 1 May 2025)
Associate Professor Monica Wong (from 1 May 2025)

Elected by professional staff ACU
Ms Sarah Beltrame

Elected by students ACU
Ms Ella Birt (until 31 December 2025)

IN 2025, ACADEMIC BOARD MEMBERSHIP COMPRISED OF:

Chair of Academic Board
Professor Timothy McKenry

Vice-Chancellor and President
Professor Zlatko Skrbis

Provost and Deputy Vice-Chancellor (Academic)
Professor Julie Cogin

Deputy Vice-Chancellors
Professor Tania Broadley (from 10 January 2025)
Rev Dr Gerald Gleeson (from 18 August 2025)
Professor Abid Khan
Mr Patrick Woods

Vice President
Fr Anthony Casamento csma (until 30 April 2025)

ACADEMIC BOARD MEMBERSHIP CONTINUED

Pro Vice-Chancellors

Global and Education Pathways
Mr Chris Riley (until 29 August 2025)
Ms Bronwyn Bartsch (from 30 August 2025)

Indigenous
Ms Kelly Humphrey

Research
Professor Phil Parker

Deputy Provost
Professor Chris Lonsdale

Executive Deans (faculties)
Professor Suzanne Chambers AO
Professor Richard Colledge
Professor Andrew O'Neil (until 4 July 2025)
Professor Alison Parkes (from 7 July 2025)
Professor Mary Ryan (until 22 August 2025)
Professor Larissa McLean Davies (from 1 December 2025)

Two professorial academic staff members elected by each faculty
Professor Suzy Edwards
Professor Bryan Turner
Professor Robyn Horner
Professor David Hall (from 8 November 2024 until 18 March 2025)
Professor Susan Dann AM
Professor Patrick Keyzer
Professor Justin Kemp
Professor Elspeth Froude

Two non-professorial academic staff members elected by each faculty
Dr Michelle Gorzanelli
Associate Professor Monica Wong
Associate Professor Stephen Carlson
Dr Gareth Wearne
Dr Bill Swannie
Associate Professor Md Akhtaruzzaman
Associate Professor Leah Kaufmann
Dr Ann-Marie Gibson

Academic Registrar
Ms Cheryl Fullwood (until 31 December 2025)

Director, Centre for Education and Innovation (CEI)
Professor Anthony Whitty

Director, Libraries
Ms Janet Fletcher

Director, Pathways
Mrs Marta Spes-Skrbis

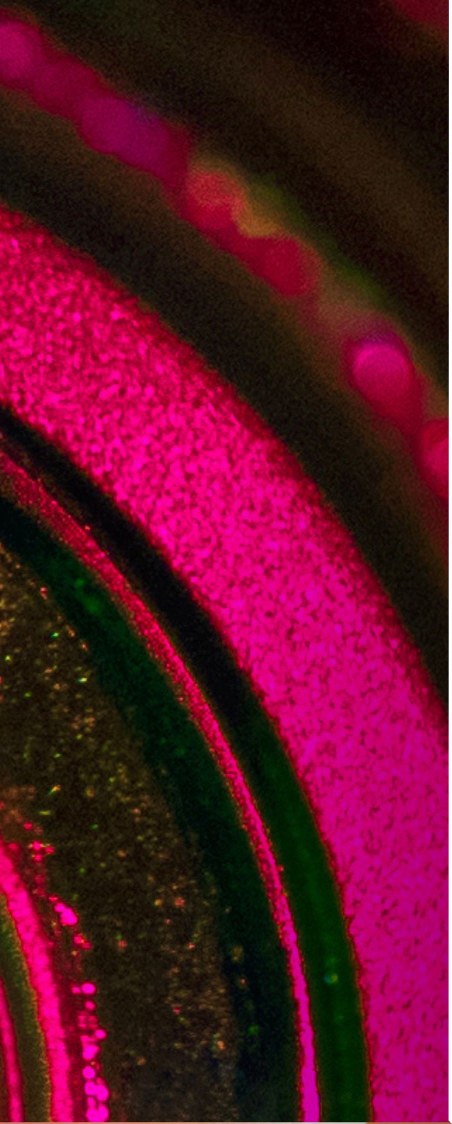
Director, Student Experience
Mr Chris Gartner (from 3 March 2025 until 15 August 2025)

An external professor
Professor Robert Mailhammer, Western Sydney University

Student representatives
Mr Blake Bano
Mr Lincoln Trainor

Chairs of Academic Board Committees
Associate Professor Jane McCormack (from 13 June 2024)

Towards Vision 2033



ACU Vision 2033 sets a bold and ambitious vision for the university: to enable flourishing lives, foster thriving communities and build ethical futures. This deliberate embedding of ACU's Catholic mission into the strategic fabric of the university fosters new and renewed opportunities for the university's mission to inform every university endeavour over the next decade. By placing the human person and their wellbeing at its core, ACU Vision 2033 provides a unique and differentiated value proposition in the Australian higher education sector. Significant progress towards delivering our aspirations has been made during the foundational phase of ACU Vision 2033.

Focus 1

Provide a learning environment that emphasises growth of the whole person

We will equip our learners with the knowledge, skills and confidence to thrive in an interconnected and changing world.

ROME CAMPUS OFFERS NEW HORIZONS

ACU's Rome Campus provides a unique learning environment that offers staff and students new opportunities for intellectual and social growth and cross-cultural exchange.

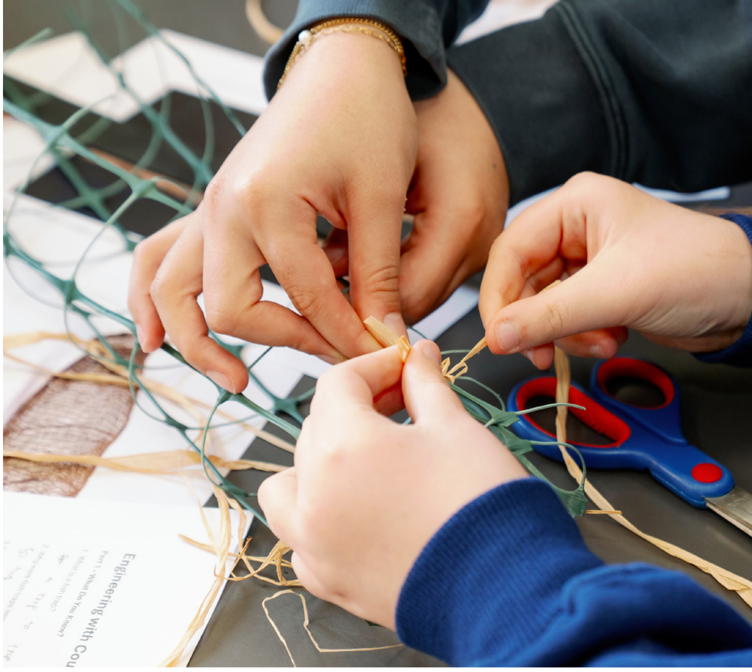
In 2025, the Rome Campus hosted doctoral candidates from the seven member universities of the Strategic Alliance of Catholic Research Universities (SACRU), who joined leaders of Catholic institutions, industry and the Ambassador Designate to the Holy See, The Honourable Keith Pitt, for a roundtable seminar on healthcare ethics.

The Rome Campus also welcomed doctoral candidates from around the globe for the SACRU Autumn School, an intensive course exploring the universal right to freedom of scientific research. The unique educational experience coincided with the Jubilee of the World of Education and students participated in Pope Leo's general audience.

Diplomats, scholars, church and business leaders from Australia and Indonesia met at the Rome Campus to discuss future endeavours to strengthen human flourishing in the Indo-Pacific region. The roundtable meeting considered opportunities for cross-disciplinary research into human wellbeing, including interfaith relations, public health, community development, economic growth and sustaining peace.

First Nations students from ACU's Brisbane Campus had the opportunity to study at the Rome Campus as part of the university's Francis Xavier Conaci Scholarship. As Conaci Scholars, they represented First Nations people during NAIDOC Week in Rome, hosted by Australian Ambassador to the Holy See, His Excellency Keith Pitt.

Artist: Akio Makigawa 1948–1999. Title of artwork: *Under the Obelisk* 1989



ART FOR ALL

In 2025, the university undertook a comprehensive valuation of the Art Collection, which contains around 1,400 works. It encompasses a wide range of disciplines and mediums including paintings, works on paper, ceramics, sculpture, textiles, mosaics, gold and silver smithing, glass and decorative arts, early master artworks and replicas.

The triennial evaluation of ACU's art collection was undertaken by Helen Miller Fine Art Valuers in September 2025. The collection has benefitted from more than 300 donations, many via the Australian Government's Cultural Gifts Program (CGP). The valuation provides increased transparency, supports risk planning and ensures the collection is recognised as a significant cultural and financial asset.

During the year, ACU acquired several significant works that strengthen the Collection's cultural breadth and align with the university's teaching, research and engagement priorities. Acquisitions this year emphasised local artists and diverse voices, including the creation of the ACU Sculpture Walk at the Melbourne Campus, which features 21 works by both established and emerging artists, anchored by Akio Makigawa's masterful Under the Obelisk.

ACU continued to prioritise access to the Art Collection, with works from the collection displayed across eight campuses and shared through exhibitions, curatorial tours and digital platforms. ACU is committed to the belief that art is for everyone. By embedding art in everyday university spaces, ACU ensures the collection can be experienced by students, staff and the wider community, enhancing the character of our campuses and enriching the cultural and intellectual fabric of the university.

STRENGTHENING COMMUNITY-ENGAGED LEARNING

Community-Engaged Learning (CEL) connects our students' academic pursuits with meaningful, real-world community experiences. This fosters empathy, critical thinking and a lifelong commitment to the common good — all values deeply embedded in ACU's Catholic tradition.

In 2025, the university worked to embed a new Community-Engaged Learning and Unit Design Principles Guideline, ensuring that CEL experiences are high quality and have significant, positive impacts. This was designed to align academic content and community needs and enhance learning outcomes. The guideline has also encouraged more creative approaches to learning design by expanding the range of CEL experiences available. CEL is a critical component of ACU's Core Curriculum, providing lasting advantages for students and the communities they serve.

ACU LAUNCHES EDUCATION AND STUDENT SUCCESS PLAN

In 2025, ACU launched the Education and Student Success Plan 2033 (ESSP). This is part of our long-term commitment to Catholic social teaching and student-centred transformation. It recognises and celebrates our students as lifelong learners, leaders, and partners in making a difference.

The ESSP focuses on six domains that shape learning, teaching and the student experience. In 2025, work began across a number of foundational areas, including reconceptualising ACU's curriculum architecture and remapping the student journey touchpoints. This work places a deliberate focus on equity students and learners from diverse educational and life pathways. It also focuses on reconnecting with our alumni to strengthen the continuity of engagement across the full student lifecycle.

Both initiatives will position us to meet the expectations of our diverse future learners and the changing environment.

Focus 2

Offer a range of educational opportunities that lead to future-ready career outcomes

With a dynamic and forward-thinking curriculum, we will prepare students for the opportunities and challenges of tomorrow.

ACU LAUNCHES NEW FAST-TRACKED TECH DEGREE

In 2025, ACU launched a unique fast-tracked double degree combining a Bachelor of Computer Science and a Master of Data Science, enabling students to graduate with a master's qualification in just four years. The combination of high-impact teaching, applied research and industry alignment is delivered with a mission to serve the common good.

DIGITAL HEALTH EDUCATION

ACU and Skybox Health announced a partnership to develop a cutting-edge software platform aimed at aligning nursing education with digital health transformation in healthcare practice.

The partnership brings together clinical, research, academic and technological expertise to develop software that combines digital documentation of patient care with realistic simulation of complex, unfolding patient cases.

The collaboration will prepare nursing, midwifery and allied health students for the future healthcare environment, address complex challenges to human flourishing and develop workforce capacity and capability solutions in national areas of critical need.

PHILANTHROPIST'S LEGACY GIFT TO SUPPORT FUTURE GENERATIONS OF NURSES

A long-time supporter of ACU's School of Nursing pledged a bequest valued at more than $1.4 million, creating a legacy that will continue to support the education of nurses for generations to come. The bequest will create an endowment to fund annual nursing student scholarships and a capital project for the School of Nursing, helping ACU students deliver compassionate, quality care.

ACU MEANS BUSINESS WITH INNOVATION PARTNERSHIP

ACU students and researchers will benefit from the university's new education partnership with the Canberra Innovation Network (CBRIN).

CBRIN was established in 2014 by four foundation members, the Australian National University, the University of Canberra, UNSW Canberra and the Canberra Institute of Technology, in collaboration with the ACT Government and private-sector partners. It is designed to connect, promote and grow innovation in the ACT.

The partnership will strengthen ties between higher education, research, and Canberra's thriving innovation community, offering ACU students access to internships, workshops, and entrepreneurial training delivered by Canberra's leading startups. This is part of ACU's commitment to fostering an environment where innovation and collaboration flourish.

HISTORIC BEQUEST TO ESTABLISH RAY L. HART CENTRE FOR PHILOSOPHY OF RELIGION

ACU received its largest ever pledged bequest for theology and philosophy, worth more than USD$10 million. The transformative endowment will establish the Ray L. Hart Centre for Philosophy of Religion, bringing together leading researchers, international partners and the next generation of scholars. It was made possible through a pledged bequest from Professor Ray L. Hart, Professor Emeritus of Philosophy of Religion and Theology at Boston University. The Centre's inaugural director will be Professor Garth Green, who joins ACU's School of Philosophy as the Ray L. Hart Professor of Philosophy of Religion. This builds on one of the university's biggest strengths: in the international QS rankings, ACU is ranked first in Australia for theology, divinity and religious studies and 18th in the world.

Focus 3

Serve communities through connection and collaboration

Our approach to community engagement is informed by the principle of subsidiarity. We will support local autonomy and decision making and empower communities to determine their own futures.

REMOVING BARRIERS TO HIGHER EDUCATION FOR VETERANS

ACU partnered with government to create student veteran hubs at the Melbourne and Brisbane campuses for ex-military personnel and their families.

The Brisbane facility was funded by the Veteran Wellbeing Grants (VWG) One-Off Program from the Department of Veteran Affairs and the Melbourne space was funded by the Victorian Government's Veteran Capital Works Grant Program.

Both facilities recognise the unique needs of current and former Australian Defence Force members who are making the transition to civilian life.

This is part of ACU's pioneering program to champion the wellbeing of defence personnel and their families through access to higher education, which was spearheaded by the Veteran Entry Program and Student Veteran Support Program.

INNOVATIVE PROGRAM SUPPORTS NEXT GENERATION OF TEACHERS

ACU's Step Up Into Teaching (SUIT) program gives students in Year 11 and 12 an early start to a teaching degree, helping to boost the teaching pipeline and support first-in-family, low-SES, and First Nations students to successfully study at a tertiary level.

The program won a Future Builder Award in 2025, as part of the Shaping Australia Awards. The program, which operates at ACU's Strathfield Campus and recently expanded to the university's Brisbane Campus, celebrated a record cohort of graduates in 2025, following a 50 per cent increase in enrolments over the past two years.

By engaging senior secondary students from diverse backgrounds and communities in university-level learning, the program builds confidence, capability, and belonging. It aligns with ACU's mission to break down barriers to higher education and build the teaching workforce by supporting the next generation of educators.

UNI COURSE SPARKS LEARNING IN INMATES

In 2025, ACU partnered with MTC Australia to pilot the Clemente Australia program with students within the minimum-security unit at Parklea Correctional Centre. Clemente has supported these students to reconnect with education and is providing a pathway to further or higher education.

Originating in the United States, Clemente was brought to Australia by ACU in 2003 as an initiative of mission. In 2025, eight campus and community-placed programs, including Parklea, were facilitated by ACU in partnership with eleven community partner organisations, and over 30 volunteer learning partners.

Clemente works to co-create transformative learning spaces where students from non-traditional backgrounds engage with humanities and liberal arts subjects such as history, sociology, philosophy and politics. On completion of four units, students graduate with a Certificate of Liberal Arts.

BUILDING COMMUNITY CAPACITY THROUGH PARTNERSHIP

In 2025, ACU Engagement partnered with more than 80 community organisations across Australia, delivering community-engaged learning experiences that benefited both students and partners.

Through these collaborations, students contributed directly to essential services, gaining practical experience in real-world settings and supporting the communities ACU serves.

Feedback from the 2025 survey of community partners highlighted the program's positive impact, with partners noting the professionalism and preparedness of ACU students, and the program's role in helping organisations extend their reach and improve service delivery, especially where resources were limited.

Many partnerships evolved beyond initial placements, with students often returning as volunteers or employees, strengthening long-term engagement, part of the university's commitment to serving communities through meaningful connection.

HARNESSING STEM FOR THE COMMON GOOD

In 2025, ACU strengthened its commitment to use STEM innovation to create positive social impact, particularly for marginalised and under-represented communities.

People from low socioeconomic backgrounds continue to be underrepresented in STEM education and careers due to limited access, lower confidence, and fewer resources. Through inter-disciplinary initiatives, students and researchers partnered with community organisations to embed equity and inclusion at the heart of STEM education and research.

ACU's STEM Centre of Education Excellence partnered with City of Parramatta Libraries, Cincinnati University, Van Robotics, and the Brainary to provide children with access to industry leading Abii AI robots. It was designed to familiarise preschoolers - particularly those from culturally diverse and low socio-economic backgrounds - with fundamental literacy and numeracy concepts.

STEMPlay allowed primary school students to experiment with a range of robotic and coding equipment at ACU's Melbourne Campus. ACU pre-service teachers had a chance to practise their planning, teaching, and digital technology skills thanks to the hands-on program.

Academics from the Peter Faber Business School delivered a five-day workshop at the Blacktown Campus for high school students from low socioeconomic backgrounds as part of a year-long research project on attitudes towards STEM.

Focus 4

Address issues of national significance

We will make practical contributions towards addressing the social challenges facing Australia and engage in mission-aligned programs of work that benefit Australia and its people.

NATIONAL INDUSTRY PHD GRANTS

In 2025, ACU was awarded two National Industry PhD grants from the Australian Government to support pioneering research into hamstring injuries in professional sport and the health and rehabilitation of Australia's rugby teams.

The projects include a collaboration with Springbok Analytics and Rugby Australia, and the involvement of an embedded PhD student allows the university to build research talent and provides opportunities for high-achieving PhD candidates to learn about knowledge translation and research impact.

These projects will accelerate the translation of research into practical solutions, benefiting athletes from grassroots to elite competitions. This reflects ACU's mission to contribute to the common good and make a tangible impact on the communities we serve.

The National Industry PhD Program is a $300 million government initiative that brings together researchers to solve challenges across medical research, environmental sustainability, manufacturing and AI.

ACU WINS AUSTRALIA'S ECONOMIC ACCELERATOR GRANT

In 2025, ACU won its first Australia's Economic Accelerator (AEA) grant for a project using AI-powered data input technology to improve aged care.

ACU will collaborate with Microsoft and BaptistCare on a project to develop Jessie Technology, a hands-free data input technology that automates data entry for frontline workers. By improving the data collection process, aged care workers will have more time to provide quality care by spending less time on paperwork and more time connecting.

As part of the university's long-term strategic plan, Vision 2033, ACU is committing skills and knowledge to make practical contributions that address the social challenges facing Australia, including in the care economy.

ACU PARTNERS WITH INDUSTRY TO FURTHER THE SCIENCE OF NUTRITION

ACU researchers announced a partnership with Nestlé Health Science on a startup incubator to advance innovation in nutrition.

ACU researchers in nutrition science and metabolism at the Mary MacKillop Institute for Health Research will lead the incubator program from the Melbourne Campus.

The partnership will help drive innovation in nutrition and health research into real-world impact, scaling up into practical solutions that improve community health and wellbeing through the translation of nutrition research.

$14 MILLION PARTNERSHIP TRANSLATES ACU RESEARCH INTO REAL-WORLD IMPACT

In 2025, ACU signed a landmark co-investment partnership with Breakthrough Victoria to translate research into life-changing products and services.

Breakthrough Victoria will co-invest in promising ACU-based startups and research commercialisation projects, providing funds and strategic support to propel academic discoveries into market-ready innovations.

ACU researchers will benefit from opportunities to hone their entrepreneurial skills, helping turn their world-leading research into viable commercial ventures.

The partnership is part of Breakthrough Victoria's $100 million University Innovation Platform, which aims to commercialise critical research from Victorian universities. It will ensure ACU's pioneering research in healthcare, sports science, aged care and education will help transform lives and create real-world impact, with a focus on the care economy.

ACU PARTNERS ON GLOBAL STEM EDUCATION HUB

This year, ACU partnered with Christ University in India to establish the Global STEM Education Centre.

The transnational hub will be based at Christ University's central campus in Bangalore, helping drive innovation and address real-world challenges in STEM education. It aims to break down barriers to STEM for young Australians and Indians, with a focus on increasing participation for girls and women.

The Centre will be home to joint research projects, academic exchange programs and professional workshops to tap into industry expertise.

Focus 5

Promote human dignity and advance the common good

We will fulfil our mission commitment to upholding the inherent worth of every individual and advocating for a just and harmonious world.

TOWARDS 2033: ABORIGINAL AND TORRES STRAIT ISLANDER PLAN

In 2025, ACU finalised its Towards 2033: Aboriginal and Torres Strait Islander Plan following a review of the Belonging Strategy (2020 – 2023) and 15 months of extensive consultation and collaboration across the university and wider community. Grounded in Vision 2033, the plan sets a shared direction and the practical commitments that will guide ACU's work going forward.

$5M FUNDING TO SUPPORT CAREGIVERS RAISING CHILDREN WITH DISABILITIES

An extra $5 million in funding was allocated to the ACU-led ENVISAGE (Enabling Visions and Growing Expectations) program in 2025 under the National Early Childhood Program. This grant will allow for more children, aged from birth to eight, with disability or developmental concerns and their families to be supported over the next two years.

CELEBRATING EXCELLENCE ACROSS OUR COMMUNITY

Throughout the year, our students, staff and alumni were recognised with a range of prestigious awards and honours. These achievements reflect the talent, dedication and impact of the university community.

- Six ACU researchers were recognised in the prestigious Clarivate 2025 Highly Cited Researcher awards: Professor Philip Parker, Professor Reinhard Pekrun, Professor James Sallis, Professor Richard Ryan, Professor Ester Cerin and Professor Herbert Marsh.
- Four ACU researchers were recognised as leaders in their fields by The Australian 2026 Research Awards, including Pro Vice-Chancellor (Research) Professor Philip Parker for educational psychology and counselling, Associate Professor Jessica Holloway for educational administration, Associate Professor Bridget Pratt for bioethics and Associate Professor Md Akhtaruzzaman for finance.
- More than 30 ACU scholars were named in the top two per cent of scientists globally as part of the prestigious 2025 Stanford University/Elsevier Global Researcher list. Among the top performers were Professor Richard Ryan, Professor Herbert Marsh, Professor Reinhard Pekrun and Professor James Sallis.
- Associate Professor Matthew Crawford and Professor Debjani Ganguly were elected Fellows of the Australian Academy of the Humanities.

- Professor Sandy Middleton, Professor Herbert Marsh, Professor Richard Ryan and Professor John Hawley were named ACU's inaugural MacKillop Distinguished Professors.
- Professor Sandy Middleton received the prestigious Health Services Research Association 2024 Distinguished Investigator Award – Senior Investigator and Lifetime Achievement for her groundbreaking work in acute stroke care.
- Professor Herbert Marsh received the Global Award for Innovation in Education Research Methods at the 10th Forum on Empirical Education Research in Shanghai for his contributions to educational psychology.
- Associate Professor Jessica Russ-Smith received the Citation for Outstanding Contributions to Student Learning and the prestigious Neville Bonner Award for Indigenous Education in the Australian Awards for University Teaching (AAUT).
- Professor Ester Cerin won a Nobel Sustainability Trust Award for her contributions to the Global Observatory of Healthy and Sustainable Cities.
- Associate Professor Niusha Shafiabady won the AI in Mining category at the 2025 APAC Women in AI Awards for her AI research work to monitor and forecast gas-related incidents in underground coal mines.
- Dr Joanne Bennett won the Australasian College of Road Safety Young Leaders Award.
- Associate Professor Mellita Jones was awarded the Medal of the Order of Australia (OAM), for her service to education.
- Ms Tenille Duggan received the Prince of Wales Award from the Australian Defence Force Reserve Employer Support.
- ACU had finalists in three categories in the Australian Financial Review Higher Education Awards: Industry Engagement (ACU's Jessie Technology), Emerging Leadership (Associate Professor Jessica Russ-Smith) and Community Engagement (ACU's ENVISAGE).
- Dr Kassia Beetham was a finalist in Exercise Sports Science Australia's inaugural Anita Hobson-Powell Scholarship, which celebrates female leaders who advance their professions and strengthen their communities.
- ACU student Helen Dupree was the recipient of a 2025 Graduate Women Victoria Scholarship and received the Helen Hailes Bursary in the Masters Teaching and Education category.
- Alumnus Kim Dyball was recognised across numerous Women Changing the World Awards categories for leadership excellence and advocacy of young Indigenous women in STEM in forging new pathways for young Indigenous women.
- Alumnus Tara Croker was recognised for leadership excellence in the Women Changing the World Award for her commitment to increasing First Nations representation in the native food industry.
- Alumnus Dev Ansh Tiwary was shortlisted for a 2026 John Monash Scholarship at the University of Oxford.

Focus 6

Strengthen our institutional foundations

To facilitate the sustained success and growth of ACU, we will consistently work to strengthen our institutional foundations.

DEVELOPING CAMPUS PRECINCTS

In 2025, work took place to transform ACU's campuses into precincts focused on innovation and co-location with Catholic partners, industry and community.

ACU's flagship innovation district in Melbourne is emerging as a nationally significant hub for place-based research, innovation and care. Its transformation was driven by the completion of the new Aikenhead Centre for Medical Discovery (ACMD) in 2025.

ACMD is a purpose-built facility that brings together researchers, HDR candidates, clinicians and industry partners in a people-centred, mission-aligned environment. Featuring biomedical laboratories, med-tech workshops and collaborative spaces, ACMD supports interdisciplinary research across STEMM, HASS, nursing and allied health. It strengthens partnerships with government and health providers to deliver solutions of national and commercial significance, tailored to local needs. The district is underpinned by ACU's growing research capability on the Melbourne Campus, including the Health and Metabolism Research Platform, which enhances national capacity in health and the care economy.

EMERGENCY RELIEF PARTNERSHIP

In Brisbane, ACU signed an agreement with St Vincent de Paul Society Queensland to create a new chapter of the charity on campus. Under the partnership, ACU students and staff experiencing an immediate crisis or hardship have direct access to emergency relief through the new hub. ACU staff and students will have the opportunity to volunteer at the campus hub and the Campus Ministry team is working to establish the first Vinnies@ACU student society.

NEW EBA NEGOTIATIONS LAUNCHED

ACU launched negotiations with the National Tertiary Education Union (NTEU) and Community and Public Sector Union (CPSU) in March 2025 for a new Enterprise Bargaining Agreement. In 2025, the university reached in-

principal agreement on a range of issues, including academic workloads, the development of a Disability Inclusion Action Plan (DIAP) and increasing a range of leave entitlements.

SUSTAINABILITY

ACU's approach to sustainability is part of its commitment to promote human dignity and the common good. The ACU sustainability framework unites Catholic teaching on the relationship between people and planet with the objectives of the United Nations Sustainable Development Goals (SDGs).

This work is an essential dimension of ACU's mission as a Catholic university and particularly in service to those experiencing marginalisation. ACU expresses its sustainability commitment through the way we conduct research, learning, community engagement and campus operations. In each of those activities, our goal is to minimise our environmental footprint and maximise our positive social impacts.

ENVIRONMENTAL FOOTPRINT

ACU continues to integrate environmental sustainability into the everyday life of the university, shaping how its campuses operate and how its activities are delivered.

In 2025, close to 75 per cent of the energy used across ACU's Australian campuses came from wind and solar sources. This outcome reflects the university's long-standing commitment to minimising the carbon footprint of its campuses, with ACU having sourced 100 per cent renewable electricity since July 2021.

As a result of its low-carbon approach to campus operations, ACU's energy-related greenhouse gas emissions in 2025 were approximately 40 kilograms per equivalent full-time student (EFTSL), substantially lower than the 2024 university-sector average of 580 kilograms*.

Strong performance in resource efficiency was also evident in ACU's consumption and disposal of consumable goods. In 2025, ACU generated just 25 kilograms of waste per EFTSL against a 2024 sector average of 49 kilograms*.

Meanwhile, ACU's total carbon footprint has declined by approximately one third since 2020, its emissions-baseline year. An inventory of ACU's 2024 carbon footprint, completed in 2025, shows that ACU emitted approximately 22,000 tonnes of CO2-equivalent, 11,000 fewer tonnes than in 2020.

SOCIAL IMPACT

A key tenet of our contribution to global sustainable development is ensuring our activities in research, community engagement and innovation eradicate slavery from our supply chain and promote an ethical and sustainable use of resources. Wide-ranging initiatives include:

- ACU partnered with 75 community and non-profit organisations, enabling 1,200 ACU students to undertake community engagement placements.
- ACU hosted the Clemente Australia Program, which provides access to university education in the liberal arts for people experiencing marginalisation.
- The Thomas More Law School supported 250 students across Sydney, Melbourne, and Brisbane to provide supervised pro bono legal service through law firms, community legal centres, NGOs, government departments or social justice agencies.

SENIOR APPOINTMENTS

- Rev Dr Gerald Gleeson, Deputy Vice-Chancellor (Catholic Mission)
- Mr Petrus Swemmer, Chief Financial Officer
- Professor Larissa McLean Davies, Executive Dean, Faculty of Education and Arts
- Professor David Smith, Executive Dean, Faculty of Law and Business *commencing Feb 2026

*Tertiary Education Facilities Management Association (TEFMA) Annual Survey 2024

Freedom of Speech and Academic Freedom Attestation Statement

ACU's Senate originally approved Statute 13 – Freedom of Speech and Intellectual Freedom on 8 April 2020 consistent with the principles of the Model Code on Freedom of Speech and Academic Freedom.

Statute 13 was shaped by input from various governance and management bodies, and representative stakeholder groups across the university, including Senate and Academic Board, members of the senior executive and executive, elected student representatives and the unions. Statute 13 extends the concept of academic freedom by enveloping it in the broader concept of intellectual freedom. Critically, Statute 13 reconciles the principles of the Model Code with the concept of academic freedom in the Catholic intellectual tradition. As a superior governing document in the university's document hierarchy, Statute 13 automatically overrides all policies of the university to the extent of any inconsistency.

In 2020, ACU was identified as one of only nine universities 'fully aligned' with the Model Code following the release of the independent review by Professor (Emeritus) Sally Walker AM. Consistent with the Walker review, ACU has completed a comprehensive evaluation of the alignment of its policies with the Model Code. The ACU policy library has been reviewed and updated to provide safeguards protecting freedom of speech, intellectual and academic freedom across ACU's activities.

Against the backdrop of the inclusion of a definition of 'academic freedom' in the Higher Education Support Act 2003 (HESA) in 2021, the Australian Catholic University Staff Enterprise Agreement 2022–2025 includes a more rigorous definition of intellectual freedom compared to the previous agreement. Statute 13 has been renamed to explicitly include academic freedom and now includes the definition of 'academic freedom' contained in the HESA. During 2025, the university did not receive any significant complaints related to freedom of speech, intellectual freedom and academic freedom. Historically, ACU has managed any such matters on a case-by-case basis in accordance with the relevant complaints policies and procedures.

Previous complaints have principally focused on matters reported in the public domain, where the contest of ideas has also prompted the expression of alternate points of view. ACU is aware of the need to balance the principles of freedom of speech and intellectual and academic freedom with ACU's legal duties, as articulated in Statute 13.

The Academic Board, ACU's highest academic governance forum, regularly engages in academic debate in a respectful and collegiate manner. The University Chancellors Council approved a template for an attestation statement for reporting on freedom of speech and academic freedom at its meeting on 4 August 2021. This attestation statement satisfies the requirement of the UCC's template.

Governance principles

The release of the Final Report and Principles by the Expert Council on University Governance in September 2025 provided the Australian Catholic University with an opportunity to reflect on its governance processes and practices.

Since the publication of the former Voluntary Code of Best Practice for the Governance of Australian Public Universities, ACU has annually attested to its compliance with the Voluntary Code to the extent permitted by, or described in, its governing documents (the Constitution, statutes, regulations, policies, procedures and guidelines), the Australian Catholic University Acts in New South Wales, Victoria and Queensland, and relevant Commonwealth legislation including the *Corporations Act 2001* and the *Australian Charities and Not-for-profits Commission Act 2012*.

The new Governance Principles build on the foundation provided by the Voluntary Code by strengthening governance culture across the higher education sector. In late 2025, the ACU Senate received and discussed a high-level compliance assessment of current ACU governance mechanisms against the recommendations in the Governance Principles. Senate noted that ACU is already aligned with many of the principles, with several areas requiring further activity to bring ACU into full alignment. A program of work, including an anticipated external review of both corporate and academic governance, will be a primary focus of governance activity at ACU through 2026 to ensure alignment with the Governance Principles into the future.

Protected disclosures

ACU is committed to a culture of corporate compliance and the promotion of lawful and ethical behaviour and transparency in commercial, legal and other stakeholder dealings. We expect our officers, staff, members and affiliates to act in accordance with the law at all times, to behave professionally and to uphold ACU's mission, values and Code of Conduct for Staff in undertaking their duties and activities on behalf of, or in association with, ACU.

ACU's Protected Disclosures Policy and Procedure (Protected Disclosures Framework), first approved by the Senate in June 2016, was substantially updated in December 2019 to comply with the amendments to the corporate whistleblowing scheme under Part 9.4AAA of the *Corporations Act 2001* (Corporations Act). The Protected Disclosures Framework is an important tool for detecting undesirable, unethical, fraudulent or illegal conduct or misconduct that might represent an improper state of affairs ('reportable conduct'). It is essential to achieving good corporate governance. The Protected Disclosures Framework operates in alignment with other compliance tools such as the Fraud and Corruption Control Framework and the new Anti-Bribery and Corruption Policy.

As part of the implementation of the Policy Framework, the university engages an independent, third-party service provider to provide a whistleblower hotline and reporting service for reportable conduct. The independence of this service ensures that the statutory and policy protections available to disclosers, including anonymity and protection from adverse treatment, are upheld.

The Protected Disclosures Framework reflects ACU's commitment to identifying and investigating reportable conduct and to supporting and protecting eligible whistleblowers. A combination of quarterly and annual reporting to the Senate Standing Committee, the Audit and Risk Committee and the Senate regarding the operation of the Protected Disclosures Framework ensures that there is a focus on ethical and legal accountability, that key risk areas are identified and addressed and that a culture of compliance is fostered.

Review of results and audited financial statements

Financial statements for the year ended 31 December 2025

Directors' report

The directors present their report together with the financial statements of Australian Catholic University Limited (the university) for the year ended 31 December 2025 and the auditors' report thereon.

DIRECTORS

The directors of the university in office at any time during or since the end of the financial year are:

The Hon. Martin Daubney AM KC
DTS (YTU), BA LLB (UQ)
Chancellor
1 January 2022

Professor Zlatko Skrbis
BPhil (Hons) (Ljubljana), BSocCult (Hons) (Ljubljana), PhD (Flinders), PFHEA
11 January 2021

Róisín Annesley KC
BA, LLB, M.Tax
Barrister
22 May 2025

Sarah Beltrame
MInfoStud (Lib) (CSU), BCreativePrac (Phtg) (Hons) (CSU), AssocDegMultimedia (CSU), GradCert EdStudy (UniSA)
University Administrator
1 May 2023

Professor Michael Champion
BSc BA (Hons), MA (Melb), AKC, BD(Hons), PhD (Lond)
University Academic
1 May 2025

Virginia Bourke
BA LLB (Hons) MA FAICD
Pro-Chancellor
1 July 2022

Ella Birt
Student
1 January 2025 (31 December 2025)

Most Reverend Peter A Comensoli
BTh (CIS), STB (CIS), SLT (Accademia Alfonsiana (Rome)), MLitt (St And), PhD (Edinburgh)
Archbishop of Melbourne
23 May 2024

Marita Corbett
BComm, CA, GAICD
Partner, Chartered Accountant
22 May 2025

The Hon. James Douglas KC
BA LLB (UQ), LLB (Cambridge)
Commissioner
11 June 2013 (16 June 2025)

Ross Fox
BE (Mining) Hons (UNSW), BA (PPE) Hons (Oxon)
Educational Administrator
1 May 2019 (16 May 2025)

Professor Elspeth Froude
PhD, Grad Dip (NeuroSc), BAppSc (OT), Graduate of AICD
University Academic
1 May 2019 (30 April 2025)

Associate Professor Leah Kaufmann
BMus/BA(Hons) (Melb), PhD (Melb), Grad Cert HE (ACU)
University Academic
1 May 2024

Anne Kirwan
BA, BSc, Grad Cert Business Admin, Grad Cert Adult Mental Health, Grad Cert Leadership & Catholic Culture (ACU)
CEO
22 May 2025

Professor Timothy McKenry
BMus (Hons), MMus PhD (Melb), AMusA
University Academic and Chair, Academic Board
7 August 2020

Damian Murphy
B.Ec (Hons.), LLB, LLM
Senior Consultant
22 May 2025

Francine Pirola
BSc (UNSW), MA (Fordham), AICD, Cert (TOBI)
Marriage Formation Specialist
4 May 2022

Dr Peter Steer
GAICD, FAAP (AAP), FRCPC (Paediatrics), FRACP (Paediatrics), MB BS (UQ)
Executive
12 May 2023

Julian Widdup
BEc (ANU), MBA (ANU), FAICD, FIA, FIAA
Non-Executive Director
12 May 2023

Marita Winters
BAComms, MPhil, GAICD
Executive
2 October 2023

Associate Professor Monica Wong
BEng (UNSW), MBA (USyd), MTeach (Usyd), PhD (Usyd)
University Academic
1 May 2025

The senior executive of Australian Catholic University Limited at the date of this report are:

VICE-CHANCELLOR AND PRESIDENT

Professor Zlatko Skrbis
BPhil (Hons) (Ljubljana), BSocCult (Hons) (Ljubljana), PhD (Flinders), PFHEA
11 January 2021

PROVOST & DEPUTY VICE-CHANCELLOR (ACADEMIC)

Professor Julie Cogin
BBus (UniSA), GradCert CyberSecurity (UC), MEd/HRMgt (UniSA), MIntLaw (Griff), PhD (CSturt), FAICD
12 February 2024

DEPUTY VICE-CHANCELLOR CORPORATE

Patrick Woods
BSc (Guelph), MBA (McMaster), Dr (Hons) (UTS)
2 December 2024

DEPUTY VICE CHANCELLOR RESEARCH AND ENTERPRISE

Professor Abid Khan
BSc (Hons) (Imperial College London), ARCS, PhD UCL
7 November 2022

VICE PRESIDENT AND DIRECTOR, IDENTITY AND MISSION

Rev Dr Gerald Gleeson
STB (CIS), MA (Cantab), PhD (Leuven)
18 August 2025

DEPUTY VICE-CHANCELLOR (EDUCATION)

Professor Tania Broadley
BEd (Hons) (Curtin), PhD (Curtin)
10 February 2025

Single dates refer to the time of appointment.
Dates in parentheses refer to the date of retirement.

DIRECTORS' MEETINGS

The number of directors' meetings (including meetings of committees of directors) and the number of meetings attended by each of the directors of the university during the financial year are:

	SENATE MEETINGS		FINANCE AND RESOURCES COMMITTEE MEETINGS		HONORARY AWARDS COMMITTEE MEETINGS		AUDIT AND RISK COMMITTEE MEETINGS		SENATE STANDING COMMITTEE MEETINGS	
	A	B	A	B	A	B	A	B	A	B
Hon. Martin Daubney AM KC	10	10			2	2			8	8
Professor Zlatko Skrbis	10	10	5	5	2	2	5	5	8	8
Róisín Annesley KC	2	6	1	3						
Robert Baker (Note i.)	-	-	5	5			5	5	6	8
Sarah Beltrame	9	10					4	5		
Ella Birt	10	10								
Virginia Bourke	8	10	5	5					8	8
Professor Michael Champion	6	7					2	2		
Most Rev Dr Peter A Comensoli DD	6	10								
Marita Corbett	3	6			1	1	2	3		
Hon. James Douglas KC	1	4			-	1	1	2		
Ross Fox	3	4			1	1	2	2		
Professor Elspeth Froude	2	3								
Associate Professor Leah Kaufmann	9	10			1	2				
Anne Kirwan	6	6			1	1	3	3		
Professor Timothy McKenry	10	10			2	2	5	5	8	8
Damian Murphy	4	4					3	3		
Francine Pirola	8	9					4	5		
Dr Peter Steer	9	10	4	5						
Julian Widdup	9	10	5	5						
Marita Winters	7	10	5	5						
Associate Professor Monica Wong	6	7	2	3						

A - Number of meetings attended
B - Reflects the number of meetings held during the time the director held office throughout the year
Note:
i. Mr Robert Baker is Chair of the Audit and Risk Committee and a member of the Senate Standing Committee and Finance & Resources Committee. However, he is not a Director of the University.

PRINCIPAL ACTIVITIES

The principal activities of Australian Catholic University Limited during the financial year were those of a university engaged in the provision of undergraduate and postgraduate education, the conduct of research and the advancement of knowledge for the benefit of society, together with engagement with community, government and industry. As a Catholic university, it has a fundamental commitment to the pursuit of truth through academic inquiry. The university operates seven campuses across the states of Victoria, New South Wales, Queensland and Australian Capital Territory and a campus in Rome. There were no significant changes in the nature of these activities during the year.

REVIEW AND RESULT OF OPERATIONS

The university achieved a sound financial result of $60.1m surplus in 2025, up from the 2024 surplus of $38.3m and ahead of budget. Enrolments rose to over 26,000 EFTSL, exceeding the enrolment plan, and research performance continued to strengthen, while responsible cost management remained a focus.

During the second year of our Vision 2033 strategic plan, the university has continued to build on its strong operational foundations through enrolment growth, revenue diversification, a refined research focus, enhanced operational efficiencies and strategic partnerships while undertaking prudent financial management and planning. This was reflected in Moody's credit opinion issued in February 2026 where the university's credit profile remains stable driven by a strong institutional framework, funding support and market position.

Although ACU performed well, the 2025 financial year was impacted by the Universities Accord reforms, managed growth funding, capping of international student numbers, evolving visa policies, intense competition for research funding and geopolitical volatility. While progress will be challenged by an increasingly regulated operating environment and persistent funding constraints, the 2025 financial results provide ACU with a solid foundation to advance its mission and strategic priorities.

Total revenue including finance income increased $50.6m (7 per cent) largely due to an increase in Commonwealth Government Grants for Commonwealth Supported Places ($14.2m, 5.3 per cent), HECS HELP ($15m, 9.1 per cent), international students ($11.3m, 8.6 per cent) and finance income ($3m, 34.8 per cent).

Total expenditure including finance expenditure increased $30.8m (5 per cent) largely due to increased employee benefits ($33.1m, 8.3 per cent) due to increasing staff numbers, largely a result of increased enrolments and Enterprise Bargaining Award increases. The cost increases were in turn partially offset by a reduction in depreciation and amortisation ($9.2m, 18.3 per cent) due to exiting of leased spaces and offshore administration ($4.2m, 31.1 per cent) with the reduction in agent fees for commencing international students.

The working capital position has increased to a surplus of $64.8m ($5.1m deficit in 2024). The increase in working capital is largely due to the increase in operating result and increased operating cash flows. At 31 December 2025 there are $177m in term deposits and approximately $33.2m in managed funds classified as current investments and $10m in term deposits classified as non-current investments that can be readily converted to cash.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

The university continued to invest in its infrastructure during 2025. The university continues with the planned construction of the STEM Centre of Education Excellence building at the Strathfield Campus that is being funded from a $45m NSW State Government grant and expected to be completed in 2027. Finalisation of the Saint Teresa of Kolkata Building programme with the builder BESIX Watpac occurred during 2025.

ENVIRONMENTAL REGULATION

The university's operations are not subject to any significant environmental regulations under either Commonwealth or state legislation. However, the directors believe that the university has adequate systems in place for the management of its environmental requirements and is not aware of any breach of these environmental requirements.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

There are no other items, transactions or events of a material or unusual nature that have arisen in the interval between the end of the financial year and the date of this report which are likely in the opinion of directors to affect significantly the operations of the university, the results of these operations or the state of the university in subsequent financial years.

DIRECTORS' INTERESTS AND BENEFITS

Directors' interests and benefits are set out in notes 19 and 20.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

During the year the university renewed the policy with their insurers to provide indemnification for all directors (as listed in this report) and officers of the university against eligible liabilities to another person (other than the university) that may arise from their position as directors and officers. No acts have given rise to a directors and officers insurance claim. The university has not entered into any agreement indemnifying the current auditor, KPMG, against third-party claims.

PROCEEDINGS ON BEHALF OF THE UNIVERSITY

There are no court proceedings being pursued on behalf of the university.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 29 and forms part of the director's report for the financial year ended 31 December 2025.

KEY MOVEMENTS

	2025 $'000	2024 $'000	CHANGE PER CENT
Commonwealth Government Grants	493,075	459,106	7.4
Other operating revenue	198,829	185,260	7.3
Finance income	11,753	8,719	34.8
Salary expenses excluding provisions	(418,271)	(394,186)	6.1
Non-salary expenses excluding depreciation, amortisation and provisions and including interest	(169,344)	(164,430)	3.0
Depreciation, amortisation and provisions	(55,954)	(56,182)	(0.4)
Net result for the period	60,088	38,287	56.9
Working capital	64,784	(5,117)	(1,366.1)
Operating cash flows	112,729	93,440	20.6

NON-AUDIT SERVICES

Amounts paid to the university's auditors for non audit services are outlined in note 5.

The directors of the university are satisfied, based on advice from the Audit and Risk Committee, that the non-audit services provided are compatible with the general standard of independence for auditors and do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for Australian Catholic University, acting as an advocate for Australian Catholic University or jointly sharing risks and rewards.

ROUNDING OFF

Amounts in the financial statements and directors' report have been rounded off to the nearest thousand dollars, unless otherwise stated.

Signed in accordance with a resolution of the directors and in accordance with subsection 60.15(2) of the *Australian Charities and Not for Profit Commission Regulation 2022*:

Professor Zlatko Skrbis
Director
17 April, 2026, Sydney

The Hon Martin Daubney AM KC
Director
17 April, 2026, Sydney

Lead Auditor's Independence Declaration under subdivision 60-C section 60-40 of *Australian Charities and Not-for-profits Commission Act 2012*

To: the directors of Australian Catholic University Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2025 there have been:

(i) no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Stephen Isaac
Partner

Sydney
17 April, 2026, Sydney

Income statement

For the year ended 31 December 2025

	NOTE	2025 $'000	2024 $'000
Revenue and income from continuing operations			
Commonwealth Government financial assistance excluding HECS-HELP	2.1	296,528	277,785
Higher Education Contributions Scheme (HECS-HELP)			
Student contributions	25.2	18,069	15,003
Commonwealth payments	2.1, 25.2	161,665	149,765
FEE-HELP	2.1	11,090	11,275
SA-HELP	2.1	5,723	5,278
State and local government financial assistance	2.2	6,095	5,774
Fees and charges	2.3	154,366	142,077
Consultancy and contract research	2.5	13,675	9,522
Other revenue and income	2.6	24,693	27,887
Total revenue and income from continuing operations		**691,904**	**644,366**
Expenses from continuing operations			
Employee benefits	3.1	433,093	400,000
Depreciation and amortisation	3.2	41,132	50,368
Repairs and maintenance	3.3	11,442	9,803
Advertising, promotions and publicity		12,100	11,551
Computer software and services	3.4	25,557	22,798
Consultancy and contract research	3.5	11,863	6,921
Library acquisitions		8,294	8,232
Minor equipment	3.6	5,076	2,613
Offshore administration		9,298	13,501
Rent		3,946	3,420
Scholarships and student grants		16,231	17,747
Travel	3.7	7,486	8,337
Other	3.8	46,778	45,929
Total expenses from continuing operations		**632,296**	**601,220**
Net result from continuing operations		**59,608**	**43,146**
Finance income and expense			
Finance income	2.4	11,753	8,719
Finance expense	4	(11,273)	(13,578)
Total finance income and expense		**480**	**(4,859)**
Net result before income tax		**60,088**	**38,287**
Income tax	1(c)	-	-
Net result for the period		**60,088**	**38,287**

The income statement is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 35 to 63.

Statement of comprehensive income

For the year ended 31 December 2025

	NOTE	2025 $'000	2024 $'000
Other comprehensive income			
Items that will not be reclassified to the income statement			
Superannuation – deferred government contributions		(462)	(2,204)
Deferred superannuation expense		462	2,204
Items that may be reclassified subsequently to the income statement			
Gain/(loss) on revaluation of land and buildings	10	5,368	-
Gain/(loss) on financial assets	16	(12,493)	(13,325)
Other comprehensive income for the period		**(7,125)**	**(13,325)**
Net Result for the period		60,088	38,287
Total comprehensive income		**52,963**	**24,962**
Attributable to:			
Members		52,963	24,962
Total comprehensive income attributable to members		**52,963**	**24,962**

The statement of comprehensive income is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 35 to 63.

Balance sheet

As at 31 December 2025

	NOTE	2025 $'000	2024 $'000
Current assets			
Cash and cash equivalents	6	10,971	17,398
Trade and other receivables	7	13,990	8,949
Other investments	8	210,155	149,032
Other assets	9	32,874	31,177
Total current assets		**267,990**	**206,556**
Non-current assets			
Other investments	8	32,920	36,202
Property, plant and equipment	10	977,916	1, 006,328
Intangible assets	11	36,938	36,852
Other assets	9	12,283	12,745
Total non-current assets		**1,060,057**	**1,092,127**
Total assets		**1,328,047**	**1,298,683**
Current liabilities			
Trade and other payables	12	37,775	55,697
Employee benefits*	13	87,131	74,121
Borrowings	14	16,999	18,146
Other liabilities	15	61,301	63,709
Total current liabilities		**203,206**	**211,673**
Non-current liabilities			
Employee benefits	13	18,126	17,313
Borrowings	14	282,090	297,838
Other liabilities	15	5,698	5,895
Total non-current liabilities		**305,914**	**321,046**
Total liabilities		**509,120**	**532,719**
Net assets		**818,927**	**765,964**
Equity			
Reserves*	16	818,927	765,964
Retained earnings	17	-	-
Total equity		**818,927**	**765,964**

* The comparative information has been restated, refer to note 1 (p)
The balance sheet is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 35 to 63.

Statement of changes in equity

For the year ended 31 December 2025

	NOTE	GENERAL RESERVE $'000	ASSET REVALUATION RESERVE $'000	FINANCIAL ASSETS REVALUATION RESERVE $'000	CONTRIBUTION FROM MEMBERS $'000	TOTAL EQUITY $'000
2025						
Balance at 1 January 2025		**600,802**	**126,536**	**(18,332)**	**56,958**	**765,964**
Comprehensive income for the period						
Net result for the period	17	60,088	-	-	-	**60,088**
Total other comprehensive income for the period		-	5,368	(12,493)	-	**(7,125)**
Total comprehensive income for the period		**60,088**	**5,368**	**(12,493)**	-	**52,963**
Balance at 31 December 2025		**660,890**	**131,904**	**(30,825)**	**56,958**	**818,927**
2024						
Balance at 1 January 2024		**585,299**	**127,084**	**(5,007)**	**56,958**	**764,334**
Prior period correction	**1(p)**	**(23,332)**	-	-	-	**(23,332)**
Balance at 1 January 2024 restated		**561,967**	**127,084**	**(5,007)**	**56,958**	**741,002**
Comprehensive income for the period						
Net result for the period	17	38,287	-	-	-	**38,287**
Total other comprehensive income for the period		-	-	(13,325)	-	**(13,325)**
Transfer from asset revaluation reserve		548	(548)	-	-	-
Total comprehensive income for the period		**38,835**	**(548)**	**(13,325)**	-	**24,962**
Balance at 31 December 2024 restated		**600,802**	**126,536**	**(18,332)**	**56,958**	**765,964**

The statement of changes in equity is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 35 to 63.

Statement of cash flows

For the year ended 31 December 2025

	NOTE	2025 $'000	2024 $'000
Cash flows from operating activities			
Grant revenue			
Commonwealth Government		310,506	313,523
State government		5,014	5,855
Higher Education Contribution Scheme			
Student payments		18,069	15,003
Commonwealth payments		159,803	148,189
Other inflows		193,746	175,767
Cash receipts in the course of operations		**687,138**	**658,337**
Cash payments in the course of operations		(574,187)	(557,027)
Interest received		10,832	5,541
Interest and other costs of finance		(11,054)	(13,411)
Net cash from operating activities	24(ii)	112,729	93,440
Cash flows from investing activities			
Payments for property, plant and equipment		(35,363)	(12,499)
Proceeds from sale of non-current assets		12	2,100
(Payments for)/proceeds from investments		(70,335)	(73,668)
Net cash used in investing activities		(105,686)	(84,067)
Cash flows from financing activities			
Lease payments		(13,470)	(14,396)
Net cash used by financing activities		(13,470)	(14,396)
Net (Decrease) / Increase in cash held		(6,427)	(5,023)
Cash and cash equivalents at the beginning of the financial year		17,398	22,421
Cash and cash equivalents at the end of the financial year	24(i)	10,971	17,398

The statement of cash flows is to be read in conjunction with the notes to and forming part of the financial statements set out on pages 35 to 63.

Notes to the financial statements

For the year ended 31 December 2025

1. STATEMENT OF MATERIAL ACCOUNTING POLICIES

The directors of the university comprise the Senate of the university and the terms senator and director are interchangeable. Australian Catholic University Limited (the university) is domiciled in Australia and is not-for-profit. The financial statements were authorised for issue by the directors on 17 April, 2026.

The material policies which have been adopted in the preparation of these financial statements are:

(A) BASIS OF PREPARATION

Statement of Compliance

The financial statements of the university are a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards (AASB's) adopted by the Australian Accounting Standards Board, subsection 60.15(2) of the *Australian Charities and Not for Profit Commission Regulation 2022* and the disclosure requirements within the Guidelines for the Preparation of Annual Financial Statements for the 2025 Reporting Period by Australian Higher Education Institutions issued pursuant to the *Higher Education Support Act 2003*.

The financial statements were authorised for issue by the Senate on 17 April, 2026.

Use of estimates and judgement

The preparation of the financial statements, in conformity with Australian Accounting Standards, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods if the revision affects both current and future periods.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant impact on the amount recognised in the financial statements are described in Note 13 measurement of defined superannuation obligations and Note 10 property, plant and equipment and Note 1 (p) Correction of Errors.

Functional and Presentation Currency

The financial statements are prepared in Australian dollars, which is the university's functional currency.

All financial information has been rounded to the nearest thousand unless otherwise stated.

Historical cost convention

The financial statements have been prepared on the basis of historical costs except for freehold land and buildings, investments and defined benefit superannuation liabilities. These have been stated at fair value.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and other disclosures.

The accounting policies below have been applied consistently to all periods presented in these financial statements except where stated.

(B) REVENUE FROM CONTRACTS WITH CUSTOMERS AND OTHER INCOME

AASB 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement.

Revenue is recognised as follows:

Government grants

Commonwealth Grant Scheme and HELP income is recognised when a transfer of service is made to the students whereby it is credited to the university's income statement in the financial year in which the goods and services are provided in exchange for the grant received.

Other tuition fee income

Other tuition fee income is generated from fee-paying courses for local and overseas students. Revenue is recognised in the same period as the courses for which the fee income is derived. Prepaid tuition fees for courses being held in the next teaching year are treated as deferred income and recorded as revenue in the following financial year when the course is provided. Agent commissions incurred from obtaining new student contracts are capitalised initially and then expensed over the period of the contract.

Research revenue

Where research income is generated from a contract with a customer that is both legally enforceable and includes sufficiently specific performance obligations the income will be recognised in accordance with AASB 15 as the performance obligations are met. Where the contract with a customer is either not legally enforceable or does not include sufficiently specific performance obligations, the income will be recognised in accordance with AASB 1058 Income for not-for-profit entities. For these agreements once the asset (typically cash) has been recognised, the university recognises any related liability amounts for amounts that could be required to be returned to the funder. Once the assets and liabilities have been recognised then revenue is recognised for any difference between the recorded asset and liability. For many of the university's funding agreements it has been assessed that there are not sufficiently specific performance requirements, however there are obligations to return any unspent funds. In a research context, this means revenue is recognised as funds are spent, with any unspent funds being classified as a liability.

Donations and bequests

Donations and bequests received, which are not subject to conditions under a specific trust deed and are deemed by management to be a genuine donation rather than a contract with a customer, are recognised under AASB 1058 Income of not-for-profit entities as income when they are received.

Interest income

Interest income is recognised as it accrues using the effective interest method.

Asset sales

The net gain on asset sales is included as other income and the net loss as an expense. The profit or loss on disposal of assets is brought to account at the date the control passes.

(C) TAXATION

The Commissioner of Taxation has granted the university an exemption under section 50-5 of the *Income Tax Assessment Act 1997* from the 1st of July 2000.

The university is not subject to income tax or capital gains tax but may be liable for other taxes in accordance with federal and state legislation.

(D) CASH AND CASH EQUIVALENTS

Cash at bank is carried at face value of the amounts deposited or drawn and net of unpresented cheques. The carrying amount of cash at bank approximates net fair value.

Short term deposits of less than the original term of 90 days are classified as cash equivalents.

(E) TRADE AND OTHER RECEIVABLES

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment and expected credit losses (ECLs). Loss allowances for trade and other receivables are always measured as an amount equal to lifetime ECLs.

When determining whether the credit risk of trade and other receivables has increased significantly since initial recognition and when estimating ECLs, the university considers both quantitative and qualitative information and analysis, based on the university's historical experience and informed credit assessment and including forward-looking information. The university assumes that the credit risk on trade and other receivables has increased significantly if it is more than 90 days past due.

Student assistance program

Student loans are generally settled within a 12 month period and are carried at amounts due. The collectability of debts is assessed at balance date and bad debts are written off directly to the income statement. Specific provision is made for any doubtful accounts. The carrying amount of student loans approximates fair value.

Sundry receivables

Sundry receivables are recognised when expenditure is incurred by the university and requires reimbursement by a third party. The carrying amount of sundry receivables approximates fair value.

(F) FINANCIAL INSTRUMENTS

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the university becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTIS, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

The university classifies its financial instruments in accordance with AASB 9 in the following measurement categories: at amortised cost, at fair value through the income statement (FVTIS) and at fair value through other comprehensive income (FVOCI).

Financial assets are not reclassified subsequent to their initial recognition unless the university changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTIS:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on a specified date to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTIS:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on a specified date to cash flow that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the university may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTIS. This includes all derivative financial assets. On initial recognition, the university may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTIS if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets — subsequent measurement and gains and losses

Financial assets at FVTIS: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the capital in the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities – classification, subsequent measurement and gains and losses: Financial liabilities are classified as measured at amortised cost or FVTIS. A financial liability is classified as at FVTIS if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTIS are measured at fair value and net gains and losses, including any interest expense, are recognised the income statement. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The university derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the university neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The university enters into transactions whereby it transfers assets recognised in its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The university derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The university also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial asset and financial liabilities are offset and the net amount presented in the balance sheet when, and only when the university currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Other companies

When shares governed by a trust deed are sold, the profit or loss on disposal is recognised against a trust fund liability. All other share profits and losses on disposal are recognised in the income statement.

(G) PROPERTY, PLANT AND EQUIPMENT

Acquisition and additions of non-current assets are capitalised if the value is more than $10,000. These additions are recorded at cost in the year of acquisition.

Freehold land and buildings are treated as one class of asset and shown at fair value, based on periodic 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.

Freehold land and buildings are revalued triennially. A desktop valuation is undertaken by management in the other years to determine any material changes. Increases in the carrying amounts arising on revaluation of freehold land and buildings are credited to the Asset Revaluation Reserve in equity. To the extent that the increase reverses a decrease previously recognised in the income statement, the increase is first recognised in the income statement. Decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset class; all other decreases are charged to the income statement.

All other property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Cost also includes those costs directly attributable to bringing the asset to its working condition and an estimate of the cost of dismantling and removing the asset. The estimate of dismantling costs is based on prior experience in exiting similar sites or locations.

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 university 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.

Depreciation

Depreciation is recognised in the income statement on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment. The depreciation rates used for each class of asset in the current and comparative year are as follows:

Freehold buildings	2 – 3%
Improvement to intangible rights to occupy buildings	2 – 3%
Furniture and fittings	20%
Computer equipment	33%
Plant and equipment	20%
Motor vehicles	10%

The assets' residual value and useful life is reviewed and adjusted, if appropriate, at each balance sheet date.

An asset's carrying amount is impaired to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. See note 1(h). Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These are included in the income statement. When revalued assets are sold, it is university policy to transfer the amounts included in the Asset Revaluation Reserve in respect of those assets to retained earnings.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate the cost or revalued amount, net of residual value, over the estimated useful life.

Works of art

Acquisitions are carried at cost and no depreciation is charged in respect of these assets.

Leased property, plant and equipment

The university, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligations to make lease payments.

i) Definition of a lease

The university assesses whether a contract is or contains a lease, and if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

At inception or on reassessment of a contract that contains a lease component, the university allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

ii) As a lessee

The university leases many assets, including properties and equipment. Under AASB 16, the university recognises right-of-use assets and lease liabilities for most leases – i.e. these leases are on-balance sheet.

However, the university has elected not to recognise right-of use-assets and lease liabilities for some short term leases and low value assets (e.g. IT equipment). The university recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The carrying amounts of right-of-use assets are disclosed in note 10 (b).

The university presents lease liabilities in the balance sheet.

The university recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the university's incremental borrowing rate. Generally, the university uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The university has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the university is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of use assets recognised.

Some property leases contain extension options exercisable by the university up to one year before the end of the non cancellable contract period. Where practicable, extensions options in new leases are included to provide flexibility. The extension options held are exercisable only by the university and not by the lessors. The university assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. The university reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

iii) As a lessor

The university leases out some owned and leased property. All leases are classified as operating leases from a lessor perspective except where a sub-lease exists, then the sub-lease is classified as a finance sub-lease.

(H) IMPAIRMENT OF ASSETS

Non-financial assets

At each reporting date, the university reviews the carrying amount of its non-financial assets (other than contract assets) to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of other assets on a pro rata basis. For other assets, an impairment loss is reversed only to the extent that the assets' carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(I) INTANGIBLE ASSETS

Intangible assets consist of the rights to occupy land and buildings that have been granted at nominal rates for a determined period or in perpetuity. The intangible rights are initially recorded at their fair value. Rights to occupy buildings are amortised at the greater of three per cent or the period of the term of the agreement. Where a right of occupancy agreement exists and stipulates the period, the asset including rights to occupy land is amortised over the period of the right. Indefinite life intangibles are tested annually for impairment.

(J) TRADE AND OTHER PAYABLES

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not those were billed to the university. Trade accounts payable are normally settled within 30 days. The carrying amount of accounts payable approximates net fair value.

(K) BORROWINGS

Borrowings are carried on the balance sheet at amortised cost. Interest expense is recognised on an effective interest basis.

Borrowings are classified as current liabilities unless there is a right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting date.

(L) EMPLOYEE BENEFITS

Wages, salaries and sick leave

The provisions for employee entitlements to wages and salaries represent the amount which the university has a present obligation to pay resulting from employees' services provided up to the balance date.

The provisions have been calculated based on wage and salary rates at which they are expected to be paid and includes related on-costs. The carrying amount of the provisions approximates net fair value.

Annual leave

The liability for employee entitlements to annual leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees services provided up to the balance date. The liability is calculated from a staff member's commencement date allowing for the probability that the member will take accrued leave. Liabilities are discounted using rates attaching to government bonds at balance date, which most closely match the terms of maturity of the related liabilities. The carrying amount of the provision approximates net fair value.

In determining the liability for employee entitlements, consideration has been given to the university's experience with staff taking annual leave. Related on-costs have also been included in the liability.

Long service leave

The liability for employee entitlements to long service leave represents the present value of the estimated future cash outflows to be made by the employer resulting from employees' services provided up to the balance date. The liability is calculated from a staff member's commencement date allowing for the probability that the member will complete seven years of service. Staff members with seven years of service or more are included as current liabilities; those with less than seven years of service are included as non-current liabilities.

In determining the liability for employee entitlements, consideration has been given to the university's experience with staff departures. Related on-costs have also been included in the liability.

An actuarial review was undertaken in 2024 by PriceWaterhouseCoopers to review the assumptions and staff departure experience. The provisions have been calculated based on the assumptions and experience identified in the review.

Superannuation funds

The university contributes to a range of employee superannuation funds. university contributions are recognised within employee expenses in the income statement. Refer also Note 13.

An arrangement exists between the Commonwealth Government and the Victorian State Government to meet the unfunded liability for the beneficiaries of the Emergency Services and State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the *State Grants (General Revenue) Amendment Act 1987, Higher Education Support Act 2003* and subsequent amending legislation. By letter dated 15 December 2005, Department of Education, Science and Training (now Department of Education) confirmed the Commonwealth Government considers the current arrangements have established a pattern of past practice and future intent that has created a valid expectation on the part of universities that the Department on behalf of the Commonwealth Government will discharge the superannuation liability.

Accordingly, the unfunded liabilities have been recognised in the balance sheet under Provisions with a corresponding asset recognised under Non Current Assets. The recognition of both the asset and the liability consequently does not affect the year end net asset position.

Emerging cost superannuation supplementation from government

Funding from government for emerging cost superannuation supplementation is reported in the balance sheet, as this is in effect an agency arrangement. In accordance with AASB 119 Employee Benefits, this amount is disclosed in the notes to the Financial Statements (Refer to Note 13).

(M) FUNDS HELD IN TRUST

Donations and bequests received which are subject to conditions under a specific trust deed, are held in trust on behalf of that specific donor and are not recognised as revenue by the university. Unless specified in the trust deed, any net earnings on these funds are recognised as income by the university.

(N) GOODS AND SERVICES TAX

Revenues and expenses are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of the acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of the GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flow arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as an operating cash flow.

(O) FAIR VALUE

Fair value of an asset is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices, adjusted for any movements in price of credit for that instrument, on the balance sheet date (Level 1). The quoted market price used for financial assets held is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price.

The fair value of financial instruments that are not traded in an active market (for example, unlisted shares) is determined using valuation techniques with assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments (Level 2) are used for long-term debt instruments held. Other techniques that are not based on observable market data (Level 3) such as estimated discounted cash flows, are used to determine fair value for the remaining assets and liabilities.

The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The university engages an independent third party to value freehold land and buildings on a periodic basis.

Within the fair value hierarchy, land and buildings fall within level two and listed shares within level one. Unlisted shares fall within Level 3, refer to note 21.

(P) CORRECTION OF ERRORS

As part of ACU's ongoing program to review employee entitlements, in 2024 the university remediated and disclosed to regulators identified underpayments to casual academic employees.

Since then, the university has been conducting a detailed review of employee entitlements where it appears that some employees may not have received their full entitlements. While the review is still underway, for the purposes of provisioning, the university currently estimates a potential total liability of $23.3m for the period 2018 to 2024. This is an estimated provision of potential underpayments and potential associated costs, based on a range of assumptions while investigations are ongoing. For the purposes of provisioning, this is now being recognised as an error and the opening General Reserves has been restated to enhance year-on-year compatibility.

Correspondingly, the opening balance of the employee benefits provision has been increased by $23.3m. The impact of these changes on the opening position for these balances has flowed through to the closing balances for the year ended 31 December 2024. The Income Statement, Statement of Comprehensive Income and the Statement of Cash Flows comparatives for FY24 are unchanged.

	BALANCE AT 31 DECEMBER $ 000	ADJUSTMENT $ 000	BALANCE RESTATED AT 31 DECEMBER $ 000
2024			
Balance Sheet Liabilities			
Current Employee Benefits	50,789	23,332	74,121
Equity			
General Reserves	624,134	(23,332)	600,802

(Q) NEW STANDARDS AND INTERPRETATIONS NOT YET ADOPTED

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2025 reporting period. The university has elected not to early adopt any of these standards and are not expected to have a significant impact on the university's financial statements. These include:

- AASB 2024-2 Amendments to Australian Accounting Standards Classification and Measurement of Financial Instruments
- AASB 18 - Presentation and Disclosure in Financial Statements
- AASB 2025-1 Amendments to Australian Accounting Standards Contracts Referencing Nature - dependent Electricity

Other Standards

All other standards effective in 2025 have not had a material impact.

2. REVENUE

	NOTE	2025 $'000	2024 $'000
2.1 Commonwealth Government financial assistance			
Commonwealth Grant Scheme and other grants			
Commonwealth Grant Scheme	25.1	270,568	256,360
Indigenous Student Success Program	25.1	2,071	1,998
Disability Support Program	25.1	1,071	166
Access and participation funding	25.1	3,036	2,819
National Priority Industry Linkage Fund	25.1	8,204	7,881
Micro-Credentials	25.1	381	298
Commonwealth Practicum Payments	25.1	498	-
Total Commonwealth Grant Scheme and other grants		**285,829**	**269,522**
Education-research			
Research Support Program	25.3	2,218	1,666
Research Training Program	25.3	3,054	2,700
Australia's Economic Accelerator Program	25.3	140	-
Total education-research		**5,142**	**4,366**
Total education excluding HELP (a)		**291,241**	**273,888**
Higher Education Loan Program (HELP)			
HECS-HELP Commonwealth payments	25.2	161,665	149,765
FEE-HELP	25.2	11,090	11,275
SA-HELP	25.2	5,723	5,278
Total Higher Education Loan Programs		**178,478**	**166,318**
Total education including HELP		**469,719**	**440,206**
Australian Research Council			
Discovery – Projects	25.4	920	2,033
Discovery Early Career Researcher Award	25.4	419	558
Discovery Indigenous	25.4	-	-
Fellowships	25.4	222	167
Linkage – Projects	25.4	578	49
Laureate Fellowship	25.4	869	644
Total Australian Research Council (b)		**3,008**	**3,451**
Other Australian Government financial assistance – non-capital			
Education		2,279	446
Total other Australian Government financial assistance (c)		**2,279**	**446**
Total Australian Government financial assistance		**475,006**	**444,103**
Total Australian Government financial assistance excluding HELP (a + b + c)		**296,528**	**277,785**
Commonwealth Government grants received – cash basis			
OS-HELP (net)	25.5	(355)	501
Superannuation supplementation	25.6	1,657	1,322
Total Australian Government funding received – cash basis		**1,302**	**1,823**

	NOTE	2025 $'000	2024 $'000
2.2 State and local government financial assistance			
NSW Government Department of Enterprise, Investment and Trade		-	93
Qld Government Department of State Development and Infrastructure		-	2
NSW Government Department of Regional NSW		3,124	696
Victorian Department of Education, Innovative Initial Teacher Education		2,393	4,568
Victorian Department of Education, Master of Education		-	83
Victorian Department of Education, Higher Education Support Infrastructure Fund		204	221
Victorian Department of Education, other		138	63
Victorian Department of Families, Fairness and Housing		-	48
Victorian Government, other		236	-
Total state and local government financial assistance		**6,095**	**5,774**

2.3 Fees and charges			
Fee-paying overseas students onshore		132,606	121,259
Fee-paying non-overseas postgraduate students		6,732	6,631
Other			
Non-overseas students undertaking non-award			
Courses		370	373
Rental charges		3,818	3,719
Charges for student accommodation		5,535	4,625
Registration fees		5,000	5,115
Library fees		1	2
Late fees		304	353
Total fees and charges		**154,366**	**142,077**

2.4 Finance income			
Interest		11,497	8,096
Dividends		256	623
Total finance income		**11,753**	**8,719**

2.5 Consultancy and contract research			
Consultancy fees		1,387	913
Industry research grants		12,288	8,609
Total consultancy and contract research		**13,675**	**9,522**

2.6 Other revenue			
Offshore programs		729	579
Other program income		2,281	3,274
Other grants – other		4,170	5,892
Donations and bequests		2,194	3,438
Profit on disposal of assets		-	496
Scholarships and prizes		5,154	4,708
Other income		10,165	9,500
Total other revenue		**24,693**	**27,887**

3. EXPENSES

	NOTE	2025 $'000	2024 $'000
3.1 Employee benefits			
Academic			
Salaries		194,906	186,772
Contributions to superannuation and pension schemes			
Funded		27,244	25,482
Payroll tax		9,092	9,369
Workers compensation		991	1,220
Long service leave expense		5,754	2,141
Annual leave expense		1,462	587
Total academic employee-related expenses		**239,449**	**225,571**
Professional			
Salaries		151,658	139,642
Contributions to superannuation and pension schemes			
Funded		25,093	22,395
Payroll tax		8,374	8,234
Workers compensation		913	1,072
Long service leave expense		5,849	2,165
Annual leave expense		1,757	921
Total professional employee-related expenses		**193,644**	**174,429**
Total employee-related expenses		**433,093**	**400,000**
3.2 Depreciation and amortisation			
Depreciation of buildings – freehold		8,649	12,343
Amortisation of intangible rights to occupy buildings		(86)	537
Depreciation of improvements to intangible right to occupy buildings		17,547	17,525
Depreciation of leasehold property improvements		2,801	4,633
Depreciation of furniture and fittings		78	87
Depreciation of plant and equipment		2,566	2,443
Depreciation of motor vehicles		(18)	4
Amortisation of right of use assets		9,595	12,796
Total depreciation and amortisation		**41,132**	**50,368**
3.3 Repairs and maintenance			
Buildings		5,415	4,294
Computers		314	626
Equipment and machinery		3,529	2,997
Furniture and fittings		368	239
Grounds		1,816	1,647
Total repairs and maintenance		**11,442**	**9,803**

	NOTE	2025 $'000	2024 $'000
3.4 Computer software and services			
Software		3,814	3,951
Software maintenance		14,168	13,374
Cloud expenses		3,892	1,930
IT and communications consultancy		3,683	3,543
Total computer software and services		**25,557**	**22,798**

3.5 Consultancy and contract research			
Property		857	490
Other		9,712	4,912
Research		1,294	1,519
Total consultancy		**11,863**	**6,921**

3.6 Minor equipment			
IT hardware		3,594	1,293
Other		1,482	1,320
Total minor equipment		**5,076**	**2,613**

3.7 Travel			
Domestic		4,503	5,079
International		2,983	3,258
Total travel		**7,486**	**8,337**

3.8 Other expenses			
Admission expenses		2,337	2,076
Bank fees		967	830
Cleaning and waste collection		5,605	6,199
Conference expenses		483	451
Copyright fees		871	858
Donations		22	57
Entertainment		1,831	1,648
Graduation		725	725
Hire of equipment and facilities		1,472	1,337
Insurance		2,632	2,771
Legal fees		1,286	1,292
Meeting expenses		563	516
Minor equipment rental expenses		3,378	3,109
Permits, licences and registration fees		792	930
Photocopying		378	446
Printing, stationery and consumables		2,600	2,399
Publications, subscriptions and memberships		2,511	2,155
Security services		3,742	3,609
Staff development and appointment costs		1,710	1,588
Telecommunications		1,604	2,011
Utilities		6,855	6,927
Other expenses		4,414	3,995
Total other expenses		**46,778**	**45,929**

4. FINANCE EXPENSE

	NOTE	2025 $'000	2024 $'000
Make good on leased premises – unwind of discount on provision	15(a)	143	93
Lease interest expense		2,156	4,500
Interest expense		8,974	8,985
Total finance expense		**11,273**	**13,578**

5. AUDITORS' REMUNERATION – KPMG

	NOTE	2025 $	2024 $
Audit of the university's financial statements		217,000	215,630
Other audit and related services			
Grant/research acquittal (Higher Education Research Data Collection, Indigenous Education Program, Australia Awards Scholarships)		29,000	31,080
Other services			
FairCall Service (whistleblower hotline)		9,314	29,906
Work Health and Safety Risk Assessment		153,182	-
Total audit of the university's financial statements		**408,496**	**276,616**

6. CASH AND CASH EQUIVALENTS

	NOTE	2025 $'000	2024 $'000
Cash at bank		10,971	17,398
Total cash at bank		**10,971**	**17,398**

7. TRADE AND OTHER RECEIVABLES

	NOTE	2025 $'000	2024 $'000
Current			
Sundry Receivables		6,708	2,818
Accrued Income		6,394	5,383
Net GST Receivable		809	-
Overseas Student Health Care		-	748
Commonwealth Practical Payments - Net		79	-
Total current trade and other receivables		**13,990**	**8,949**

8. OTHER INVESTMENTS

	NOTE	2025 $'000	2024 $'000
Current			
Term deposits		177,000	119,000
Managed investment funds		33,155	30,032
Total current investments		**210,155**	**149,032**
Non-current			
Investments in other entities			
Term deposits		10,000	1,000
Shares in listed companies		11,424	23,826
Shares in other companies		10,895	10,868
Bonds-Burke Fund		601	508
Total non-current investments in other entities		**32,920**	**36,202**

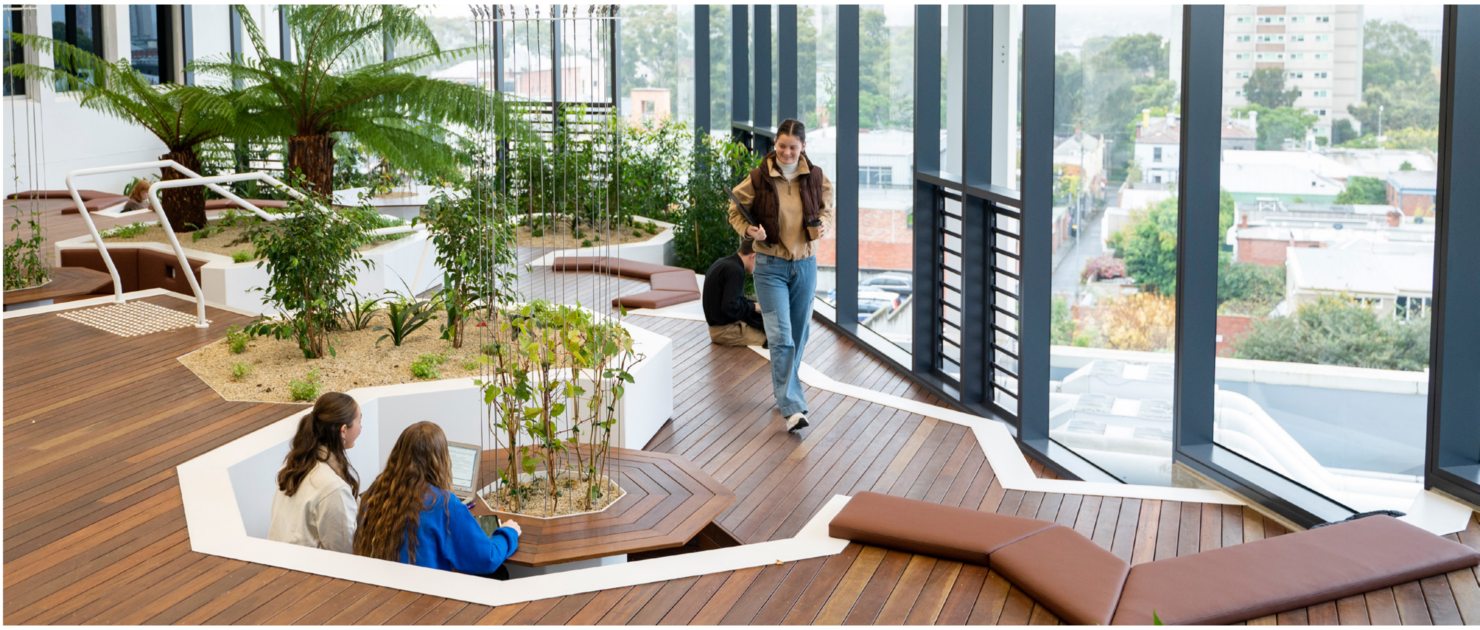
9. OTHER ASSETS

	NOTE	2025 $'000	2024 $'000
Current			
Prepayments		32,874	31,177
Total current assets		**32,874**	**31,177**
Non-current			
Right to reimbursement from Australian Government for unfunded superannuation liability	13	12,283	12,745
Total non-current assets		**12,283**	**12,745**

Refer to Note 13 for an explanation of the right to reimbursement from the Commonwealth Government for the unfunded superannuation liability.

10. PROPERTY, PLANT AND EQUIPMENT

	NOTE	2025 $'000	2024 $'000
Land – freehold			
At independent valuation		177,430	-
At directors' valuation		-	167,772
Total land – freehold	10(a)	**177,430**	**167,772**
Buildings – freehold			
At independent valuation		278,474	-
At directors' valuation		-	294,042
Accumulated depreciation		-	(8,837)
Total buildings – freehold	10(a)	**278,474**	**285,205**
Improvements to intangible right to occupy buildings			
At cost		603,037	600,959
Accumulated amortisation		(164,447)	(146,899)
Total improvements to intangible right to occupy buildings	10(a)	**438,590**	**454,060**
Leasehold improvements			
At cost		47,934	55,487
Accumulated depreciation		(31,705)	(36,770)
Total leasehold improvements	10(a)	**16,229**	**18,717**
Furniture and fittings			
At cost		3,477	3,477
Accumulated depreciation		(3,357)	(3,279)
Total furniture and fittings	10(a)	**120**	**198**
Plant and equipment			
At cost		24,645	23,991
Accumulated depreciation		(20,922)	(18,357)
Total plant and equipment	10(a)	**3,723**	**5,634**
Motor vehicles			
At cost		246	305
Accumulated depreciation		(246)	(294)
Total motor vehicles	10(a)	**-**	**11**
Works of art			
At cost		4,386	4,381
Total works of art	10(a)	**4,386**	**4,381**
Work in progress			
At cost		3,484	747
Total work in progress	10(a)	**3,484**	**747**
Right-of-use assets			
At cost		116,925	138,714
Accumulated depreciation		(61,445)	(69,111)
Total right-of-use assets	10(b)	55,480	69,603
Total property, plant and equipment		**977,916**	**1,006,328**



10. PROPERTY, PLANT AND EQUIPMENT

BASIS OF VALUATION

A full valuation of freehold land and buildings was undertaken by AssetVal Pty Ltd as at the end of 2025.

(a) Reconciliations

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

	LAND – FREEHOLD	BUILDINGS – FREEHOLD	SUB-TOTAL LAND AND BUILDINGS FREEHOLD	IMPROVEMENTS OF INTANGIBLE RIGHT TO OCCUPY BUILDINGS	LEASEHOLD IMPROVEMENTS
2025					
Opening balance	167,772	285,205	452,977	454,060	18,717
Additions	-	6,208	6,208	2,078	313
Revaluation increment/ (decrement)	9,658	(4,290)	5,368	-	-
Depreciation	-	(8,649)	(8,649)	(17,548)	(2,801)
Disposals	-	-	-	-	-
Closing balance	**177,430**	**278,474**	**455,904**	**438,590**	**16,229**
2024					
Opening balance	168,889	292,996	461,885	454,345	21,383
Additions	-	4,978	4,978	17,240	1,967
Revaluation increment/ (decrement)	-	-	-	-	-
Depreciation	-	(12,343)	(12,343)	(17,525)	(4,633)
Disposals	(1,117)	(426)	(1,543)	-	-
Closing balance	**167,772**	**285,205**	**452,977**	**454,060**	**18,717**

	FURNITURE AND FITTINGS	PLANT AND EQUIPMENT	MOTOR VEHICLES	WORKS OF ART	WORK IN PROGRESS	TOTAL
	198	5,634	11	4,381	747	936,725
	-	654	-	5	2,737	11,995
	-	-	-	-	-	5,368
	(78)	(2,565)	17	-	-	(31,624)
	-	-	(28)	-	-	(28)
	120	**3,723**	**-**	**4,386**	**3,484**	**922,436**
	285	6,540	15	3,841	260	948,554
	-	1,537	-	540	487	26,749
	-	-	-	-	-	-
	(87)	(2,443)	(4)	-	-	(37,035)
	-	-	-	-	-	(1,543)
	198	**5,634**	**11**	**4,381**	**747**	**936,725**

10. PROPERTY, PLANT AND EQUIPMENT

(b) Right-of-use assets

Reconciliations of the carrying amounts for each class of property, plant and equipment are set out below:

	PROPERTY $'000	PLANT AND EQUIPMENT $'000	MOTOR VEHICLES $'000	TOTAL $'000
2025				
Opening balance	68,047	1,556	-	**69,603**
Additions, modifications and remeasurements	(5,494)	620	346	**(4,528)**
Depreciation	(8,893)	(629)	(73)	**(9,595)**
Closing balance	**53,660**	**1,547**	**273**	**55,480**
2024				
Opening balance	79,868	810	24	**80,702**
Additions, modifications and remeasurements	445	1,217	35	**1,697**
Depreciation	(12,266)	(471)	(59)	**(12,796)**
Closing balance	**68,047**	**1,556**	**-**	**69,603**

11. INTANGIBLE ASSETS

	INTANGIBLE RIGHT TO OCCUPY LAND $'000	INTANGIBLE RIGHT TO OCCUPY BUILDINGS $'000	TOTAL $'000
2025			
Cost	40,411	19,518	59,929
Accumulated amortisation			
Opening balance	(4,469)	(18,608)	(23,077)
Amortisation	-	86	86
Closing balance	(4,469)	(18,522)	(22,991)
Carrying amount at 31 December 2025	**35,942**	**996**	**36,938**
2024			
Cost	40,411	19,518	59,929
Accumulated amortisation			
Opening balance	(4,469)	(18,071)	(22,540)
Amortisation	-	(537)	(537)
Closing balance	(4,469)	(18,608)	(23,077)
Carrying amount at 31 December 2025	**35,942**	**910**	**36,852**

Under the terms of the trust deeds between the university and the owners of the properties held in trust, the Trustees of the Roman Catholic Church for the Archdioceses of Brisbane, Melbourne and Sydney, the University has a right to occupy the properties in perpetuity if used for educational purposes.

12. TRADE AND OTHER PAYABLES

	NOTE	2025 $'000	2024 $'000
Accrued expenses – other		7,289	18,808
Accrued expenses – payroll		19,505	24,233
Accrued expenses – placements		7,097	7,534
Sundry creditors		3,884	5,122
Total trade and other payables		**37,775**	**55,697**

13. EMPLOYEE BENEFITS

	NOTE	2025 $'000	2024 $'000
Current			
Expected to be settled within 12 months			
Provision for annual leave		18,525	16,272
Provision for long service leave		7,442	6,490
Provision for Staff Payment Remediation*		29,081	23,332
Total current provisions expected to be settled within 12 months		**55,048**	**46,094**
Expected to be settled after 12 months			
Provision for annual leave		7,940	6,974
Provision for long service leave		24,143	21,053
Total current provisions expected to be settled after 12 months		**32,083**	**28,027**
Total current provisions		**87,131**	**74,121**
Non-current			
Provision for long service leave		5,843	4,568
Provision for defined benefits		12,283	12,745
Total non-current provisions		**18,126**	**17,313**

* The comparative information has been restated, refer to note 1 (p)

LONG SERVICE LEAVE

The classification of current employee provisions include amounts for which there is not an unconditional right to defer settlement by one year. Despite the classification of a component of long service leave as a current liability, the university does not expect the full amount to be settled within one year of reporting date.

An actuarial review was undertaken in 2024 by PriceWaterhouseCoopers to review the assumptions and staff departure experience. The provisions have been calculated based on the assumptions and experience from the review.

SUPERANNUATION

During the year, the university contributed to the following employee superannuation funds:

Fully funded schemes

- UniSuper
- AMP Flexible Lifetime
- ANZ Smart Choice Super
- Australian Ethical Retail Super Fund
- Australian Retirement Trust
- Australian Super
- Aware Super
- CARE Super
- CBUS
- Colonial First State FirstChoice
- Commonwealth Essential Super
- Equip Super – Catholic Super
- ESSSuper Accumulation Plan
- HESTA
- Hostplus Superannuation Fund
- HUB24 Super
- Macquarie Super Manager II
- MyNorth Super
- NGS Super
- QSuper
- REST

Partly funded or emerging cost schemes

- State Authorities Superannuation Scheme (Part 2) (NSW)
- Emergency Services and State Superannuation Scheme (formerly State Superannuation Fund of Victoria).

Emergency Services and State Superannuation Scheme (formerly State Superannuation Fund of Victoria)

The latest actuarial assessment of the Emergency Services and State Superannuation Scheme was conducted at 31 December 2025 by PriceWaterhouseCoopers. As at that date the scheme carried total liabilities, including liabilities for members' benefits in excess of the value of the scheme's assets.

Hence, unfunded superannuation liabilities exist which are recognised in the financial statements of the scheme.

The notional share of the scheme's unfunded liabilities attributed to the university is assessed by the Government Superannuation Office to be $12,283,000 as at 31 December 2025 ($12,745,000 as at 31 December 2024).

An arrangement exists between the Commonwealth Government and the Victorian Government to meet the unfunded liability for the beneficiaries of the Emergency Services and State Superannuation Scheme on an emerging cost basis. This arrangement is evidenced by the *State Grants (General Revenue) Amendment Act 1987, Higher Education Support Act 2003* and subsequent amending legislation. By letter dated 15 December 2005, the Department of Education, Science and Training (DEST) (now Department of Education) confirmed that the Commonwealth Government considers the current arrangement establishes a pattern of past practice and future intent that has created a valid expectation on the part of universities that the Department on behalf of the Commonwealth Government will discharge the superannuation liability.

Therefore a non-current receivable equal to the scheme's unfunded liabilities attributed to the university has been recognised. Department of Education provided annual supplementation in 2025 of $1,656,715 (2024: $1,321,737) to cover emerging costs of the Emergency Services and State Superannuation Scheme.

The following information has been provided by the Emergency Services and State Superannuation Scheme in accordance with the requirements under AASB 119.

The demographic assumptions include the future rate of death, disablement, resignation and retirement. The assumptions are unchanged from 31 December 2024.

	NOTE	2025 $'000	2024 $'000
Net liability			
Fair value of plan assets		-	-
Accrued benefit liability		(12,283)	(12,745)
Net liability before contributions tax		(12,283)	(12,745)
Tax liability on future contributions		-	-
Net liability		**(12,283)**	**(12,745)**
Actuarial assumptions			
Discount rate		4.7%	4.4%
Rates of future salary increases		3.3%	3.3%
Rates of pension increases		2.5%	2.5%

14. BORROWINGS

The university raised $200m through a bond issue during 2017 that was used for planned infrastructure works. The bond will mature on 3 August 2027.

In November 2020, the university raised $50m through a bond issue. Funds were largely used to complete the Saint Teresa of Kolkata Building in Melbourne, with Stage One completed in April and the final Stage Two in October 2023. The bond will expire on 26 November 2040.

The average interest rate of borrowing is 3.87% for the year ended 31 December 2025 (3.92 per cent, 2024).

The university recognises leases with a value of greater than $10,000 and a term greater than 12 months on the balance sheet as right-of-use assets with corresponding lease liabilities comprising all lease payments.

	NOTE	2025 $'000	2024 $'000
Current			
Unsecured			
Lease liabilities		16,999	18,146
Total current unsecured borrowings		**16,999**	**18,146**
Non-current			
Unsecured			
Bond		50,000	50,000
Sustainability bond		199,837	199,760
Lease liabilities		32,253	48,078
Total non-current unsecured borrowings		**282,090**	**297,838**
Total unsecured borrowings		**299,089**	**315,984**
a) Financing arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank loan facilities			
Total facilities			
Bond		50,000	50,000
Sustainability bond		200,000	200,000
National Australia Bank (NAB) Overdraft		20,000	20,000
Used at balance date			
Bond		50,000	50,000
Sustainability bond		200,000	200,000
NAB overdraft		-	-
Unused at balance date		20,000	20,000

15. OTHER LIABILITIES

	NOTE	2025 $'000	2024 $'000
Current			
Grants received in advance		41,591	30,106
Fees received in advance		9,712	14,449
Other income received in advance		4,490	13,328
Sub-total income received in advance		**55,793**	**57,883**
Funds held in trust		3,517	2,789
Net GST payable		-	700
OS-HELP payable		1,645	2,000
Bonds – student residences		231	337
Overseas Student Health Care		115	-
Total current other liabilites		**61,301**	**63,709**
Non-current			
Leasehold make good provision	15 (a)	5,698	5,895
Total non-current other liabilities		**5,698**	**5,895**
(a) Reconciliation			
Leasehold make good provision			
Balance at beginning of financial year		5,895	5,488
Provisions made during the year		1,333	381
Provisions reversed during the year		(1,673)	(67)
Unwind/adjust discount	4	143	93
Balance at end of financial year		**5,698**	**5,895**

Make good is required for leased premises. The provision is estimated based on the rate of the building, the remaining lease period and estimated costs incurred in similar situations.

16. RESERVES

	NOTE	2025 $'000	2024 $'000
General reserve			
Adjusted balance at beginning of financial year*		600,802	561,967
Add: Net result for the period	17	60,088	38,287
Add: Transfer from asset revaluation reserve		-	548
Balance at end of financial year		660,890	**600,802**
Asset revaluation reserve			
Balance at beginning of financial year		126,536	127,084
Add/(subtract): Increment/(decrement)		5,368	-
Transfer to general reserve		-	(548)
Balance at end of financial year		**131,904**	**126,536**
Financial assets revaluation reserve			
Balance at beginning of financial year		(18,332)	(5,007)
Add/(subtract): Revaluation increment			
Shares revaluation reserve		(12,493)	(13,325)
Transfer to general reserve		-	-
Balance at end of financial year		**(30,825)**	**(18,332)**
Contribution from members			
Balance at beginning of financial year		56,958	56,958
Balance at end of financial year		**56,958**	**56,958**
Total reserves*		**818,927**	**765,964**

* The comparative information has been restated, refer to note 1 (p)

NATURE AND PURPOSE OF RESERVES

General

The amount standing to the credit of the general reserve includes the accumulation of prior period and current year profits for non-specific purposes and revenue for capital grants even though assets acquired may not be fully written down.

Asset revaluation

The asset revaluation reserve includes the net revaluation increments and decrements arising from the revaluation of freehold land and buildings.

Financial assets revaluation reserve

Share revaluation reserve includes increments and decrements arising from changes in fair value of shares classified as fair value through other comprehensive income.

Contribution from members

The amount reflects the contribution by members of rights to occupy and use land and buildings not owned by the university.

17. RETAINED EARNINGS

	NOTE	2025 $'000	2024 $'000
Retained earnings at beginning of year		-	-
Net result		60,088	38,287
Transfer to general reserve	16	(60,088)	(38,287)
Retained earnings at the end of the year		-	-

18. COMMITMENTS

	NOTE	2025 $'000	2024 $'000
(a) Capital expenditure commitments			
Capital expenditure commitments not provided for in the financial statements and payable:			
Within one year		40,697	32,865
Total capital expenditure commitments		**40,697**	**32,865**
(b) Non-cancellable operating lease expense commitments			
Future operating lease commitments of premises, plant and equipment, not provided for in the financial statements and payable:			
Within one year		296	536
One year or later and no later than five years		5,064	4,153
Total undiscounted contractual cash flows		5,360	4,689
Lease liabilities recognised in the balance sheet		49,251	66,224
Total non-cancellable operating lease expense commitments		**54,611**	**70,913**

The university leased low value equipment and machinery under operating leases expiring in a range from one to five years.

19. DIRECTORS AND KEY MANAGEMENT PERSONNEL DISCLOSURES

REMUNERATION OF BOARD MEMBERS

The number of directors of the university whose compensation from the university or any related party falls within the following bands:

	2025 NUMBER	2024 NUMBER
Nil	2	3
$1 - $9,999	1	-
$10,000 - $19,999	5	1
$20,000 - $29,999	4	7
$50,000 - $59,999	1	1
$80,000 - $89,999	1	1
$150,000 - $159,999	-	1
$160,000 - $169,999	1	-
$180,000 - $189,999	-	1
$190,000 - $199,999	-	1
$200,000 - $209,999	1	-
$230,000 - $239,999	1	-
$270,000 - $279,999	1	1
$280,000 - $289,999	1	-
$400,000 - $409,999	-	1
$470,000 - $479,999	-	1
$500,000 - $509,999	1	-
$1,100,000 - $1,109,999	-	1
$1,170,000 - $1,179,999	1	-
	2025 $	2024 $
Total compensation paid or payable or otherwise made available to all directors of the university from the university or any related party	3,182,720	3,127,678

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The remuneration of key management personnel of the university receiving compensation from the university or any related party falls within the following bands:

	2025 NUMBER	2024 NUMBER
$30,000 - $39,999	-	1
$150,000 - $159,999	1	-
$200,000 - $209,999	1	-
$210,000 - $219,999	-	1
$310,000 - $319,999	1	-
$420,000 - $429,999	1	-
$450,000 - $459,999	-	*1
$550,000 - $559,999	-	1
$560,000 - $569,999	-	1
$590,000 - $599,999	1	1
$610,000 - $619,999	-	1
$630,000 - $639,999	1	-
$730,000 - $739,999	1	-
$1,100,000 - $1,109,999	-	1
$1,170,000 - $1,179,999	1	-
$1,240,000 - $1,249,999	-	1

* Stipend paid to religious congregation

	2025 $	2024 $
Short-term employee benefits	3,558,794	3,728,311
Termination payments	329,279	679,204
Post-employment benefits	357,381	381,440
Total compensation paid or payable or otherwise made available to all executive officers of the university from the university or any related party	**4,245,454**	**4,788,955**

There is no compensation paid to directors or key management personnel of the university that is not disclosed in the financial statements.

20. RELATED PARTIES

DIRECTORS

The names of each person holding the position of Director of the Australian Catholic University Limited during the financial year are:

The Hon. M. Daubney AM KC, Prof. Z. Skrbis, R. Annesley, S. Beltrame, E. Birt, V. Bourke, Prof. M. Champion, Most Reverend Dr P.A.Comensoli, M. Corbett, The Hon. J. Douglas KC, R. Fox, Prof. E. Froude, Assoc. Prof. L. Kaufman, A. Kirwin, Prof. T. McKenry, D. Murphy, F. Pirola, Dr P. Steer, J. Widdup, M. Winters, Assoc. Prof. M. Wong.

Details of directors' compensation are set out in Note 19.

Total amounts transacted with related parties are as follows:

	2025 $'000	2024 $'000
Income statement		
Income		
Catholic Archdiocese of Brisbane	435	335
Catholic Archdiocese of Sydney	-	5
Catholic Archdiocese of Melbourne	32	9
Catholic Archdiocese of Canberra and Goulburn	1	6
Total income	**468**	**355**
Expenditure		
Catholic Archdiocese of Brisbane	19	221
Catholic Archdiocese of Canberra and Goulburn	-	43
Catholic Archdiocese of Melbourne	52	23
Catholic Archdiocese of Sydney	54	49
Catholic Diocese of Ballarat	3	2
Total expenditure	**128**	**338**
Balance sheet		
Asset		
Catholic Archdiocese of Melbourne	17,452	17,678
Total asset	**17,452**	**17,678**

Transactions between ACU and the various Catholic Archdiocese are largely in relation to rental. $18.1m was paid to the Archdiocese of Melbourne in 2023 for 80 year tenancy rights for premises in Melbourne that expire on the 31 December 2101. The balance of the unamortised amount is included in the Balance Sheet values.

21. FINANCIAL INSTRUMENTS DISCLOSURE

INTEREST RATE AND LIQUIDITY RISK

The following tables disclose the income-earning financial assets and interest-bearing financial liabilities and the periods in which they mature. The university manages fluctuations in interest rates by placing funds in both long (greater than 1 year) and short term (less than 1 year) deposits across a number of institutions.

The university raised $200m through a bond issue during 2017.

In November 2020, the university raised $50m through a bond issue, funds were largely used to complete the Saint Teresa of Kolkata Building in Melbourne with Stage 1 completed in April and the final Stage 2 in October 2023.

During 2023, a $20m overdraft facility was established with the NAB to provide certainty of short term liquidity requirements. The overdraft was not drawn against during 2025.

Liquidity risk

The following tables also contain the contractual maturities of financial liabilities and the impact of netting agreements.

	CARRYING AMOUNT $'000	6 MONTHS OR LESS $'000	6 TO 12 MONTHS $'000	1 TO 2 YEARS $'000	2 TO 5 YEARS $'000	MORE THAN 5 YEARS $'000	TOTAL CONTRACTUAL AMOUNT $'000
2025							
Financial liabilities							
Trade and other receivables	37,775	37,775	-	-	-	-	**37,775**
Loans	249,837	4,450	4,450	208,900	4,500	65,000	**287,300**
Leases	49,251	6,648	6,582	10,929	21,184	16,537	**61,880**
Total	**336,863**	**48,873**	**11,032**	**219,829**	**25,684**	**81,537**	**386,955**
2024							
Financial liabilities							
Trade and other receivables	55,697	55,697	-	-	-	-	**55,697**
Loans	249,760	4,450	4,450	8,900	211,900	66,500	**296,200**
Leases	66,224	8,160	7,409	14,345	30,931	24,578	**85,423**
Total	**371,681**	**68,307**	**11,859**	**23,245**	**242,831**	**91,078**	**437,320**

The average interest rate of borrowing is 3.87% for the year ended 31 December 2025 (3.92% 2024).

Interest Rate Risk

The exposure of the university's borrowings to interest rate changes and the contractual repricing dates at the balance dates are as follows:

	NOTE	2025 $'000	2024 $'000
Bond			
More than 5years		50,000	50,000
Sustainability Bond			
1-2 years		199,837	-
2-5 years		-	199,760
Non-current borrowings		**249,837**	**249,760**

The university does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss. A change in interest rates of 100 basis points throughout the period would have increased or decreased the university's surplus by $433,398 (2024: $1,502,957).

FOREIGN EXCHANGE RISK

The university at balance date has not hedged against foreign currency risk due to its minimal exposure to foreign currencies.

CREDIT RISK EXPOSURE

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The entity does not require collateral in respect of financial assets.

Investments (excluding EAL Ltd, AARNET Pty Ltd and Uniprojects Pty Ltd) are allowed only in liquid securities.

At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet. These are detailed in the table below.

	CARRYING AMOUNT	
	2025 $'000	2024 $'000
Cash	10,971	17,398
Trade and other receivables	13,990	8,949
Other investments	56,075	65,234
Total	**81,036**	**91,581**
Sundry receivables aging		
Current	1,148	1,874
30 days	4,590	176
60 days	314	186
90 days	143	325
Greater than 90 days	513	257
Total	**6,708**	**2,818**

No material doubtful debt provisions have been recorded. Recoverability of debtors is deemed low risk.

NET FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of financial assets and liabilities approximate fair value.

a) Fair value

	2025		2024	
	CARRYING AMOUNT $'000	FAIR VALUE $'000	CARRYING AMOUNT $'000	FAIR VALUE $'000
Financial assets				
Cash	10,971	10,971	17,398	17,398
Trade and other receivables	13,990	13,990	8,949	8,949
Other investments				
Level 1	232,181	232,181	174,365	174,365
Level 3	10,893	10,893	10,869	10,869
Total financial assets	**268,035**	**268,035**	**211,581**	**211,581**
Financial liabilities				
Trade and other payables	37,775	37,775	55,697	55,697
Loans	249,837	287,300	249,760	296,200
Leases	49,251	61,880	66,224	85,423
Total financial liabilities	**336,863**	**386,955**	**371,681**	**437,320**

b) Level 3 fair values

The following table is a reconciliation of level 3 items for the periods ending 31 December 2025 and 31 December 2024.

	EQUITY SECURITIES AT FVOCI $'000
Balance at 1 January 2024	10,864
Additions	-
Disposal	-
Net change in fair value in OCI	5
Balance at 31 December 2024	**10,869**
Balance at 1 January 2025	10,869
Additions	-
Disposal	-
Net change in fair value in OCI	24
Balance at 31 December 2025	**10,893**

Valuation techniques used to derive level 3 fair values

The fair value of financial instruments that are not traded in an active market is determined using either observable market data or valuation techniques. Where valuation techniques are used the aim is to maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There were no transfers between level 2 and level 3.

22. EQUITY

No share capital has been issued by the University as it is a University limited by guarantee. The number of members of the university as at 31 December 2025 was 21 (2024: 24). The liability of each member is limited to $50.

23. CONTINGENT LIABILITIES

There are no contingent liabilities.

24. NOTES TO THE STATEMENT OF CASH FLOWS

(I) RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, cash includes cash on hand and at bank. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the balance sheet as follows:

	2025 $'000	2024 $'000
Cash at bank	10,971	17,398
Total cash at bank	**10,971**	**17,398**

(II) RECONCILIATION OF NET RESULT AFTER INCOME TAX TO NET CASH PROVIDED BY OPERATING ACTIVITIES

Net result after income tax	60,088	38,287
Add/(less) items classified as investing/financing activities:		
(Profit) on sale of non-current assets	(1)	(557)
Add/(less) non-cash items:		
Depreciation and amortisation	41,188	50,368
Lease in advance	-	-
Unwind/adj discount on make good provision	143	93
Unwind bond discount	76	74
Amounts set aside to (utilised from) provisions:		
Employee entitlements	8,535	651
Make good of lease premises	(340)	314
Net cash provided by operating activities before change in assets and liabilities	**109,689**	**89,230**
Change in assets and liabilities:		
(Increase)/decrease in accrued income	(589)	(533)
(Increase)/decrease in sundry debtors	(3,969)	(932)
(Increase)/decrease in prepayments	(1,697)	(10,940)
(Increase)/decrease in right-of-use assets	4,527	(1,697)
(Increase)/decrease in other assets	(421)	(186)
Increase/(decrease) in operating lease liabilities	(3,502)	6,412
Increase/(decrease) in grants in advance	11,130	3,921
Increase/(decrease) in fees in advance	(4,737)	(3,892)
Increase/(decrease) in accrued expenses	12,398	(3,033)
Increase/(decrease) in sundry creditors	(1,239)	2,432
Increase/(decrease) in funds held in trust	728	883
Increase/(decrease) in bonds – university residences	(106)	30
Increase/(decrease) in overseas student health care	863	(303)
Increase/(decrease) in other income in advance	(8,837)	12,087
Increase/(decrease) in net GST	(1,509)	(39)
Net cash provided by operating activities	**112,729**	**93,440**

25. ACQUITTAL OF COMMONWEALTH FINANCIAL ASSISTANCE

25.1 COMMONWEALTH GRANT SCHEME AND OTHER GRANTS

		COMMONWEALTH GRANT SCHEME		INDIGENOUS STUDENT SUCCESS PROGRAM		DISABILITY SUPPORT PROGRAMS		ACCESS AND PARTICIPATION FUNDING	
	NOTE	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 Commonwealth Government for the programs)		271,946	263,821	2,145	2,044	1,071	166	3,036	2,819
Net accrual adjustments		(1,378)	(7,461)	(74)	(46)	-	-	-	-
Revenue for the period	**2.1**	**270,568**	**256,360**	**2,071**	**1,998**	**1,071**	**166**	**3,036**	**2,819**
Surplus/(deficit) from the previous year		-	-	-	-	-	-	-	-
Funds available for reporting period		**270,568**	**256,360**	**2,071**	**1,998**	**1,071**	**166**	**3,036**	**2,819**
Less expenses including accrued expenses		(270,568)	(256,360)	(2,071)	(1,998)	(1,071)	(166)	(3,036)	(2,819)
Surplus/(deficit) for reporting period		-	-	-	-	-	-	-	-

25.1 COMMONWEALTH GRANT SCHEME AND OTHER GRANTS (CONTINUED)

		NATIONAL PRIORITIES AND INDUSTRY LINKAGE FUND		MICRO CREDENTIALS		COMMONWEALTH PRACTICUM PAYMENTS	
	NOTE	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 Commonwealth Government for the programs)		8,204	7,881	295	201	498	-
Net accrual adjustments			-	86	97	-	-
Revenue for the period	**2.1**	**8,204**	**7,881**	**381**	**298**	**498**	-
Surplus/(deficit) from the previous year		-	-	-	-	-	-
Funds available for reporting period		**8,204**	**7,881**	**381**	**298**	**498**	-
Less expenses including accrued expenses		(8,204)	(7,881)	(381)	(298)	(498)	-
Surplus/(deficit) for reporting period		-	-	-	-	-	-

* Comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts.

25.2 HIGHER EDUCATION LOAN PROGRAMS (HELP)

	HECS-HELP		FEE-HELP		SA-HELP	
	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 Commonwealth Government for the programs)	159,491	144,846	11,079	12,314	5,805	4,974
Total received	159,491	144,846	11,079	12,314	5,805	4,974
Net accrual adjustments	2,174	4,919	11	(1,039)	(82)	304
Revenue for the period	**161,665**	**149,765**	**11,090**	**11,275**	**5,723**	**5,278**
Surplus/(deficit) from the previous year	-	-	-	-	-	-
Funds available for reporting period	**161,665**	**149,765**	**11,090**	**11,275**	**5,723**	**5,278**
Less expenses including accrued expenses	(161,665)	(149,765)	(11,090)	(11,275)	5,723	(5,278)
Surplus/(deficit) for reporting period	-	-	-	-	-	-

25.3 COMMONWEALTH RESEARCH FINANCIAL ASSISTANCE

	NOTE	RESEARCH SUPPORT PROGRAM 2025 $'000	RESEARCH SUPPORT PROGRAM 2024 $'000	RESEARCH TRAINING PROGRAM 2025 $'000	RESEARCH TRAINING PROGRAM 2024 $'000	AUSTRALIA'S ECONOMIC ACCELERATOR PROGRAM 2025 $'000	AUSTRALIA'S ECONOMIC ACCELERATOR PROGRAM 2024 $'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth Government for the programs)		2,218	1,666	3,054	2,700	390	-
Net accrual adjustments		-	-	-	-	(250)	-
Revenue for the period	**2.1**	**2,218**	**1,666**	**3,054**	**2,700**	**140**	**-**
Surplus/(deficit) from the previous year		-	-	-	-	-	-
Funds available for reporting period		**2,218**	**1,666**	**3,054**	**2,700**	**140**	**-**
Less expenses including accrued expenses		(2,218)	(1,666)	(3,054)	(2,700)	(140)	-
Surplus/(deficit) for reporting period		-	-	-	-	-	-

	DOMESTIC STUDENTS $'000	OVERSEAS STUDENTS $'000	TOTAL $'000
Research Training Program Fees offsets	117	-	117
Research Training Program Stipends	2,674	264	2,937
Research Training Program Allowances	-	-	-
Total	**2,791**	**264**	**3,054**

25.4 AUSTRALIAN RESEARCH COUNCIL

	NOTE	DISCOVERY PROJECTS 2025 $'000	DISCOVERY PROJECTS 2024 $'000	DISCOVERY EARLY CAREER RESEARCHER AWARD 2025 $'000	DISCOVERY EARLY CAREER RESEARCHER AWARD 2024 $'000	DISCOVERY INDIGENOUS 2025 $'000	DISCOVERY INDIGENOUS 2024 $'000	FELLOWSHIPS 2025 $'000	FELLOWSHIPS 2024 $'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth Government for the Programmes)		955	1,355	520	608	-	4	224	214
Net accrual adjustments		(35)	678	(101)	(50)	-	(4)	(2)	(47)
Revenue for the period	**2.1**	**920**	**2,033**	**419**	**558**	**-**	**-**	**222**	**167**
Surplus/(deficit) from the previous year		-	-	-	-	-	-	-	-
Funds available for reporting period		**920**	**2,033**	**419**	**558**	**-**	**-**	**222**	**167**
Less expenses including accrued expenses		(920)	(2,033)	(419)	(558)	-	-	(222)	(167)
Surplus/(deficit) for reporting period		-	-	-	-	-	-	-	-

25.4 AUSTRALIAN RESEARCH COUNCIL (CONTINUED)

		LINKAGE – PROJECTS (INCLUDING STRATEGIC PARTNERSHIPS WITH INDUSTRY AND APAI)		LAUREATE FELLOWSHIP	
	NOTE	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth Government for the programs)		1,182	242	751	722
Net accrual adjustments		(604)	(193)	118	(78)
Revenue for the period	**2.1**	**578**	**49**	**869**	**644**
Surplus/(deficit) from the previous year		-	-	-	-
Funds available for reporting period		**578**	**49**	**869**	**644**
Less expenses including accrued expenses		(578)	(49)	(869)	(644)
Surplus/(deficit) for reporting period		**-**	**-**	**-**	**-**

25.5 OS-HELP

	NOTE	2025 $'000	2024 $'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the programs)		554	1,287
Cash spent during the reporting period		(909)	(786)
Net cash received	**2.1**	**(355)**	**501**
Cash surplus/(deficit) from the previous period		2,000	1,499
Cash surplus/(deficit) for reporting period	**15**	**1,645**	**2,000**

25.6 SUPERANNUATION SUPPLEMENTATION

	NOTE	2025 $'000	2024 $'000
Financial assistance received in cash during the reporting period (total cash received from the Commonwealth Government for the programs)	2.1	1,657	1,322
Cash spent during the reporting period		(1,231)	(1,619)
Net cash received		**426**	**(297)**
Cash surplus/(deficit) from the previous period		(319)	(22)
Cash surplus/(deficit) for reporting period		**107**	**(319)**

25.7 STUDENT SERVICES AND AMENITIES FEE

	NOTE	2025 $'000	2024 $'000
Unspent/(overspent) revenue from previous period		-	-
SA-HELP revenue earned		5,723	5,278
Student services fees direct from students		4,242	3,788
Total revenue expendable in period		**9,965**	**9,066**
Student services expenses during the period		9,965	(9,066)
Unspent/(overspent) student services revenue		**-**	**-**

Directors' Declaration

1. In the opinion of the directors of Australian Catholic University Limited:
   (a) the financial statements and notes, as set out on pages 30 to 63:
      (i) give a true and fair view of the financial position of the university as at 31 December 2025 and of its performance, as represented by the results of its operations and its cashflows, for the financial year ended on that date; and
      (ii) comply with Australian Accounting Standards and the Corporation Regulations 2001; and
   (b) there are reasonable grounds to believe that the university will be able to pay its debts as and when they become due and payable; and
   (c) the amount of Commonwealth grants expended during the reporting period was for the purposes for which it was granted.
   (d) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.
   (e) the 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.

In addition, we are not aware at the date of signing these statements of any circumstances which would render any particulars included in the statements to be misleading or inaccurate.

Dated at Sydney this 17 April 2026.

Signed in accordance with a resolution of the directors and in accordance with subsection 60.15(2) of the Australian Charities and Not-for-profit Commission Regulation 2022:

Professor Zlatko Skrbis
Director

The Honourable Martin Daubney AM KC
Director

KPMG

Independent Auditors' Report to the Members of Australian Catholic University Limited

REPORT ON THE FINANCIAL REPORT

OPINION

We have audited the Financial Report of Australian Catholic University Limited (the university).

In our opinion, the accompanying Financial Report of the university is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

i. giving a true and fair view of the university's financial position as at 31 December 2025, and of its financial performance and its cash flows for the year ended on that date; and

ii. complying with *Australian Accounting Standards* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022 (ACNCR)*.

The Financial Report comprises:

i. Balance Sheet as at 31 December 2025.

ii. Income Statement, Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended.

iii. Notes, including material accounting polices.

iv. Directors' declaration.

BASIS FOR OPINION

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the university in accordance with the auditor independence requirements of the *ACNC Act 2012* and *Code of Ethics for Professional Accountants (the Code)* that are relevant to our audit of the Financial Report in Australia.

We have fulfilled our other ethical responsibilities in accordance with these requirements.

OTHER INFORMATION

Other Information is financial and non-financial information in the university's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The directors are responsible for the Other Information. The Other Information we obtained prior to the date of this Auditor's Report was the Director's Report.

Our opinion on the Financial Statements does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL REPORT

The directors are responsible for:

i. Preparing the Financial Report that give a true and fair view in accordance with Australian Accounting Standards and the ACNC and ACNCR.

ii. Implementing necessary internal control to enable the preparation of Financial Report that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

iii. Assessing the university's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the university or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

Our objective is:

i. to obtain reasonable assurance about whether the Financial Report as a whole are free from material misstatement, whether due to fraud or error; and

ii. to issue an Auditor's Report that includes our 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. They 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 this Financial Report.

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

We also:

i. 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 our 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.

ii. 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 registered university's internal control.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

iv. Conclude on the appropriateness of the directors' 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 registered university's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the registered university to cease to continue as a going concern.

v. 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.

We communicate with the directors of the registered university regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG

KPMG

Stephen Isaac
Partner
Sydney
17 April, 2026

acu.edu.au

"We must teach more by example than by word."

St Mary MacKillop

ACU
AUSTRALIAN CATHOLIC UNIVERSITY