



# Southern Cross University Annual Report 2025

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# Contents

Letter of Submission .....	2
Overview .....	3
Strategy .....	9
Operations and Performance.....	10
Management and Accountability.....	18
Sustainability .....	23
Financial Performance.....	28
Financial Statements.....	30
Compliance Index and Appendix .....	175

## Acknowledgement

Southern Cross University's campuses are located on the traditional lands of the Bundjalung people in Lismore, the Gumbaynggirr people in Coffs Harbour, and the Yugambah people on the Gold Coast. We acknowledge the Traditional Custodians of these lands and pay our respects to Elders past and present.

# Letter of Submission



17 April 2026

The Hon. Steve Whan MP  
Minister for Skills, TAFE and Tertiary Education  
Parliament House  
SYDNEY NSW 2000

Dear Minister

The Council of Southern Cross University submits the University's Annual Report of proceedings for the year ended 31 December 2025 for presentation to Parliament.

The Annual Report has been prepared in accordance with Division 7.3 of the *Government Sector Finance Act 2018* (NSW).

Pursuant to the requirements set out in TPG25-10 Framework for Financial and Annual Reporting, the University has self-assessed as a group 1 agency. The content and presentation of the Annual Report accords with the requirements set out in TPG25-10a Group 1 – Annual Report.

Yours sincerely

A handwritten signature in black ink, appearing to read "Sandra McPhee".

**Sandra McPhee AM**  
Chancellor

A handwritten signature in black ink, appearing to read "Tyrone Carlin".

**Professor Tyrone Carlin**  
Vice-Chancellor and President

# Overview

## Overview, Purpose and Values

Southern Cross University was created with a view to providing a distinctive and impactful approach to education, research and outreach for the communities that we serve.

Those who formed the original vision for the University understood that the inherent nature of the geography, environment, communities and industries that comprise our part of Australia called for an institution with a particular character and focus.

They foresaw that in this setting the conditions were fertile for creating a university community in which the strongest instincts were towards discarding convention where it no longer served its purpose and substituting instead genuine innovation that could be valuable within North-Eastern New South Wales and beyond – on the national and international stage.

This is an invigorating call to action that lies at the core of an institution that has now begun its fourth decade, and is reflected in a contemporary sense in the University's distillation of its purpose and values, which speak to an ambition to elevate the human potential all around us through education and to drive real impact through breaking back the boundaries of knowledge – and ensuring that this is shared widely, translated and relatable.

The inclination towards innovation where it serves a core purpose is very much evident in the ongoing development of the University's unique curriculum and teaching framework, the Southern Cross Model.

Designed with access, participation and success as core considerations, it is notable that in 2025 for the first time across the University as a whole, more than 90% of unit enrolments resulted in a passing or better grade, meaning a greater than ever proportion of students progressing towards the successful completion of their qualifications.

This matters enormously, not just for the lives of our students, so many of whom are the first in their families to attend University, but also for the hope that it engenders that we can to an even greater extent than in past contribute to the the sustainable generation of outstanding local talent for our professions, business and industry.

Over the past year, our work in research has reflected the same orientation and the same emphasis on impact and outcomes. Working in close partnership with industry, government and communities, our researchers continue to address the environmental, agricultural, health and social challenges that matter most to the regions we serve – contributing knowledge that is locally grounded and, increasingly, globally recognised.

Engagement with the communities we serve is not a peripheral activity for us; it is the expression of our core commitment. It is for this reason that our campuses are evolving to become more and more open and to a greater and greater degree hubs that represent a core and indispensable element of our communities and how they operate.

And it is for this reason that we continue to invest, with care and with thoughtfulness, in the partnerships – with schools, with local industries, with health and social services, with all levels of government – that make the University not merely present in its communities but genuinely woven into their fabric and their future.

In 2025, the University continued to build upon the foundational investments in capability, relationships and infrastructure undertaken in its initial decades of operation. This momentum, reflected in growing national and international esteem and in improved standing in key global rankings can all be traced to a foundation of values which are woven through what we do, how we prioritise and our vision for the next decade and beyond.

Our focus on excellence in our day-to-day work is experienced as consistent rather than antithetical to the adoption of a caring approach, our willingness to be bold buttressed by a genuine sense of ownership and our connection to our community is always informed by a commitment to building trust through what we do.

# Overview

## Management and Structure

The University is governed by a Council to which the University's Vice-Chancellor reports. The Council is chaired by the Chancellor and includes the Vice-Chancellor, the Chair of the Academic Board, two members appointed by the Minister, five members appointed by Council, three elected staff members and one elected student member.

The Academic Board is the University's principal academic body. It is responsible for establishing and maintaining the highest standards in teaching, learning and research in the University. It is also the primary advisory committee of the Council on academic matters.

# Overview

## University Council Members

### Official Members

#### Chancellor

Ms Sandra McPhee, AM, FAICD

#### Vice-Chancellor and President

Professor Tyrone Carlin, BComm(UNSW), LLB(Hons)(Sydney), LLM(Sydney), MComm(Hons)(UNSW), PhD(Macq)

#### Chair of Academic Board

Associate Professor Desirée Kozlowski, BPsych(Hons)(SCU), PhD(SCU)

### Elected Members

#### Elected members – non-academic staff

Ms Prue Berry, BA(Massey), JD(Bond), GradDipLegPrac(ColLaw) MTEM(Melb)

#### Elected members – academic staff

Professor Renaud Joannes-Boyau, MSc(UBx), PhD(ANU)

Associate Professor Georgina Dimopoulos, BA(Melb), LLB(Hons)(Melb), PhD(Melb)

#### Elected members – student

Ms Grace Redden, BSc(Hons)(UOW)

### Appointed Members

#### Council appointed members

Mr Geoffrey Stalley, BBus(UTS), MEc(Macq), GAICD, CA, CPA, Deputy Chancellor

Mr Peter Lewis, MComm(UNSW), FCA, FGIA

Dr Jill Freyne, BCS(UCD), PhD(UCD)

#### Council appointed member – graduate

Mr Scott Noble, BBus(SCU), MAppFin(FINSIA), FCA, FFin, GAICD

#### Ministerially appointed members

Mr Jonathan Rourke, BSc(Arch)(Syd), concluded 31 December 2025

Professor Anne Simmons, AM, BE(Hons)(UQ), MBiomedE(UNSW), PhD(UNSW), FTSE, FIEAust, commenced 1 January 2025

### Council Secretary

Mr Mark Dixon, BA(UTAS), LLB(UTAS)

# Overview

## Executive Officers

### Vice-Chancellor and President

Professor Tyrone Carlin, BComm(UNSW), LLB(Hons)(Sydney), LLM(Sydney), MComm(Hons)(UNSW), PhD(Macq)

### Senior Deputy Vice-Chancellor

Professor Mary Spongberg, BA(Hons)(Sydney), PhD(Sydney), concluded 19 December 2025

### Deputy Vice-Chancellor (Research)

Professor Renaud Joannes-Boyau, MSc(UBx), PhD(ANU), Acting from 15 September 2025

### Pro Vice-Chancellor (Academic Innovation)

Professor Erica Wilson, BAdmin(Tourism)(Hons)(JCU), GradDip(EnvStud)(Adelaide), PhD(Griff)

### Pro Vice-Chancellor (Academic Quality)

Professor Thomas Roche, BA(UQ), BEd(UQ), PhD(Dresden)

### Pro Vice-Chancellor (Research and Education Impact)

Mr Ben Roche, BSc(Hons)(UNSW), MEd(UTS)

### Vice-President (Finance)

Mr Travis Walker, BBus(Accounting)(RMIT), MBA(LaT)

### Vice-President (Future Students and Outreach)

Ms Anna-Maree Shaw, BBus(QUT), BVisArt(Griff), GradDipComm, MBA(Cranfield)

### Vice-President (Operations)

Mr Allan Morris, GradDipInfoTech(Monash), concluded 19 December 2025

### Vice-President (People and Culture)

Ms Kim Franks, BComm(Griffith)

### Vice-President (Strategy and Technology)

Mr Jack Williamson, BEng (Wollongong), MBA (London Business School)

### Vice-President (Students) and Registrar

Mr Brendon Nelson, GradDipMgt(UTS), MBus(UTS)

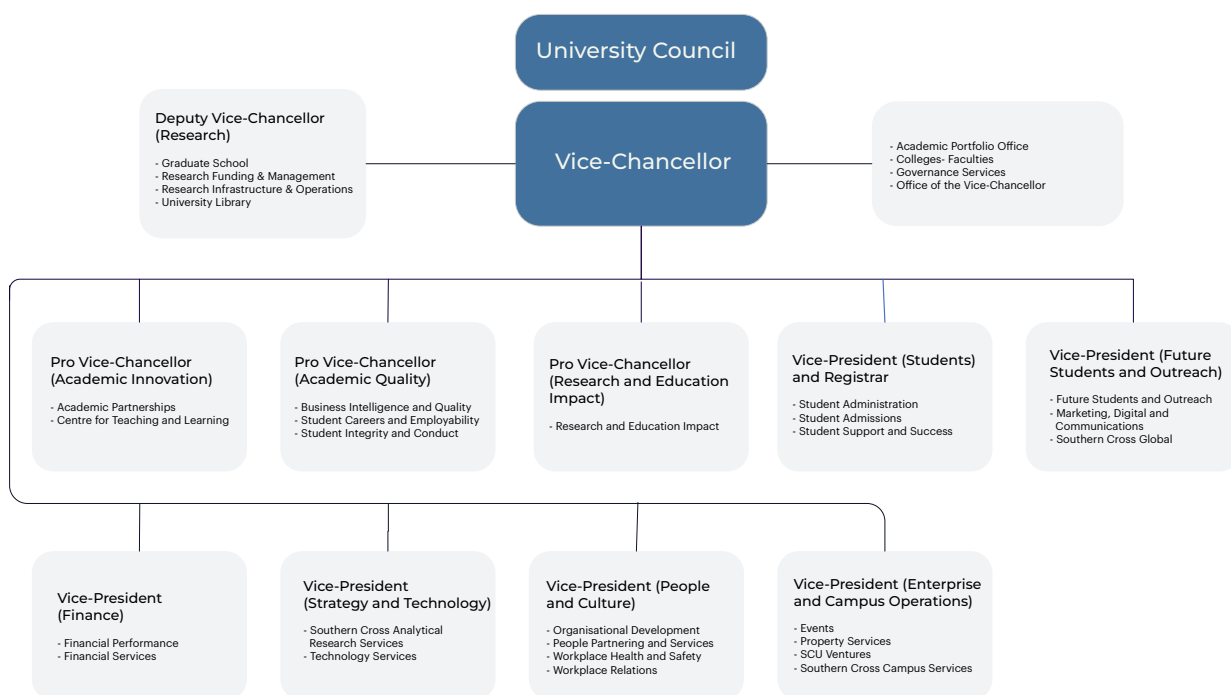
### Vice-President (Enterprise and Campus Operations)

Mr Nicholas Hyde, BEcSocSc(Hons)(SYDNEY), Acting from 20 December 2025

# Overview

## Organisational Chart

To oversee functional and accountable governance, University work units are organised around Executive leads for key thematic areas of operations: Research, Students, Engagement, Finance, and Operations, Academic Innovation, Academic Quality, Strategy, People and Culture. Each has a portfolio work plan to align with the objectives and ultimately deliver the strategic goal.



Organisational Chart current as at 31 December 2025

# Overview

## Controlled Entities:

The University has the following controlled entities, as provided for under section 16A of the *Southern Cross University Act 1993* (NSW):

### Southern Cross Campus Services Limited ('Campus Services')

Campus Services provides on-campus amenities and services to students and staff of the University, including operation of catering services, fitness facilities and managing residential accommodation.

Incorporated in 1986, Campus Services is an Australian company limited by guarantee, and has been wholly owned and controlled by the University since 1993. Campus Services is registered as a charity with the Australian Charities and Not-for-Profit Commission.

### SCU Ventures Pty Limited ('SCU Ventures')

SCU Ventures principal activity is the delivery of SCU's educational courses to students of the University, including the operation of The Hotel School and the University's metropolitan campuses located in Sydney, Melbourne, Perth and Brisbane.

SCU Ventures is an Australian private company, wholly owned and controlled by the University since 1 December, 2023 and is a registered charity with the Australian Charities and Not-for-Profit Commission.

The transitional arrangements set out in chapter 8 of TPG25-10 Framework for Financial and Annual Reporting apply to these entities for calendar year 2025. Financial Statements for both controlled entities are included in this report.

# Strategy

## Objectives and Outcomes

Southern Cross University is committed to achieving excellence through Strategy 2030, the University's strategic framework for delivering its purpose and long-term objectives. The Strategy is structured around four core pillars: Teaching and Learning, Research and Impact, Community and Campus, and Enterprise - each defining clear institutional priorities supported by objectives, initiatives and measurable outcomes.

Progress against the Strategy is supported by robust performance measures, disciplined resource allocation and regular reporting, ensuring transparency, accountability and effective delivery.

## Teaching and Learning

The Teaching and Learning focus is on improving student engagement, retention and success, building on the Southern Cross Model. Key initiatives include simplifying course structures, strengthening enrolment and progression processes, and enhancing assessment and feedback.

Progress is tracked through student satisfaction, retention and enrolment metrics, supported by investment in academic support, inclusive learning and digital teaching tools.

## Research and Impact

Research and Impact focuses on delivering high-quality, high-impact research aligned to institutional strengths and societal need, enabled through faculties and cross-disciplinary research clusters.

Activity centres on capability development, research infrastructure and expanded national and international collaboration, with performance measured through research income, impact indicators and higher degree research completions.

## Community and Campus

Community and Campus priorities focus on strengthening engagement with communities while sustaining inclusive, future-ready campuses.

Key activities include enhancing the University's brand and reputation, supporting growth in the Gold Coast and Tweed region, and improving the on-campus and online student experience. Performance is assessed through reputation and engagement measures, alongside investment in campus development and sustainability initiatives.

## Enterprise

The Enterprise focus ensures the University operates as a modern, financially sustainable institution with strong organisational capability.

Key objectives include maintaining a sound operating position, improving employee engagement and strengthening leadership and workforce capability. Strategic activity centres on health and safety, simplified and resilient digital systems, and the increased use of data and analytics to support informed decision-making.

Performance is monitored through staff engagement measures, financial reporting and ICT service metrics, with targeted investment in workforce development, digital infrastructure and data governance to support operational excellence and future growth.

# Operations and Performance

## Rankings and Global Recognition

Southern Cross University strengthened its global standing across major international rankings, reflecting performance across teaching quality, research impact, international engagement and societal contribution.

- The University advanced into the global top 500 universities in the 2026 Times Higher Education (THE) World University Rankings, released in October 2025, moving from the 501-600 band in 2024.
- In the THE Subject Rankings, Southern Cross University was ranked in the global top 300 for Life Sciences, top 400 for Education and Social Sciences, and top 500 for Physical Sciences.
- In the QS World University Rankings by Subject 2025, the University was placed in the 351–400 band globally for Agriculture and Forestry and ranked 638th overall in the QS World University Rankings (2026 QS World University Rankings published June 2025).
- The University's commitment to social impact was recognised in the THE Impact Rankings 2025, with Southern Cross University placed in the global top 400 across nine United Nations Sustainable Development Goals (SDGs) and remaining in the global top 200 for SDG 10: Reduced Inequalities.

## Teaching and Learning

The University continued to refine and enhance the Southern Cross Model throughout 2025, reinforcing its commitment to evidence-based teaching and learning. Ongoing improvements focused on strengthening consistency, enhancing student engagement, and ensuring delivery remains aligned with emerging student expectations and workforce needs. The model's six-week structure, with students typically studying one or two units at a time, continues to support deeper learning, flexibility and real-world application.

As part of the University's ongoing investment in teaching quality, the Southern Cross Model Academy was launched in 2025 as a central professional learning framework for academic staff. The Academy supports staff engaged in teaching and assessment through structured educative pathways that enable innovation in curriculum and assessment design, enhanced student engagement and scholarly recognition across disciplines. It also supports the University's scholarship obligations under the Higher Education Standards Framework (HESF) by enabling discipline-based and pedagogical scholarship that contributes to the scholarship of learning and teaching. Mandatory training for new academic staff, minimum annual professional development requirements, regular reporting, and alignment with people and communications strategies ensure that scholarly engagement is systematic, institutionally supported and embedded across the University.

Student feedback in 2025 continued to demonstrate the strength of the Southern Cross Model in supporting the overall learning experience. Unit satisfaction remained high at 87.3 per cent, with teaching satisfaction at 89.3 per cent. Results from the Student Experience Survey also showed continued improvement in overall satisfaction, increasing to 76.4 per cent for undergraduate students (up from 72.9 per cent in 2024) and 82.1 per cent for postgraduate students (up from 72.6 per cent). These outcomes were supported by targeted transition and engagement initiatives, including the First Year Adviser Program, which was extended in 2025 to include commencing postgraduate students and tailored strategies for online learners. The program provides additional contact, information, advice and academic and wellbeing support during the first eight units of study, supporting effective transition, retention and student success across diverse cohorts.

Feedback also highlighted opportunities to strengthen peer-to-peer and peer-to-teacher interaction. In response, the University progressed a range of initiatives to enhance engagement, including improvements to digital and AI-enabled learning environments, assessment redesign incorporating generative AI capability, and greater consistency in unit design and delivery. These initiatives form part of the University's broader approach to continuous improvement in teaching and learning.

## Indigenous teaching and equity cohorts

In 2025, Southern Cross University continued to strengthen Indigenous teaching and learning through the leadership of Gribi College of Indigenous Australian Peoples. Indigenous led programs were delivered with a sustained focus on cultural integrity, social justice and community partnership, supporting culturally safe learning environments and community connected education.

The University maintained a five star rating for Indigenous participation, supported by targeted admission pathways, scholarships and culturally appropriate student support services. Southern Cross College pathway programs continued to play an important role in supporting access to degree-level study for students from Indigenous backgrounds. In 2025, Indigenous students who progressed into undergraduate study through these pathways achieved 87.5 per cent commencing retention rate, compared to 55.6 per cent for Indigenous students who were not admitted via a Southern Cross College pathway. Notably, retention rates for Indigenous pathway students also exceed the University's 2025 overall commencing

# Operations and Performance

retention rate of 72.5 per cent in 2025. Indigenous knowledges continued to be embedded across disciplines including health and education, contributing to culturally responsive practice, stronger community engagement and place-based professional capability development.

The Southern Cross Model continued to support improved learning outcomes for Indigenous students and other equity cohorts, consistent with national standards for success for diverse student populations. Internal and award validated reporting confirms measurable gains in student success rates compared to pre model delivery, particularly for students from historically under represented groups.

Success rates for enabling students increased by 26 percentage points, while students from government defined equity groups recorded gains of up to 17.2 percentage points. These cohorts include First Nations students, students with English as an additional language, low socioeconomic status students, regional and remote students, students with disability, and first in family learners.

Improved outcomes were also evident for online and part time students, with success rates increasing by 16.5 percentage points and 20.4 percentage points respectively. These improvements contributed to stronger engagement and progression, as well as higher four and six year completion rates, indicating both immediate and sustained benefits for equity cohorts.

Together, these outcomes reflect the University's ongoing commitment to Indigenous leadership in education and to teaching approaches that support access, participation and long term success for students from diverse backgrounds.

## Research and Impact

In 2025, Southern Cross University recorded strong research performance, underpinned by growth in high-quality publications, sustained research income and major competitive grants awarded across priority areas. This reflects a continued focus on research excellence, collaboration and real-world impact aligned to institutional strengths and societal need.

Research quality and output remained strong, supported by an expanding body of internationally recognised scholarship:

- The University achieved a Field-Weighted Citation Impact of 1.99, well above the global average of 1.0.
- 76 per cent of publications were published in Q1 journals, up from 72 per cent in 2024.
- Total scholarly output increased from 692 publications in 2024 to 861 in 2025.
- The University recorded 47 Higher Degree Research completions, consistent with recent years.

## Research income and competitive funding

Research income remained strong in 2025, reflecting both disciplinary depth and cross-disciplinary capability.

Fully awarded research funding for the calendar year totalled \$20,971,730, compared with \$20,358,024 in 2024.

Highlighted research grants in 2025 included:

- 'SISTASCREEN,' project to increase uptake of opportunistic cervical screening for First Nations women, led by Dr Marilyn Clarke, awarded \$2,498,994 from Cancer Australia.
- 'Marine Cloud Brightening in a complex world – moving beyond the Twomey effect,' led by Associate Professor Daniel Harrison, awarded £1,035,748 (\$1,999,552) from the United Kingdom's Advanced Research and Invention Agency.
- 'Evaluating alternative approaches to sector development in Pacific Island Countries,' led by Dr Cooper Schouten, awarded \$1,670,000 by the Australian Centre for International Agricultural Research.
- 'DNA and RNA-based targets for quantifying N-fixation in soil,' led by Associate Professor Michael Rose, awarded \$1,099,982 by the Grains Research and Development Corporation.
- 'Swinging both ways - the genetic control of sex expression in hemp,' led by Professor Tobias Kretzschmar, secured a \$561,251 Australian Research Council Linkage grant, with Kavasil Pty Ltd as partner.
- 'Planning for, or challenging, uninhabitability under climate change,' led by Professor Andrew Rose, awarded \$743,000 by the European Research Council.
- 'Tunapri Ngini, Tunapri Rrala (Old Knowledge, Strong Knowledge) – a research program to Protect and Respect First Peoples' Cultural Medicine knowledges,' led by Dr Alana Gall, awarded \$649,405 by the National Health and Medical Research Council.

# Operations and Performance

- ‘RD&I strategy for the Australian organic horticulture sector,’ led by Professor Terry Rose, awarded \$578,484 by Horticulture Innovation Australia.
- ‘The Mastery Schools Australia Project’ on schooling for at-risk children and young people and getting disengaged students back into mainstream schooling, led by Professor David Lynch, awarded \$535,000 from Mastery Schools Australia.
- Associate Professor Georgina Dimopoulos secured an Australian Research Council Discovery Early Career Researcher Award grant worth \$528,629 over three years for ‘Reimagining child participation in family courts: A therapeutic approach.’

## Integrated impact through Research Impact Clusters

The University’s Research Impact Clusters provide a strategic framework for interdisciplinary collaboration, bringing together expertise across disciplines to address complex challenges and accelerate research with real-world impact. In 2025, the clusters advanced integrated programs of work aligned to circular economy, land and water systems, food and health, and marine and coastal environments, supporting meaningful outcomes for communities, industry and policy.

### **Harvest to Health, focused on plant science, functional foods and human health.**

2025 highlights included:

- Hosted fourth Natural Medicines Futures Forum in Ballina, attracting more than 200 delegates and an increasing number of global experts on natural medicines to Northern NSW.
- Plant halophyte researcher and PhD graduate Matthew Nolan awarded Churchill Fellowship.
- Dr Alana Gall’s work contributed to the establishment of a First Nations Collective Voice within the Public Health Association of Australia.
- Awarded Managing Research Organisation role for AgriFutures Coffee Industry Program of Research.
- Expanded industry engagement with \$10,000 sponsorship of national industry conference TropAG.
- Construction initiated for new Physical Containment Laboratory (PC2) facility at Lismore campus.

### **ZeroWaste, focused on plastic circularity, waste reduction and resource recovery.**

2025 highlights included:

- Black Soldier Fly project on fly farming for food waste and bioplastics shortlisted for the People’s Choice category of the Shaping Australia Awards.
- Key partnership extended with Meat and Livestock Australia and SDG Align to accelerate the transition of the NSW Northern Rivers to a circular economy.
- Scoping study completed for construction of circularity hub on Lismore campus, part of the Lismore campus Master Plan.
- Launch of school engagement program pilot, ‘Re-imagining plastics in STEM.’

### **Catchments, Coasts and Communities, focused on land and water management with communities and partners.**

2025 highlights included:

- Launch of significant citizen science water quality project led by Professor Scott Johnston in the Clarence River catchment, establishing critical baselines of river health.
- Extension of state-wide NSW estuarine monitoring program, with baseline eDNA biodiversity mapping and contaminant assessment led by Dr Maarten De Brauwer and Professor Kirsten Benkendorff, in collaboration with NSW Department of Primary Industries and Development and traditional owners.
- Executive Committee chaired by Professor Les Christidis published new global taxonomy of world’s birds, Avilist.
- Release of first captively-raised mountain frogs in translocation project to repopulate critically endangered species on border of Queensland and NSW, led by Dr David Newell.
- Led mangrove planting at Boambee Creek impact site with Gumbaynggirr rangers, OzFish, and North Coast Land Care.
- Extension of Menindee Lake water monitoring project, led by Professor Damien Maher in collaboration with NSW Department of Climate Change, Energy, the Environment and Water, assessing drivers of fish kills.

# Operations and Performance

- Expanded industry engagement with \$9,900 sponsorship of NSW Coastal Conference in Ballina.

## **Reefs and Oceans, focused on the protection and management of marine and coastal environments.**

2025 highlights included:

- Dr Emily Howells and Dr David Abrego appointed co-directors of the internationally renowned Lizard Island Research Station.
- Amanda Philp, Masters by Research student and Head Biologist at Australian Seabird and Turtle Rescue awarded Churchill fellowship for marine turtle research.
- Associate Professor Daniel Harrison presented new insights into Marine Cloud Brightening and its potential to protect the Great Barrier Reef from extreme heat and coral bleaching at COP30 Brazil.
- Dr Ali Alaei presented project in collaboration with Indian Institute of Technology, Roorkee on AI pattern recognition to mitigate ocean pollution at 8th Asian Conference on Pattern Recognition (ACPR 2025), hosted at Gold Coast campus.
- Extension and ongoing funding of \$582,000 from Australian Institute of Marine Science for 'Cloud and sky brightening development' led by Associate Professor Daniel Harrison and \$345,000 for 'Larval collection, culture, deployment, translocation' led by Professor Peter Harrison.

## **Southern Cross Analytical Services (SCARS)**

Industry translation remained a core focus for Southern Cross University's laboratory operations in 2025. Work across natural products, agriculture and primary industries, and environmental science continued to convert research capability into practical outcomes for industry. Internal laboratory discounts to Southern Cross researchers increased from \$138,959 to \$807,569, directly supporting research activity and strengthening the connection between research and application.

Revenue reached \$12,890,527 in 2025, continuing an upward trend from \$11,981,697 in 2024. Southern Cross University Laboratories successfully completed a Therapeutic Goods Administration audit, reinforcing its position as a trusted provider operating to nationally recognised standards. A \$4.54 million contract was secured under the Department of Agriculture, Fisheries and Forestry National Soil Monitoring Program, delivered with CSIRO over three years. This work will support the analysis of thousands of soil samples from across Australia, contributing to national efforts in sustainable agriculture and environmental management.

## **The Graduate School**

In 2025, the Graduate School continued to support the University's higher degree research (HDR) students, providing coordinated oversight of admissions, candidature management, milestone monitoring and examinations across all faculties and campuses. The year saw a strong focus on induction and support for both HDR candidates and supervisors, including refreshed academic induction materials and enhanced guidance on regulatory and policy requirements for research training. There were 47 HDR completions in 2025, consistent with previous years.

## **Engagement, recognition and influence**

In 2025, the University's research exhibited strong engagement, external recognition and public influence across policy, practice and community settings.

The University hosted the Waves of Wisdom Early Childhood Research Conference at the Gold Coast campus in May, bringing together national experts in early learning. Research leadership was recognised through major appointments, including Professors Renaud Joannes-Boyau and Anja Scheffers as Chief Investigators in the \$5 million ARC Training Centre for Advancing Archaeology in the Resources Sector. Professor Joannes-Boyau was also a finalist in the 2025 French-Australian Excellence Awards (Research and Innovation). Dr Liberty Pascua de Rivera was appointed a Lead Author for the IPCC Seventh Assessment Report (AR7), contributing to Working Group II on Impacts, Adaptation and Vulnerability.

Community-engaged research delivered national recognition, with Living Lab Northern Rivers receiving the 2025 UniSuper Think Great Award at the Australian Financial Review Higher Education Awards and the Community Contribution Award at the Australian Institute of Landscape Architects Awards. Public engagement continued to expand through 45 articles published on The Conversation, attracting more than 2.2 million reads, including high-impact contributions by Dr Emily Burch and Professor Renaud Joannes-Boyau.

# Operations and Performance

Student and early-career research excellence was recognised through the Emeritus Professor Bruce Thom AM Student Research Award, awarded to PhD candidates Chris Klaas and Muhammad Islami for contributions to coastal management. Two research papers co-designed with the Gumbaynggirr community were published, led by Jade Fredricks and Professor Kirsten Benkendorff, addressing pipi populations and mangrove die-off at Boambee Creek.

The University's standing was further affirmed through the award of five stars in the QS Stars ratings, including five-star ratings in Employability, Environmental Impact, Facilities, Global Engagement and Good Governance.

## Community and Campus

In 2025, the University continued to invest in the renewal and activation of campus infrastructure to support student experience, teaching quality, research demonstration and community connection. Works progressed on the refurbishment of the Sirius student accommodation complex at the Lismore campus, with a focus on improving student amenity, accessibility and on-campus community life. Investment continued in the establishment of a new Veterinary Science Precinct, with refurbishment of an existing building to bringing together updated teaching and clinical facilities into a unified purpose-built environment. Planning commenced for the development of a research demonstration site at the Lismore Campus, intended to improve community and industry access and commercial application of our research within the circular economy domain.

Scoping and planning for future infrastructure investment progressed across several campuses in 2025. Feasibility work was undertaken to inform potential redevelopment options for student accommodation at the Coffs Harbour Education Campus, while scoping for refurbishment of the Lismore (Orion) student accommodation facility commenced, supported by market soundings and high-level costings. The Gold Coast Campus Master Plan progressed, with feedback from students, staff and the local community opened in 2025 to inform future campus and student experience initiatives. Funding of \$3.67 million was also confirmed to support delivery of a new athletics track at the Lismore campus, strengthening student and community sporting infrastructure.

These projects reflect the University's ongoing commitment to extending the life and value of existing infrastructure through sustainable renewal. In parallel, the University consolidated its metropolitan campuses in Sydney and Melbourne into single, integrated locations. This consolidation improved operational efficiency, strengthened brand presence and enhanced the student experience through modern learning environments and more effective use of space across the national campus network.

Through these activities, the University continued to balance infrastructure renewal with environmental responsibility, operational efficiency and responsiveness to the needs of our communities across the campus footprint. The University further positioned our campus network as platforms for community connectivity, acknowledging the important role that our infrastructure plays in the day-to-day life of each surrounding community. The nature of this provision extends beyond event and teaching spaces, to developing a responsive relationship that positions the University as a partner with communities for mutual benefit. For example, the ongoing hosting of the Rivers College Virtual STEM Academy - the first situated within a University Campus - provided innovative learning opportunities for remote secondary students through media-enabled, online lesson delivery.

Beyond infrastructure and asset renewal, the University's community engagement in 2025 was characterised by strong, place-based partnerships with industry, education providers, First Nations organisations and community groups. Long-standing collaborations with organisations including Business NSW Regional Leaders, the Gold Coast Innovation Hub, Local Health Networks and regional Chambers of Commerce expanded professional and community networks, strengthening connections to teaching and research and creating meaningful pathways for participation, talent development and shared community outcomes.

The University also continued to invest in local community events, including the Gold Coast Marathon, Coffs Running Festival and Byron Writers Festival, supporting economic activity, community wellbeing and social and cultural connection across the regions we serve.

In the Northern Rivers in particular, the leadership of the University in recovery and resilience building post 2022 floods was recognised through the inaugural UniSuper Think Great Award at the Australian Higher Education Awards. This focus – reflected in the work of Living Lab: Northern Rivers - continued throughout 2025, demonstrating the ongoing critical role the University plays in raising emergency preparedness across communities in the Northern Rivers.

# Operations and Performance

## People

In 2025, the University continued to strengthen organisational capability through focused investment in leadership, workforce practice and cultural alignment.

Key initiatives included the continued rollout of leadership development programs to support consistent leadership capability and expectations across the University. The introduction of Momentum, the University's contemporary performance and feedback framework, embedded regular, high-quality performance conversations and reinforced a culture of continuous development. A refreshed Employee Value Proposition was also launched to support talent attraction and retention and to strengthen a values-led employee experience.

Significant effort was directed toward major compliance priorities, including employment-related legislation and regulation, and the implementation of the National Higher Education Code to Prevent and Respond to Gender-Based Violence. These activities strengthened governance arrangements and sharpened the University's focus on employment-related risk management. Work health and safety capability also continued to mature through the embedding of key frameworks and systems, supporting more consistent risk management and improved safety outcomes.

Overall, 2025 marked continued progress in organisational capability and culture, while reinforcing the importance of strong governance, regulatory compliance and a stable, capable workforce as priorities for 2026.

## Philanthropy

Philanthropic support continued to play an important role in advancing Southern Cross University's priorities in access, workforce development and community-focused research during 2025. Contributions received during the year included:

- \$266,000 bequest from the late Neil Eric Cowd, supporting scholarships of up to \$20,000 for Bachelor of Education students from disadvantaged backgrounds and contributing to the training and retention of teachers in the Northern Rivers region.
- \$80,000 contribution from the Siddle Family Foundation to advance housing-focused research through Living Lab Northern Rivers, supporting applied research addressing regional housing challenges.
- \$32,000 from Lord's Taverners Northern NSW, supporting students from the Northern Rivers region.
- \$30,000 from the Twin Towns Community Foundation, supporting students across the Southern Gold Coast and Northern New South Wales.
- \$22,500 provided through the Chisholm Family Scholarship to support students experiencing disadvantage.
- \$20,000 from Essential Energy, supporting women pursuing studies in science and engineering.
- \$19,575 raised through the Pro-Invest Scholarship Fund Program, supported by 15 hotels nationwide to assist students pursuing careers in hotel and business leadership.
- Six Midwifery Scholarships, made possible through a philanthropic contribution from Clinical Excellence Queensland, supporting the development of local clinical capability and strengthening regional workforce retention.

The University gratefully recognises the continued generosity of Bonnie Boezeman AO, Chief Executive Women, The Blackmore Family Foundation, Osiecki Family Foundation, Summerland Bank, Lismore City Council, vital.ly, Pro-Invest Group and Richmond Valley Council, whose ongoing support plays an important role in advancing the University's purpose and impact.

Together, these philanthropic contributions expanded access to education, strengthened workforce capability and enabled research with tangible community benefit.

The University extends its sincere thanks to its donors, alumni and partners for their continued support.

# Operations and Performance

## Finance and Regulatory

The University operates with agility and discipline within a changing policy, funding and regulatory environment. Reforms to Commonwealth Supported Places funding, including changes announced for implementation from 2026, are informing the University's strategic and operational planning to ensure continued sustainability and impact.

In 2025, the University recorded capital expenditure of \$22.6 million, including \$12.0 million invested in the development and fit out of new Veterinary Sciences facilities in Lismore supporting teaching and research capability. Other key capital activities included the renewal of staff and student facilities within the Lismore Veterinary Sciences Precinct, and the upgrade of Building Management Systems across all campus locations to improve energy efficiency in line with the University's sustainability objectives. Investment also supported the installation of maintenance infrastructure at the University's commercial and agricultural research facility in Wollongbar, significant infrastructure works at the National Marine Science Centre in Coffs Harbour, and the development of a Veterinary Science training facility in partnership with the NSW Department of Primary Industries at Wollongbar. During 2025, the University also finalised a strategic land divestment with Landcom to support flood recovery and housing resilience in Lismore, demonstrating disciplined asset stewardship aligned with community need and public policy objectives.

## Technology

Innovation is at the heart of what we do. The Southern Cross Model continues to demonstrate leadership in contemporary higher-education delivery, delivering tangible benefits for students. In 2025, this commitment to innovation expanded beyond teaching and learning into the University's digital workforce, with new ways of working introduced to strengthen capability, support service improvement and enable continuous improvement across day-to-day operations. This included continued progress in cloud-based platforms and agile delivery approaches, supporting greater flexibility, resilience and responsiveness across digital and operational initiatives.

The University progressed targeted improvements to core student systems and digital services, enhancing the experience of enrolment, administration and learning support. This work focused on simplifying processes for students, improving accessibility and supporting more consistent engagement with teaching and learning.

In parallel, Southern Cross University continued to explore and apply the responsible and purposeful use of artificial intelligence to support the student experience, enhance service delivery, and inform research and operational planning. This included the use of AI-supported tools to assist specific student services and learning and teaching activities, alongside the establishment of a staff-led Generative AI Innovations Community of Practice. Supported by structured professional development and clear institutional guidance, these initiatives enabled evidence-informed assessment and curriculum design and contributed to sector-level dialogue through peer-reviewed scholarship.

Assessment integrity remained central to this work. A coordinated, university-wide program of assessment review and redesign increased overall assessment security from 70 per cent to over 90 per cent, strengthening the rigor, authenticity and resilience of student assessment in an evolving digital environment.

# Operations and Performance

## Performance

In 2025, Southern Cross University recorded continued improvement across key performance measures, reflecting progress against its strategic priorities in education, research, community engagement and organisational capability.

Performance indicators show sustained student satisfaction and success, growth in research quality and output, and strengthened collaboration with industry and community partners. Results also reflect ongoing investment in workforce capability and campus infrastructure, supporting consistent delivery across the University's operating environment.

Collectively, these outcomes demonstrate the University's continued focus on delivering impact through accessible education, applied research and meaningful engagement, while maintaining alignment with workforce needs and long-term institutional sustainability.

Strategic Pillar	Performance Indicator	2025	2024
<b>Teaching and Learning</b> Create outstanding student outcomes with the Southern Cross Model and student experience	Students	21,639	19,139
	EFTSL	13,860	11,699
	Student Success	91.7%	89.3%
	Student Satisfaction	79.3%	72.8%
<b>Research and Impact</b> Deliver impactful research across our faculties and research impact clusters	Research Income	\$33.2m	\$30.5m
	Citation FWCI	1.99	2.2
	Q1 Journal %	76%	72%
<b>Foundations (Community, Campus, People, Technology and Finance)</b> Strengthen our communities, make Southern Cross University a workplace of choice, and manage our financial security	QS Ranking	638	576
	Times Higher Education Ranking	401-500	501-600
	Employee Engagement	67%	68%
	Consolidated Operating Result	\$15.2m	\$0.961m

as at 31 December 2025

# Management and Accountability

## Numbers and Remuneration of Senior Executives

as at 31 December 2025

Band	2025		2024	
	Female	Male	Female	Male
Band 1 (Executive)		1		
Band 2 (Executive)	1	1	1	2
Band 3 (Executive)	2	5	3	4
Band 4 (Executive)				
Above Band 4 (Executive)		1		1
<b>Totals</b>	<b>3</b>	<b>8</b>	<b>4</b>	<b>7</b>
	<b>11</b>		<b>11</b>	

Band	Range	Average Remuneration	
		2025 \$	2024 \$
Band 1 (Executive)	\$208,400 to \$297,250	\$294,300	\$0
Band 2 (Executive)	\$297,251 to \$373,950	\$350,900	\$355,467
Band 3 (Executive)	\$373,951 to \$527,050	\$431,271	\$439,843
Band 4 (Executive)	\$527,051 to \$608,850	\$0	\$0
Above Band 4 (Executive)	Over \$608,850	\$892,600	\$862,400

In 2025, 2.18% of the Southern Cross University's employee related expenditure was related to senior executives, compared to 2.51% in 2024.

This table reflects changes in Public Sector Remuneration Package band values for the 2025 Annual Reporting period, covering both the 2024 and 2025 years.

# Management and Accountability

## People

### All Staff FTE\*

Nominal FTE	2023	2024	2025
Academic	310.9	323.0	332.5
Professional	644.6	700.7	741.4
<b>Total</b>	<b>955.4</b>	<b>1023.7</b>	<b>1073.9</b>

\* This data excludes staff employed on a casual/sessional basis. Figures may not add exactly to the total FTE due to rounding

### Academic Staff

Nominal FTE	2023	2024	2025
Above Senior Lecturer	88.2	98.6	95.9
Senior Lecturer	66.5	65.7	66.4
Lecturer	123.0	126.5	132.7
Below Lecturer	33.2	32.2	37.5
<b>Total</b>	<b>310.9</b>	<b>323.0</b>	<b>332.5</b>

\* This data excludes staff employed on a casual/sessional basis. Figures may not add exactly to the total FTE due to rounding.

Above Senior Lecturer = Levels D and E (plus VC and DVC)

Senior Lecturer = Level C    Lecturer = Level B    Below Lecturer = Level A

### Professional Staff

Nominal FTE	2023	2024	2025
Non-Academic Above Level 10	24.0	26.0	32.0
HEW 10	12.0	12.0	22.0
HEW 9	22.2	29.3	24.2
HEW 8	47.2	67.5	66.4
HEW 7	104.7	106.2	109.5
HEW 6	124.0	135.6	138.3
HEW 5	144.2	133.6	138.3
HEW 4	146.8	171.0	190.6
HEW 3	16.8	17.6	15.1
HEW 2	2.6	2.0	5.0
HEW 1			
<b>Total</b>	<b>644.6</b>	<b>700.7</b>	<b>741.4</b>

\* This data excludes staff employed on a casual/sessional basis. Figures may not add exactly to the total FTE due to rounding.

Source: MIS Government Staff Cube - February 2026 (based on a March Census date for the respective year)

# Management and Accountability

## All Staff Headcount\*

Staff Headcount	2023	2024	2025
Academic	342	356	375
Professional	695	750	792
<b>Total</b>	<b>1037</b>	<b>1106</b>	<b>1167</b>

\* This data excludes staff employed on a casual/sessional basis. Figures may not add exactly to the total FTE due to rounding.

## Academic Staff

Staff Headcount	2023	2024	2025
Above Senior Lecturer	96	108	103
Senior Lecturer	72	71	75
Lecturer	136	141	154
Below Lecturer	38	36	43
<b>Total</b>	<b>342</b>	<b>356</b>	<b>375</b>

\* This data excludes staff employed on a casual/sessional basis. Figures may not add exactly to the total FTE due to rounding.

Above Senior Lecturer = Levels D and E (plus VC and DVC)

Senior Lecturer = Level C    Lecturer = Level B    Below Lecturer = Level A

## Professional Staff

Staff Headcount	2023	2024	2025
Non-Academic Above Level 10	24	26	32
HEW 10	12	12	22
HEW 9	22	30	24
HEW 8	49	71	69
HEW 7	115	117	119
HEW 6	131	143	145
HEW 5	159	143	149
HEW 4	162	186	210
HEW 3	18	20	17
HEW 2	3	2	5
HEW 1			
<b>Total</b>	<b>695</b>	<b>750</b>	<b>792</b>

\* This data excludes staff employed on a casual/sessional basis. Figures may not add exactly to the total FTE due to rounding.

Source: MIS Government Staff Cube - February 2026 (based on a March Census date for the respective year)

# Management and Accountability

## International travel

All University-funded travel is undertaken for approved University business and must be work-related, reasonable and cost-effective, supporting activities such as industry engagement, research collaboration and student outcomes.

See entry at Compliance Appendix for statistical data.

## Legal Change

The *Southern Cross University Act 1993* (NSW) and the *Southern Cross University By-law 2005* (NSW) directly relate to the University and are administered by the Minister for Skills, TAFE and Tertiary Education.

Key changes to legislation and judicial decisions that impacted on the university's operations during 2025 are summarised below:

### ***Universities Accord (National Student Ombudsman) Act 2024 (Cth)***

Establishes the National Student Ombudsman (NSO) within the Commonwealth Ombudsman. Provides an independent escalation pathway for student complaints regarding safety, welfare, course administration, and disciplinary processes.

### ***Privacy and Other Legislation Amendment Act 2024 (No. 128, 2024) (Cth)***

Amends the *Privacy Act 1988* (Cth) and seven other Acts to strengthen privacy protections. Expands the Office of the Australian Information Commissioner's (OAIC) powers and introduces new penalties. The University is required to update privacy policies ahead of the December 2026 deadline for automated decision-making disclosures.

### ***Universities Accord (National Higher Education Code to Prevent and Respond to Gender-based Violence) Act 2025 (Cth) (the National Code)***

Amends the *Higher Education Support Act 2003* (Cth) to make compliance with the National Code a quality and accountability requirement for Table A and Table B providers. The National Code establishes standards for: prevention of gender-based violence; institutional response requirements; student accommodation safety; training and reporting.

### ***Education Legislation Amendment (Integrity and Other Measures) Act 2025 (Cth)***

The Act is a quality and integrity package targeted at international education and transnational delivery. The changes seek to strengthen international education integrity.

### ***Acts amending the Fair Work Act 2009 (Cth)***

During 2025 a number of changes to the Fair Work Act were enacted. The amendments collectively protect penalty/overtime entitlements in modern awards, strengthen parental leave protections and align the higher education sector with the fixed-term contract limitations.

### ***Workers Compensation Legislation Amendment Bills 2025 (NSW)***

A reform package relating to psychological injury and scheme modernisation. This represents a significant reform package for psychological injury claims, with implications for WHS, Human Resources, early intervention, and injury management.

# Management and Accountability

## Privacy and Personal Information Protection Act 1998 (PIIP Act) requirements

During 2025, Southern Cross University maintained its commitment to privacy through:

1. Continued adherence to the University's Privacy Management Plan;
2. Continued adherence to the University's Privacy Data Breach Response Process;
3. Regular review of data collection notices;
4. Reviewing high-risk projects to ensure there was a privacy by design approach undertaken, as required.
5. Staff training.

Statistical details of any review conducted under Part 5 of the PIIP Act:

- Total number of internal reviews commenced: 1
- Total number of internal reviews completed: 0

## Government Information (Public Access) Act 1998 (GIPA Act) requirements

The University conducted its annual review of the Proactive Release Program (under section 7(3)) for the proactive release of information. This involved assessing the types of information frequently requested by the public and identifying datasets of high public interest. During this reporting period, no additional information was identified for proactive release beyond existing disclosure protocols.

Access Applications Summary (based on Information Privacy Commissioner (IPC) GIPA Tool):

- Total number of access applications received: 4 (Includes withdrawn application and excludes invalid applications).
- Total number of applications refused (Conclusive presumption of overriding public interest against disclosure):
  - Wholly Refused: 0
  - Partly Refused: 2
  - Total: 2 (representing 50% of total applications).

The full statistical tables as lodged via the IPC GIPA tool on 26/11/2025 are included in the compliance appendix.

## Risk management and insurance activities

During 2025 monitoring of the University's exposure to current and emerging risks continue to be supported by established key risk metrics. University Faculties, Colleges, and operational units each maintain an operational risk register to monitor, manage and track material operational risks.

The Audit and Risk Management Committee continued to oversee the University's Enterprise Risk Management Framework and received summary reporting on material enterprise risks and emerging risks. Risk reporting across internal governance committees continued to mature through the ongoing refinement of risk registers, metrics and thresholds. An annual review and refresh of risk registers was completed to ensure the continued relevance and effectiveness of the risk framework.

The University maintains a comprehensive insurance program to protect against the economic impact of insurable risks across all areas of operations. This program extends to controlled entities and is renewed each year. The main areas of cover include property, general and products liability, professional liability, malpractice, clinical trials, cyber, corporate travel, motor vehicle, and workers' compensation. With support from the University's broker, consideration was given to the University's risk profile, including new and emerging risks and the University's exposure to such risks, when determining the limits, deductibles, and classes of cover. The University also partnered with a travel risk management provider to support those travelling on university business.

# Sustainability

## Sustainability

In 2025, Southern Cross University delivered measurable economic, environmental and social outcomes through practical sustainability initiatives embedded within campus operations. Rooftop solar installations across multiple campuses generated more than 570 MWh of renewable energy and offset over 300 tonnes of CO<sub>2</sub>, while centralised plant upgrades at Lismore delivered approximately \$330,000 in annual energy savings and reduced emissions by an estimated 24.3 tonnes.

The transition of all campus cafés to 100 per cent sustainable packaging and the operation of the TOMRA Return and Earn facility at Lismore, which recycled more than 86,000 containers, materially reduced landfill and strengthened circular resource use. In parallel, a new chlorine dosing system at Lismore reduced mains water consumption by approximately 18,000 kL per annum, improving water efficiency and resilience. These initiatives also supported applied learning outcomes, with campus operations used as real-world case studies for teaching and research.

During 2025, the University addressed key sustainability risks including rising utility costs, carbon exposure and climate-related vulnerability through targeted capital upgrades and operational improvements. Energy-efficiency measures, fleet hybridisation and waste reduction initiatives reduced operating expenditure and emissions intensity while strengthening asset performance. The adaptive reuse of facilities, including the Veterinary Sciences Precinct, which demonstrated approximately 30 per cent lower embodied carbon compared to new build, mitigated long-term carbon and capital risk. Overall sustainability performance in 2025 reflected a disciplined, delivery-focused approach in which funded projects were completed, outcomes were measured, and sustainability was integrated into mainstream capital planning and facilities management processes.

## Modern Slavery Act 2018 (NSW) requirements

The University is committed to the prevention of modern slavery and human trafficking in all its forms. This commitment extends across every aspect of the University's operations, including its academic, research, administrative, and commercial activities, as well as throughout its diverse and global supply chains.

The University's Modern Slavery Act Statement for the year ended 31 December 2024 was submitted to the Attorney General's Department on 27 June 2025 in accordance with section 13 of the *Modern Slavery Act 2018* (Cth) and section 31 of the *Modern Slavery Act 2018* (NSW).

No issues were raised with the University by the Anti-slavery Commissioner during the financial year ended 31 December 2025.

The University continued to improve on the management and monitoring of modern slavery risks throughout the year by:

- Embedding modern slavery considerations into procurement and contract management processes
- Increasing visibility of supply chains through improved supplier engagement and data collection via a collaborative approach with the Australian Universities Procurement Network (AUPN)

The following actions were undertaken during 2025 to further mitigate the risk that goods and services procured by the University were not the product of modern slavery:

- Continued to conduct supplier due diligence for new and renewing contracts, including modern slavery questionnaires and declarations
- Incorporated modern slavery clauses into standard contract templates and procurement documentation
- Utilised preferred supplier panels and collaborative procurement arrangements to leverage suppliers with established ethical supply chain controls
- Implemented modern slavery training for all university staff

The University monitored and evaluated the effectiveness of our actions to combat modern slavery throughout the year. Outcomes to actions included:

- Increased compliance with modern slavery reporting and contractual requirements across key suppliers
- Improved identification and mitigation of potential risks in higher-risk categories of spend
- Enhanced staff awareness and confidence in addressing modern slavery considerations during sourcing and contract management activities

# Sustainability

- Strengthened supplier accountability through clearer expectations and contractual obligations
- Future Commitments to combatting modern slavery:
- Continue to refine risk-based supplier due diligence and monitoring processes
- Expand staff training and awareness by making modern slavery training compulsory
- Continue to work collaboratively with sector partners and suppliers to promote ethical and responsible supply chains

## Work Health and Safety

The University maintains a structured Work Health and Safety (WHS) management framework designed to support the systematic identification, assessment, and management of health and safety risks across its activities. This framework is underpinned by an approved WHS Policy and aligned with the principles of ISO 45001. The University applies a safe system of work approach, supported by a hazard category framework, critical risk frameworks, and a suite of high-risk procedures that address activities with the potential for serious harm. Psychosocial hazards are managed through a dedicated psychosocial risk framework and supporting procedures, complemented by wellbeing supports including an Employee Assistance Program (EAP). Together, these policies, procedures, and supports provide a consistent basis for managing WHS risks, supporting worker wellbeing, and promoting continuous improvement.

## WHS performance

WHS performance during the reporting period provides assurance that risks are being identified, monitored, and managed through established systems. Performance indicators do not indicate emerging or systemic risk, with injury severity and days lost continuing to trend downward.

### Notifiable Incidents and Prosecutions

	2025	2024
Total number of prosecutions under the Work Health and Safety Act 2011 (NSW) (WHS Act)	0	0
Total number of notifiable incidents to SafeWork NSW under the WHS Act	1	0

# Sustainability

Total number of reportable workers' compensation claims by category/mechanism of injury:

State	Mechanism of injury	2025	2024
NSW	Chemicals and other substances	1	2
	Falls trips and slips of a person	4	3
	Body stressing	1	8
	Being hit by moving objects	1	0
	Hitting objects with a part of the body	1	0
	Other and unspecified mechanisms of injury	3	0
	Other	2	4
	<b>Total</b>	<b>13</b>	<b>17</b>

State	Mechanism of injury	2025	2024
QLD	Slips trips or falls	3	2
	Impact or crush injury to fingers	1	0
	Repetitive or overuse activity	1	3
	<b>Total Injuries</b>	<b>5</b>	<b>5</b>

## Workforce Diversity

Equal Employment Opportunity (EEO)

Table 1: Trends in the Representation of EEO Target Groups

EEO Group	Index							
	2018	2019	2020	2021	2022	2023	2024	2025
Women	60.7	60.5	60.7	61.5	62.6	62.7	60.5	64.9
Aboriginal people and Torres Strait Islanders	2.8	3.0	2.8	2.4	2.9	2.9	3.0	3.3
People whose first language was not English	7.5	7.6	8.4	8.8	9.7	11.0	12.0	13.1
People with a disability	4.8	4.2	3.7	3.7	3.2	3.3	3.1	3.2
People with a disability requiring work related adjustment	0.8	0.7	0.6	0.6	4.0	0.6	0.4	0.5

# Sustainability

Table 2: Representation of EEO Target Groups: Academic and Professional Staff

EEO Group	% of Total Staff	<i>Award</i>	
Women	64.9	Academic	61.8
		Professional	66.3
Aboriginal people and Torres Strait Islanders	3.3	Academic	3.7
		Professional	3.2
People whose first language was not English	13.1	Academic	20.3
		Professional	9.7
People with a disability	3.2	Academic	4.3
		Professional	2.7
People with a disability requiring work related adjustment	0.5	Academic	0.8
		Professional	0.5

Table 3: Trends in the distribution of EEO Target Groups

EEO Group	Benchmark or target	Index							
		2018	2019	2020	2021	2022	2023	2024	2025
Women	100%	85.46	89.26	89.40	90.91	91.78	92.07	89.54	88.69
Aboriginal people and Torres Strait Islanders	100%	86.35	80.32	77.33	80.96	89.63	87.57	87.56	84.49
People whose first language was not English	100%	84.38	95.49	91.75	93.27	93.74	97.15	94.48	95.94
People with a disability	100%	108.05	99.87	99.88	97.08	100.29	101.27	107.73	106.64
People with a disability requiring work-related adjustment	100%	94.56	89.53	97.30	96.83	85.71	117.80	101.52	107.17

A distribution index of 100 indicates that the distribution of the EEO group across salary levels is equivalent to that of other staff. Values less than 100 means that the EEO group tends to be more concentrated at lower salary levels.

Source for Tables 1-3: Aurion HRIS database as at 31 March and excludes casuals.

# Sustainability

## Code of Governance Principles and Practice for Australia's Public Universities (UCC Code)

In November 2024, Council reviewed the University's alignment with the revised UCC Code and confirmed that the University is substantially compliant, with no material governance deficiencies identified. Areas for further enhancement and continuous improvement are monitored through established governance processes.

## Protection of Freedom of Speech and Academic Freedom in Australian Higher Education Providers

As a place of independent learning and thought, Southern Cross University is committed to the principles of intellectual freedom, including critical and open inquiry, and the free expression of ideas and opinion.

### Policies

The University's key policy documents relating to freedom of speech and academic freedom are:

- [Code of Conduct](#)
- [Student Rights and Responsibilities Charter](#)
- [Delegations Rule](#)
- [Governance Document Rule](#)
- [Student Academic and Non-Academic Misconduct Rules](#)
- [Events and Facilities Hire Policy](#)
- [Media Policy](#)
- [Naming of University Facilities and Programs Policy](#)

### Support

The University's support for a culture committed to freedom of speech and academic freedom is demonstrated as follows:

- publishing a [Statement on Academic or Intellectual Freedom](#) on its website
- providing students with information about academic freedom and freedom of speech as part of their orientation
- retaining recognition of the rights and responsibilities of employees in relation to intellectual and academic freedom in the Southern Cross University Enterprise Agreement.

### Issues of concern

The University is not aware of any issues of concern regarding freedom of speech and academic freedom arising during 2025. The University has not received any formal or informal complaints from its staff or students regarding freedom of speech or academic freedom.

# Financial Performance

The University, as a consolidated group, delivered a strong financial outcome in 2025, exceeding initial budgetary expectations. Budget forecasts for 2025 included a \$3.4 million statutory deficit for the year (following a \$0.96 million surplus in 2024), reflecting anticipated pressures from international student markets, increased competition, changes in government policy and rising cost conditions. Pleasingly, the University recorded a \$15.2 million statutory surplus, supported by a \$34 million increase in tuition revenue. This growth reflected higher international student enrolments, particularly within the Faculty of Education and Faculty of Health, supported by a solid intake of commencing students that strengthens future enrolment pipelines. The successful integration and performance of the University's metropolitan campuses in Brisbane, Sydney, Melbourne and Perth, together with a \$3.2 million uplift in the value of the investment portfolio, also contributed positively to the result.

This outcome reflects sustained effort and disciplined financial management across the University. Academic and professional teams responded proactively to market trends by expanding high demand programs and driving enrolment growth. Although increased student numbers required additional investment, costs were carefully managed to ensure resources were used efficiently and aligned with strategic priorities. The University also benefited from a strong research performance, securing \$2 million more in research funding than budgeted, with these funds reinvested directly into research activity. This progress aligns with the University's advancement into the Top 500 of the Times Higher Education World University Rankings, reinforcing its growing global reputation. Capital investment during 2025 was carefully aligned to the University's financial position and long-term strategy, demonstrated through a sustained focus on infrastructure renewal that supports student experience, research capability and community connection.

While the 2025 result is encouraging, the University remains focused on long term sustainability. The Council and Executive recognise that national and international factors - such as student mobility, economic conditions and government funding settings, both domestically and internationally - continue to influence the operating environment. Ongoing financial discipline, active market engagement and prudent planning will therefore remain central to maintaining resilience and supporting the University's strategic objectives in the years ahead.

## Identification of Audited Financial Statements

The financial statements provided from page 30 to page 174 have been audited.

## Unaudited Financial Information

All financial information other than that included in the financial statements section is unaudited.

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# Southern Cross University and its Controlled Entities

ABN 41 995 651 534

Financial Statements for the  
Year Ended 31 December 2025

## Financial Statements

### Contents

	Page
Report by the Members of the Council	33
Statement by the Members of Council	36
Responsible Persons' Declaration	37
Income Statement	38
Statement of Comprehensive Income	39
Statement of Financial Position	40
Statement of Changes in Equity	41
Statement of Cash Flows	42
Notes to the Financial Statements	43
Independent Auditor's Report	111
Auditor's Independence Declaration	115

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## Report by the Members of the Council

### For the Year Ended 31 December 2025

The members of the University Council present their report on the consolidated entity consisting of Southern Cross University ("the University") and the entities it controlled at the end of, or during, the year ended 31 December 2025.

#### Members

The following persons were members of University Council of Southern Cross University during the whole of the year and up to the date of this report:

	Position	Term commenced or concluded
<b>Official members</b>		
Sandra McPhee AM	Chancellor	
Professor Tyrone Carlin	Vice-Chancellor	
Associate Professor Desiree Kozlowski	Chair, Academic Board	
<b>Elected members</b>		
Associate Professor Georgina Dimopoulos	Academic staff member	
Professor Renaud Joannes-Boyau	Academic staff member	
Prue Berry	Non-academic staff member	
Grace Redden	Student member	
<b>Council appointed members</b>		
Geoffrey Stalley		
Scott Noble	Graduate member	
Peter Lewis		
Dr Jill Goundar		
<b>Ministerially appointed members</b>		
Jonathan Rourke		Concluded 31 December 2025
Professor Rosslyn Simmons AM		Commenced 1 January 2025

#### Meetings of Members

For the year ended 31 December 2025, the number of meetings of the University Council and committees, as well as these meetings attended by each member were:

	Meetings of Council Committees							
	Council Meetings		Audit and Risk Management Committee		Chancellor's Committee		Finance and Investment Committee	
	A	B	A	B	A	B	A	B
Prue Berry	7	6	-	-	-	-	-	-
Professor Tyrone Carlin	7	7	-	-	3	3	6	6
Associate Professor Georgina Dimopoulos	7	7	-	-	-	-	-	-
Dr Jill Goundar	7	5	4	3	-	-	-	-
Professor Renaud Joannes-Boyau	7	7	-	-	-	-	5	3
Associate Professor Desiree Kozlowski	7	7	-	-	3	3	-	-
Peter Lewis	7	6	4	2	-	-	6	5
Sandra McPhee AM	7	7	-	3 *	3	3	-	5 *
Scott Noble	7	5	4	4	-	-	2	1
Grace Redden	7	5	-	-	-	-	-	-
Jonathan Rourke	7	6	4	4	-	-	6	6
Professor Rosslyn Simmons AM	7	7	-	-	-	-	5	4
Geoffrey Stalley	7	7	-	-	3	2	-	-

## Report by the Members of the Council For the Year Ended 31 December 2025

### Meetings of Members (continued)

	Meetings of Council Committees (continued)							
	Honorary Awards Committee		People and Culture Committee		Academic Board		Digital Transformation Committee	
	A	B	A	B	A	B	A	B
Prue Berry	-	-	-	-	-	-	2	2
Professor Tyrone Carlin	4	4	5	5	7	6	-	-
Associate Professor Georgina Dimopoulos	-	-	-	-	-	-	-	-
Dr Jill Goundar	-	-	-	-	-	-	2	2
Professor Renaud Joannes-Boyau	4	3	-	-	-	-	-	-
Associate Professor Desiree Kozlowski	4	4	-	-	7	7	-	-
Peter Lewis	-	-	4	4	-	-	2	2
Sandra McPhee AM	4	4	5	5	-	-	-	1*
Scott Noble	-	-	1	1	-	-	-	-
Grace Redden	-	-	-	-	-	-	-	-
Jonathan Rourke	2	2	5	5	-	-	-	-
Professor Rosslyn Simmons AM	-	-	-	-	-	-	2	2
Geoffrey Stalley	4	3	5	4	-	-	2	2

A = Number of meetings held during the time the member held office or was a member of the committee during the year

B = Number of meetings attended

\* Sandra McPhee AM (Chancellor) may attend any Council committee meeting as an ex-officio member and shall contribute to the calculation of a quorum per S4(14) of the *Standing Orders - Southern Cross University Council Committees*.

### Principal Activities

During the year, the principal continuing activities of the University and its controlled entities consisted of:

- The provision of tertiary education to students;
- Strategic and applied research activities; and
- Supporting our communities and staff.

There were no significant changes in the nature of the University's principal activities during the year.

### Review of Operations

The University and its controlled entities reported a consolidated surplus from continuing operations of \$15.218 million for the year ended 31 December 2025 (2024: \$0.961 million). This \$14.257 million net improvement was largely attributable to growth in student enrolments and prudent management of costs.

The University's 2025 performance (parent entity) was driven by a 10.0% increase in total student enrolments offset by a lower increase in operating costs, increasing the net margin from 0.26% in 2024 to 3.6% in 2025.

Employee related expenses rose by 9.1%, driven by increased student load and the annual wage increase under the Enterprise Agreement. Non-salary operating costs (excluding Scholarships) grew modestly by 0.9% year on year. Scholarship costs declined by \$10 million (44%), due to a change in pricing strategy for international students which had minimal impact on their net tuition fees.

## Report by the Members of the Council

### For the Year Ended 31 December 2025

#### Review of Operations (continued)

As at 31 December 2025, the consolidated net assets totalled \$322 million, up \$16 million (5.4%) from \$306 million. During the year, \$28.5 million (2024: \$16.2 million) was invested in property, plant and equipment to enhance the University and its controlled entities' physical and IT infrastructure.

Cash and cash equivalents grew from \$19.163 million in 2024 to \$30.562 million in 2025, reflecting the stronger financial performance for the year. The University had no borrowings (in the form of bank loans) as at 31 December 2025, having repaid \$9 million earlier in the year.

The combined cash and investments grew 6.7% from \$165.5 million to \$176.6 million, maintaining strong overall liquidity of 70% of assets redeemable within 7 days (2024: 71%).

#### Significant Changes in the State of Affairs

No significant changes in the University's state of affairs occurred during the year.

#### Matter Subsequent to the End of the Financial Year

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the University and its controlled entities, the results of those operations or the state of affairs of the University and its controlled entities in future financial years.

#### Likely Developments and Expected Results of Operations

There are no expected developments as at the reporting date that would likely impact the expected results of the operations other than those referred to above and elsewhere in the financial reports.

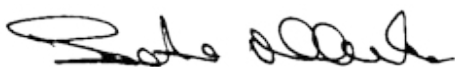
#### Environmental Regulation

The University is subject to, and compliant with, the following significant environmental regulations: *Environment Protection and Biodiversity Conservation Act 1999 (Cth)* and the *Protection of the Environment Operations Act 1997 (NSW)*.

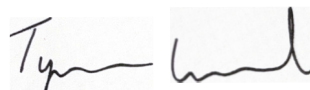
#### Insurance of Officers

The University maintains insurances to protect Council members and provide indemnity for actions done in good faith on behalf of the University. Covers include General and Products Liability Protection, Professional Liability Protection, Corporate Travel insurance, Personal Accident insurance and Management Liability cover.

This report is made in accordance with a resolution of the members of the University Council.



Sandra McPhee AM  
Chancellor



Professor Tyrone Carlin  
Vice-Chancellor

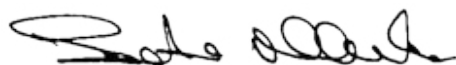
Dated: 15 April 2026

## Statement by the Members of Council For the Year Ended 31 December 2025

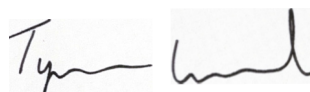
In accordance with a resolution of the Council of Southern Cross University and pursuant to Sections 7.6(3) and (4) of the *Government Sector Finance Act 2018*, we state that:

- (a) The financial statements of Southern Cross University and its controlled entities presents fairly the financial position as at 31 December 2025, and the financial performance and cashflows for the financial year ended on that date;
- (b) The financial statements have been prepared in accordance with Australian Accounting Standards, other mandatory professional reporting requirements, the *Australian Charities and Not-for-profits Commission Act 2012* and Regulations, the applicable requirements of the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2024* and the *Financial Statement Guidelines for Australian Higher Education Providers* for the 2025 reporting period issued by the Australian Government Department of Education;
- (c) The amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended and Southern Cross University has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure; and
- (d) Southern Cross University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines under the Act. Revenue from the fees was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19 clause 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 financial statements to be misleading or inaccurate and there are reasonable grounds to believe that Southern Cross University will be able to pay its debts as and when they fall due.



Ms Sandra McPhee AM  
Chancellor



Professor Tyrone Carlin  
Vice-Chancellor

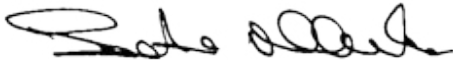
Dated: 15 April 2026

## Responsible Persons' Declaration

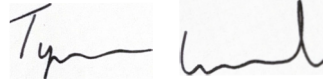
In accordance with a resolution of the Council of Southern Cross University, we state that in the responsible persons' opinion:

- a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

Signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022*.



Ms Sandra McPhee AM  
Chancellor



Professor Tyrone Carlin  
Vice-Chancellor

Dated 15 April 2026

**Income Statement****For the Year Ended 31 December 2025**

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Revenue and income from continuing operations</b>					
Australian Government financial assistance					
Australian Government grants		<b>136,218</b>	134,248	<b>136,218</b>	134,248
HELP - Australian Government payments	2.1(b)	<b>65,167</b>	61,335	<b>65,167</b>	61,335
State and local government financial assistance	2.2	<b>3,997</b>	7,366	<b>3,997</b>	7,366
HECS-HELP - Student Payments		<b>5,650</b>	4,741	<b>5,650</b>	4,741
Fees and charges	2.3	<b>145,427</b>	110,019	<b>142,752</b>	107,866
Investment income	3	<b>10,406</b>	10,844	<b>17,321</b>	10,790
Royalties, trademarks and licences	2.4	<b>1,011</b>	792	<b>1,011</b>	792
Consultancy and contract fees	2.5	<b>15,654</b>	15,831	<b>15,654</b>	15,831
Other income	2.6	<b>19,809</b>	20,814	<b>18,336</b>	19,636
Gain/(loss) on disposal of assets		<b>242</b>	(44)	<b>242</b>	5
Share of gain on investments accounted for using the equity method	12	<b>16</b>	23	-	-
<b>Total revenue and income from continuing operations</b>		<b>403,597</b>	365,969	<b>406,348</b>	362,610
<b>Expenses from continuing operations</b>					
Employee related expenses	4	<b>224,799</b>	199,645	<b>209,132</b>	191,678
Depreciation and amortisation	5	<b>20,356</b>	20,508	<b>15,479</b>	16,567
Repairs and maintenance		<b>6,557</b>	6,173	<b>6,140</b>	5,756
Borrowing costs	6	<b>2,572</b>	2,742	<b>1,942</b>	2,158
Impairment of assets	7	<b>3,774</b>	887	<b>687</b>	864
Other expenses	8	<b>130,321</b>	135,053	<b>160,058</b>	139,751
<b>Total expenses from continuing operations</b>		<b>388,379</b>	365,008	<b>393,438</b>	356,774
<b>Net result from continuing operations</b>		<b>15,218</b>	961	<b>12,910</b>	5,836

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

## Statement of Comprehensive Income

### For the Year Ended 31 December 2025

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Net result from continuing operations</b>		<b>15,218</b>	961	<b>12,910</b>	5,836
<b>Items that will not be reclassified to profit or loss</b>					
Gain on equity instruments designated at fair value through OCI		1,102	2,867	1,102	2,867
Remeasurement relating to defined benefit plans	33(e)	(21)	(2)	(21)	(2)
<b>Total comprehensive income</b>		<b>1,081</b>	2,865	<b>1,081</b>	2,865
<b>Items that will be reclassified to profit or loss</b>					
Gain/(Loss) on debt instruments at fair value through OCI		(320)	370	(320)	370
Reclassification adjustments		603	(22)	603	(22)
<b>Total</b>		<b>283</b>	348	<b>283</b>	348
<b>Total other comprehensive income</b>		<b>1,364</b>	3,213	<b>1,364</b>	3,213
<b>Total comprehensive income attributable to members of Southern Cross University</b>		<b>16,582</b>	4,174	<b>14,274</b>	9,049

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

**Statement of Financial Position****As At 31 December 2025**

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	30,562	19,163	29,395	17,882
Receivables and contract assets	10	18,866	19,694	18,774	21,540
Inventories		30	8	-	-
Other financial assets	11	2,768	6,599	2,768	6,599
Prepayments		8,978	8,475	8,912	8,431
<b>Total current assets</b>		<b>61,204</b>	<b>53,939</b>	<b>59,849</b>	<b>54,452</b>
<b>Non-current assets</b>					
Receivables and contract assets	10	88,826	93,891	88,826	93,891
Investments accounted for using the equity method	12	326	310	175	175
Other financial assets	11	142,999	139,486	148,236	144,723
Property, plant and equipment	13	270,921	266,381	260,770	253,851
Intangible assets	14	4,183	4,693	-	-
Prepayments		1,648	1,654	1,648	1,654
<b>Total non-current assets</b>		<b>508,903</b>	<b>506,415</b>	<b>499,655</b>	<b>494,294</b>
<b>Total assets</b>		<b>570,107</b>	<b>560,354</b>	<b>559,504</b>	<b>548,746</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and contract liabilities	15	43,962	38,426	45,861	35,898
Borrowings	16	6,889	14,984	2,725	11,236
Provisions	17	42,319	39,952	41,013	39,079
Other financial liabilities	18	637	582	637	582
Other liabilities	19	29,991	32,874	29,768	32,680
<b>Total current liabilities</b>		<b>123,798</b>	<b>126,818</b>	<b>120,004</b>	<b>119,475</b>
<b>Non-current liabilities</b>					
Trade and contract liabilities	15	316	2,354	316	1,954
Borrowings	16	50,560	46,954	42,999	40,300
Provisions	17	72,261	77,026	71,570	76,064
Other liabilities	19	769	1,382	769	1,382
<b>Total non-current liabilities</b>		<b>123,906</b>	<b>127,716</b>	<b>115,654</b>	<b>119,700</b>
<b>Total liabilities</b>		<b>247,704</b>	<b>254,534</b>	<b>235,658</b>	<b>239,175</b>
<b>Net assets</b>		<b>322,403</b>	<b>305,820</b>	<b>323,846</b>	<b>309,571</b>
<b>Equity</b>					
Reserves	20(a)	12,919	11,371	11,537	9,989
Retained earnings	20(b)	309,484	294,449	312,309	299,582
<b>Total equity</b>		<b>322,403</b>	<b>305,820</b>	<b>323,846</b>	<b>309,571</b>

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

## Statement of Changes in Equity

### For the Year Ended 31 December 2025

#### Parent

	Note	Retained Earnings \$'000	Reserves \$'000	Total \$'000
<b>Balance at 1 January 2025</b>	20	<b>299,582</b>	<b>9,989</b>	<b>309,571</b>
Net result from continuing operations	20(b)	<b>12,910</b>	-	<b>12,910</b>
Gain on revaluation of financial assets at fair value through OCI	20(a)	-	<b>782</b>	<b>782</b>
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	20	<b>(163)</b>	<b>163</b>	-
Other movements	20(a)	-	<b>603</b>	<b>603</b>
Remeasurements of defined benefit plans	20(b)	<b>(20)</b>	-	<b>(20)</b>
<b>Total comprehensive income</b>		<b>12,727</b>	<b>1,548</b>	<b>14,275</b>
<b>Balance at 31 December 2025</b>	20	<b>312,309</b>	<b>11,537</b>	<b>323,846</b>
<b>Balance at 1 January 2024</b>	20	293,890	8,013	301,903
Net result from continuing operations	20(b)	5,836	-	5,836
Gain on revaluation of financial assets at fair value through OCI	20(a)	-	3,238	3,238
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	20	(142)	142	-
Common control transaction	20(a)	-	(1,382)	(1,382)
Other movements	20(a)	-	(22)	(22)
Remeasurements of defined benefit plans	20(b)	(2)	-	(2)
<b>Total comprehensive income</b>		<b>5,692</b>	<b>1,976</b>	<b>7,668</b>
<b>Balance at 31 December 2024</b>	20	<b>299,582</b>	<b>9,989</b>	<b>309,571</b>

#### Consolidated

	Note	Retained Earnings \$'000	Reserves \$'000	Total \$'000
<b>Balance at 1 January 2025</b>	20	<b>294,449</b>	<b>11,371</b>	<b>305,820</b>
Net result from continuing operations	20(b)	<b>15,218</b>	-	<b>15,218</b>
Gain on revaluation of financial assets at fair value through OCI	20(a)	-	<b>782</b>	<b>782</b>
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	20	<b>(163)</b>	<b>163</b>	-
Other movements	20(a)	-	<b>603</b>	<b>603</b>
Remeasurement of defined benefit plans	20(b)	<b>(20)</b>	-	<b>(20)</b>
<b>Total comprehensive income</b>		<b>15,035</b>	<b>1,548</b>	<b>16,583</b>
<b>Balance at 31 December 2025</b>	20	<b>309,484</b>	<b>12,919</b>	<b>322,403</b>
<b>Balance at 1 January 2024</b>	20	293,632	8,013	301,645
Net result from continuing operations	20(b)	961	-	961
Gain on revaluation of financial assets at fair value through OCI	20(a)	-	3,238	3,238
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	20	(142)	142	-
Other movements	20(a)	-	(22)	(22)
Remeasurement of defined benefit plans	20(b)	(2)	-	(2)
<b>Total comprehensive income</b>		<b>817</b>	<b>3,358</b>	<b>4,175</b>
<b>Balance at 31 December 2024</b>	20	<b>294,449</b>	<b>11,371</b>	<b>305,820</b>

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

## Statement of Cash Flows

### For the Year Ended 31 December 2025

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Cash flows from operating activities:</b>					
Australian Government grants	34	191,482	188,500	191,482	188,500
OS-HELP (net)		87	304	87	304
Commonwealth prac payment (net)		(86)	-	(86)	-
Superannuation supplementation		5,686	6,082	5,686	6,082
State Government grants		3,998	7,366	3,998	7,366
HECS-HELP - Student payments		5,650	4,741	5,650	4,741
Receipts from student fees and other customers		177,913	135,321	173,578	148,984
Interest received		1,616	1,548	1,526	1,492
Dividends & distributions received		5,686	5,246	5,686	5,246
Payments to suppliers and employees (inclusive of GST)		(361,217)	(341,173)	(341,151)	(357,159)
Interest and other costs of finance		(2,411)	(2,748)	(1,781)	(2,164)
GST recovered		8,828	7,823	7,500	7,292
<b>Net cash provided by operating activities</b>	30	<b>37,232</b>	<b>13,010</b>	<b>52,175</b>	<b>10,684</b>
<b>Cash flows from investing activities:</b>					
Proceeds from sale of property, plant and equipment		5,249	765	5,208	765
Payment to acquire subsidiary (net of cash)	27	-	(611)	-	(215)
Payments to acquire property, plant and equipment		(22,545)	(13,272)	(22,332)	(13,185)
(Payments for)/proceeds from financial assets		4,855	(5,623)	4,855	(5,623)
Payment to subsidiary (capital contribution)		-	-	-	(291)
<b>Net cash used in investing activities</b>		<b>(12,441)</b>	<b>(18,741)</b>	<b>(12,269)</b>	<b>(18,549)</b>
<b>Cash flows from financing activities:</b>					
Proceeds from borrowings		-	9,000	-	9,000
Payment of principal portion of lease liabilities		(4,392)	(3,586)	(866)	(1,187)
Repayment of borrowings		(9,000)	(9,481)	(9,000)	(9,481)
Reimbursement from related party		-	-	3,235	-
Payment on behalf of related party		-	-	(21,762)	-
<b>Net cash used in financing activities</b>		<b>(13,392)</b>	<b>(4,067)</b>	<b>(28,393)</b>	<b>(1,668)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>					
Cash and cash equivalents at beginning of the financial year		11,399	(9,798)	11,513	(9,533)
<b>Cash and cash equivalents at the end of the financial year</b>	9	<b>30,562</b>	<b>19,163</b>	<b>29,395</b>	<b>17,882</b>

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

## Notes to the Financial Statements

For the Year Ended 31 December 2025

Contents	Page
<b>Notes to the Financial Statements</b>	
<b>Note 1</b> Summary of Material Accounting Policy Information	44
<b>Note 2</b> Revenue and Income	47
<b>Note 3</b> Investment Income	56
<b>Note 4</b> Employee related expenses	57
<b>Note 5</b> Depreciation and amortisation	58
<b>Note 6</b> Borrowing costs	59
<b>Note 7</b> Impairment of assets	59
<b>Note 8</b> Other expenses	60
<b>Note 9</b> Cash and cash equivalents	60
<b>Note 10</b> Receivables and contract assets	61
<b>Note 11</b> Other financial assets	63
<b>Note 12</b> Investments accounted for using the equity method	65
<b>Note 13</b> Property, plant and equipment	66
<b>Note 14</b> Intangible assets	73
<b>Note 15</b> Trade and contract liabilities	74
<b>Note 16</b> Borrowings	75
<b>Note 17</b> Provisions	79
<b>Note 18</b> Other financial liabilities	81
<b>Note 19</b> Other liabilities	81
<b>Note 20</b> Reserves and retained earnings	82
<b>Note 21</b> Key management personnel disclosures	84
<b>Note 22</b> Remuneration of auditors	86
<b>Note 23</b> Contingencies	86
<b>Note 24</b> Commitments	87
<b>Note 25</b> Related Parties	87
<b>Note 26</b> Subsidiaries	89
<b>Note 27</b> Business Combinations	90
<b>Note 28</b> Joint Operations	91
<b>Note 29</b> Events Occuring After the Reporting Date	91
<b>Note 30</b> Reconciliation of net result to net cash (used in) / provided by operation activities	92
<b>Note 31</b> Financial risk management	93
<b>Note 32</b> Fair value measurements	96
<b>Note 33</b> Retirement benefit obligations	99
<b>Note 34</b> Aquittal of Australian government financial assistance	107

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 1 Summary of Material Accounting Policy Information

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below and where applicable, throughout the notes to the accounts. The policies have been consistently applied for all years reported unless otherwise stated.

The financial statements include separate statements for Southern Cross University ("the University") as the parent entity and the consolidated entity consisting of Southern Cross University and its subsidiaries.

Southern Cross University is a Higher Education Provider ("HEP") which has been established under the *Southern Cross University Act 1993*. The principal address of Southern Cross University is Military Road, Lismore NSW 2480.

##### (a) Basis of Preparation

The financial statements are general purpose financial statements which have been prepared on an accrual basis in accordance with Australian Accounting Standards (AAS) and other pronouncements of the AAS Board, the requirements of the *Higher Education Support Act 2003* (Financial Statement Guidelines), the *Government Sector Finance Act 2018* and the *Government Sector Finance Regulation 2022*, *Australian Charities and Not-for-profits Commission Act 2012* and *Australian Charities and Not-for-profits Commission Regulations 2022*.

The University applies Tier 1 reporting requirements.

Southern Cross University is a not-for-profit entity and these statements have been prepared on that basis. The AAS include requirements for not-for-profit entities which are inconsistent with International Financial Reporting Standards (IFRS) and to the extent these inconsistencies are applied, these financial statements do not comply with IFRS. The main impact is on the accounting treatment relating to the offsetting of impairment losses within a class of assets.

##### ***Date of authorisation for issue***

The financial statements were authorised for issue by the members of Southern Cross University on 15 April 2026.

##### ***Historical cost convention***

These financial statements have been prepared under the historical cost convention, except for financial assets that have been measured at fair value.

##### ***Critical accounting estimates***

The preparation of financial statements in conformity with AAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Southern Cross University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

- Estimated useful life assessments of property, plant and equipment assets (note 5)
- Measurement and recognition of employee benefits provisions (note 17)
- Impairment of trade and other receivables (note 7)
- Measurement of financial assets (note 32) and liabilities
- Measurement of finance leases and the related right-of-use assets (notes 13 and 16)
- Identifying and assessing the performance obligations relating to contracts with customers (note 2.7(d)).

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 1 Summary of Material Accounting Policy Information (continued)

##### (b) Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

##### (c) Income Tax

Southern Cross University does not provide for Australian income tax as it is exempt under the provisions of Division 50 of the *Income Tax Assessment Act 1997 (ITAA)*.

##### (d) Rounding of amounts

Amounts have been rounded off to the nearest thousand dollars.

##### (e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

##### (f) Comparative Amounts

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

##### (g) New Accounting Standards and Interpretations - Overview

###### Effective for the first time

The University considered the application of new and amended Accounting Standards mandatorily applicable for the first time in the current financial year. The amended Accounting Standard had no material impact on the University's current or previous financial statements.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 1 Summary of Material Accounting Policy Information (continued)

##### (g) New Accounting Standards and Interpretations - Overview (continued)

Standard	Requirements	Effective date
AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability	AASB 2023-5 amends AASB 121 The Effects of Changes in Foreign Exchange Rates: - to clarify when a currency is not exchangeable and requires the use of an estimated exchange rate in such cases; - to introduce guidance for assessing lack of exchangeability and require related disclosures, including the estimation method and sensitivity analysis.	1 January 2025

#### Issued but not yet effective

The following standards have been issued but are not mandatory for 31 December 2025 reporting periods. Southern Cross University has elected not to early adopt any of these standards and is currently assessing the potential impacts. It is estimated that the adoption of these pronouncements when effective will have no material impact on future reporting periods. The new Standards and Interpretations are set out below:

Standard	Amendment	Application date*
AASB 2024-2	Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments	1 January 2026
AASB 2024-3	Amendments to AASs - Annual Improvements II	1 January 2026
AASB 2025-1	Amendments to Australian Accounting Standards - Contracts Referencing Nature-Dependent Electricity	1 January 2026
AASB 17	Insurance Contracts	1 January 2027
AASB 2022-8	Amendments to Australian Accounting Standards - Insurance Contracts: Consequential Amendments	1 January 2027
AASB 2022-9	Amendments to Australian Accounting Standards - Insurance Contracts in the Public Sector	1 January 2027
AASB 2014-10	Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2028 (Note 1)
AASB 18	Presentation and Disclosure in Financial Statements [for not-for-profit and superannuation entities]	1 January 2028

\* The application date mentioned above refers to the date when Southern Cross University would apply relevant standards, amendments and interpretations and this may not be the actual application date of the standards/amendments and interpretations.

Note 1: In December 2015, the IASB or Board postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The AASB has specified a date (because legislatively all standards need a date) but this may continue to be deferred if Southern Cross University chooses to do so. AASB 2024-4b defers the application date of this standard to 1 January 2028.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 2 Revenue and Income

Notes 2.1 to 2.6 disclose the revenue and income received during the year according to the mandatory disclosures required by the department. The disclosures as per AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-profit Entities* are included in note 2.7 and a reconciliation is included in note 2.8.

#### 2.1 Australian Government financial assistance including Australian Government loan programs (HELP)

##### (a) Commonwealth Grants Scheme and Other Grants

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Commonwealth Grants Scheme		107,339	106,168	107,339	106,168
Indigenous, Regional and Low-SES Attainment Fund		4,727	6,381	4,727	6,381
National Priorities and Industry Linkage Fund		3,809	3,659	3,809	3,659
Higher Education Disability Support Program		755	192	755	192
Indigenous Student Success Program		2,327	2,282	2,327	2,282
Other		163	-	163	-
<b>Total Commonwealth Grant Scheme and Other Grants</b>	34(a)	<b>119,120</b>	<b>118,682</b>	<b>119,120</b>	<b>118,682</b>
<b>(b) Higher Education Loan Programs</b>					
HECS - HELP		54,733	49,159	54,733	49,159
FEE - HELP		8,597	10,436	8,597	10,436
SA-HELP		1,837	1,740	1,837	1,740
<b>Total Higher Education Loan Programs</b>	34(b)	<b>65,167</b>	<b>61,335</b>	<b>65,167</b>	<b>61,335</b>
<b>(c) EDUCATION Research</b>					
Research Training Program		5,075	4,998	5,075	4,998
Research Support Program		4,986	4,074	4,986	4,074
<b>Total EDUCATION Research Grants</b>	34(c)	<b>10,061</b>	<b>9,072</b>	<b>10,061</b>	<b>9,072</b>
<b>(d) Australian Research Council</b>					
Discovery		1,263	907	1,263	907
Linkages		788	1,005	788	1,005
<b>Total ARC</b>	34(e)	<b>2,051</b>	<b>1,912</b>	<b>2,051</b>	<b>1,912</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 2.1 Australian Government financial assistance including Australian Government loan programs (HELP) (continued)

##### (e) Other Australian Government financial assistance

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
<b>Non-capital</b>				
Department of Agriculture and Water Resources	1,041	908	1,041	908
Department of Education	740	1,700	740	1,700
Grains Research Development Corporation	529	520	529	520
Department of Social Services	-	213	-	213
Department of Health	1,736	1,064	1,736	1,064
Department of Foreign Affairs and Trade	-	26	-	26
CSIRO	204	-	204	-
Other	736	151	736	151
<b>Total non-capital</b>	<b>4,986</b>	<b>4,582</b>	<b>4,986</b>	<b>4,582</b>
<b>Total other Australian Government financial assistance</b>	<b>4,986</b>	<b>4,582</b>	<b>4,986</b>	<b>4,582</b>
<b>Total Australian Government financial assistance (a+b+c+d+e)</b>	<b>201,385</b>	<b>195,583</b>	<b>201,385</b>	<b>195,583</b>

#### 2.2 State and local Government financial assistance

<b>Non-capital</b>				
New South Wales	3,845	7,359	3,845	7,359
Queensland	61	1	61	1
Victoria	8	-	8	-
South Australia	11	6	11	6
<b>Total Non-capital</b>	<b>3,925</b>	<b>7,366</b>	<b>3,925</b>	<b>7,366</b>
<b>Capital</b>				
New South Wales	72	-	72	-
<b>Total capital</b>	<b>72</b>	<b>-</b>	<b>72</b>	<b>-</b>
<b>Total State and Local Government financial assistance</b>	<b>3,997</b>	<b>7,366</b>	<b>3,997</b>	<b>7,366</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 2.3 Fees and charges

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Course fees and charges</b>				
Fee-paying onshore overseas students	131,322	96,621	131,322	96,621
Fee-paying offshore overseas students	4,058	4,063	4,058	4,063
Fee-paying domestic postgraduate students	3,307	3,745	3,307	3,745
Fee-paying domestic undergraduate students	386	769	386	769
Fee-paying domestic non-award students	125	84	125	84
<b>Total course fees and charges</b>	<b>139,198</b>	<b>105,282</b>	<b>139,198</b>	<b>105,282</b>
<b>Other non-course fees and charges</b>				
Student services and amenities fees from students	2,715	1,727	2,715	1,727
Other non-course fees and charges	3,514	3,010	839	857
<b>Total other non-course fees and charges</b>	<b>6,229</b>	<b>4,737</b>	<b>3,554</b>	<b>2,584</b>
<b>Total fees and charges</b>	<b>145,427</b>	<b>110,019</b>	<b>142,752</b>	<b>107,866</b>

#### 2.4 Royalties, trademarks and licences

Royalties	351	12	351	12
License fees	660	780	660	780
<b>Total royalties, trademarks and licences</b>	<b>1,011</b>	<b>792</b>	<b>1,011</b>	<b>792</b>

#### 2.5 Consultancy and contract fees

Consultancy	6,964	5,442	6,964	5,442
Contract research	8,690	10,389	8,690	10,389
<b>Total consultancy and contract fees</b>	<b>15,654</b>	<b>15,831</b>	<b>15,654</b>	<b>15,831</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 2.6 Other income

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Donations and bequests	2,785	2,540	2,785	2,540
Scholarships and prizes	319	379	319	379
Sales and memberships	1,973	1,743	177	172
Rental and cost recovery charges	4,635	5,827	4,997	6,222
Insurance and other proceeds	107	66	95	66
Laboratory services	9,228	8,876	9,228	8,876
Other revenue	762	1,383	735	1,381
<b>Total other income</b>	<b>19,809</b>	<b>20,814</b>	<b>18,336</b>	<b>19,636</b>

#### 2.7 Revenue and income from continuing operations

##### Basis for disaggregation

**Sources of funding:** the University receives funds from Australian Government as well as State and Local Governments to assist with education programs across a wide range of disciplines, and at different education qualification levels. Apart from the sources received from Government, the University also receives funds and fees from private organisations or individuals that are for the delivery of different programs by the University.

**Revenue and income streams:** the streams are distinguishing the different activities performed by the University as well as acknowledge the different type of users of the programs and services provided:

- i. **Education:** Southern Cross University has domestic and overseas students enrolled in a variety of programs for different qualification levels. Whilst, the number of domestic students is affected by government policies and national economic factors such as interest rates or unemployment, the overseas students are impacted by the changes in a range of environmental issues including: economic, governmental, geopolitical, international and domestic competition.
- ii. **Research:** Southern Cross University performs research activities in different fields such as health, engineering, education and science. The University enters into many different types of research agreements with different counterparties, such as with private sector customers and Government agencies that award research grants. Each grant agreement needs to be assessed as to whether it is an enforceable arrangement and contains sufficiently specific promises to transfer outputs from the research to the customer (or at the direction of the customer). Judgement is required in making this assessment. The University has concluded that some research agreements represent a contract with a customer whereas other research grants are recognised as income when the University obtains control of the research funds.
- iii. **Non-course fees and charges:** these correspond to services provided by the University such as student amenities and other fees and charges.

## Notes to the Financial Statements For the Year Ended 31 December 2025

### 2.7 Revenue and income from continuing operations (continued)

#### (a) Disaggregation

The University derives revenue and income from:

	Consolidated						2025	
	Higher Education Program ('HELP') \$'000	Student fees and charges \$'000	Australian Government financial assistance \$'000	State and Local Government financial assistance \$'000	Commercial arrangements & Donations, Scholarships & bequests \$'000	Revenue from contracts with customers \$'000	Total income of not-for-profit entities \$'000	
<b>Revenue and Income Streams</b>								
<b>Course fees and charges</b>								
Domestic students undergraduate	58,776	6,161	-	-	-	64,937	-	-
Onshore overseas students undergraduate	-	20,037	-	-	-	20,037	-	-
Offshore overseas students undergraduate	-	3,781	-	-	-	3,781	-	-
Domestic students postgraduate	6,391	3,307	-	-	-	9,698	-	-
Onshore overseas students postgraduate	-	111,285	-	-	-	111,285	-	-
Offshore overseas students postgraduate	-	277	-	-	-	277	-	-
Continuing education and executive programs	-	-	-	-	-	-	-	-
<b>Total course fees and charges</b>	<b>65,167</b>	<b>144,848</b>	-	-	-	<b>210,015</b>	-	-
<b>Research income</b>								
Recurrent government grants	-	-	17,098	3,998	15,385	36,481	-	-
<b>Non-course fees and charges #1</b>								
Royalties & licences	-	3,394	-	-	-	3,394	-	-
Other #2	-	-	-	-	1,011	1,011	-	-
<b>Total revenue from contracts with customers</b>	<b>65,167</b>	<b>148,242</b>	<b>17,098</b>	<b>3,998</b>	<b>30,993</b>	<b>265,498</b>	<b>3,104</b>	<b>3,162</b>
<b>Total income of not-for-profit</b>	-	-	119,119	-	58	3,104	-	122,281
<b>Total revenue and income</b>	<b>65,167</b>	<b>148,242</b>	<b>136,217</b>	<b>3,998</b>	<b>31,051</b>	<b>265,498</b>	<b>3,104</b>	<b>122,281</b>

#1 This does not include lease income in the scope of AASB 16 in Notes 2.3 and 2.6

#2 Excludes investment income which is separately disclosed in Note 3

## Notes to the Financial Statements For the Year Ended 31 December 2025

### 2.7 Revenue and income from continuing operations (continued)

(a) Disaggregation (continued)	Consolidated							2024
	Higher Education Loan Program ('HELP') \$'000	Student fees and charges \$'000	Australian Government financial assistance \$'000	State and Local Government financial assistance \$'000	Commercial arrangements \$'000	Donations, scholarships & bequests \$'000	Total Revenue from contracts with customers \$'000	
<b>Revenue and Income Streams</b>								
<b>Course fees and charges</b>								
Domestic students undergraduate	53,668	5,595	-	-	-	-	59,263	-
Onshore overseas students undergraduate	-	22,884	-	-	-	-	22,884	-
Offshore overseas students undergraduate	-	3,684	-	-	-	-	3,684	-
Domestic students postgraduate	7,667	3,745	-	-	-	-	11,412	-
Onshore overseas students postgraduate	-	73,737	-	-	-	-	73,737	-
Offshore overseas students postgraduate	-	378	-	-	-	-	378	-
<b>Total course fees and charges</b>	<b>61,335</b>	<b>110,023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>171,358</b>	<b>-</b>
<b>Research income</b>								
Recurrent government grants	-	-	15,566	7,366	15,478	-	38,410	-
<b>Non-course fees and charges #1</b>								
Royalties & licences	-	2,428	-	-	-	-	2,428	-
<b>Other #2</b>								
Total revenue from contracts with customers	61,335	112,451	15,566	7,366	31,372	2,920	228,090	3,480
Total income of not-for-profit	-	-	118,682	-	560	2,920	-	122,162
<b>Total revenue and income</b>	<b>61,335</b>	<b>112,451</b>	<b>134,248</b>	<b>7,366</b>	<b>31,932</b>	<b>2,920</b>	<b>228,090</b>	<b>122,162</b>

#1 This does not include lease income in the scope of AASB 16 in Notes 2.3 and 2.6

#2 Excludes investment income which is separately disclosed in Note 3

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 2.7 Revenue and income from continuing operations (continued)

##### Revenue from contracts with customers

##### (b) Accounting policies and significant accounting judgements and estimates

- **Course fees and charges**

The course fees and charges revenue relates to undergraduate programs, certificates and diplomas, graduate and professional degree programs and continuing education and executive programs.

The revenue is recognised over time as the University provides tuition services. When the courses or trainings have been paid in advanced by students or the University has received the government funding in advance (e.g. before starting the academic period) the University recognises a contract liability until the services are delivered. There is no significant financing component, as the period from when the student pays and the service is provided is less than 12 months and the consideration is not variable.

- **Research**

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction.

The following specific research revenue recognition criteria have been applied:

- Funding received from Australian Research Council "ARC" is recognised over time as the research activities are performed.
- Funding received from the Department of Education: The University received funding in relation to the Research Training Program ("RTP") and Research Support Program ("RSP") – recognised immediately when the University has the contractual right to receive the grant.
- Funding received from non-government entities is recognised over time as the University satisfies a performance obligation by transferring a promised good or service.

The research grants that are considered within the scope of AASB 15 meet the enforceability criteria due to the existence of refund clauses in the agreements with the grantor and the promises to transfer good or services to the customer (or on behalf of the customer) are sufficiently specific as the University has the obligation to provide:

- Results of the research
- Publishing research data and results on an ongoing basis in an openly accessible repository as requested by the grantor
- Intellectual property

Depending on the nature of the promise, the University either recognises revenue at a point in the time when the promise is delivered (e.g. when the comprehensive academic paper is published) or recognises revenue over time as the service is performed, using the input methodology (e.g. as the grantor obtains control or otherwise as the results of the research are made available to authorised third parties).

- **Non-course fees and charges**

Non-course fees and charges revenue relates to student services and amenities fees, parking fees, and publications. Revenue is recognised either over time as and when the service is provided over the period, or at a point in time.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 2.7 Revenue and income from continuing operations (continued)

##### (b) Accounting policies and significant accounting judgements and estimates (continued)

- **Other**

Other revenue that is within the scope of AASB 15 mainly relates to laboratory testing services, memberships and recoveries. Revenue is recognised at a point in time when the service has been delivered.

- **Royalties, trademarks and licences**

Royalties, trademarks and licences that are within the scope of AASB 15 mainly relate to enforceable agreements relating to licencing courses and the University's accommodation facilities. Revenue is recognised over the period of the licence.

##### (c) Unsatisfied performance obligations

Remaining performance obligations represent services Southern Cross University has promised to provide to customers under the research and education service agreements which are satisfied as the goods or services are provided over the contract term. In determining the transaction price allocated to the remaining performance obligations in Southern Cross University's contracts with customers, the University has used the input method.

For customer contracts with terms of one year or less, or where revenue is recognised using the 'right to invoice' method of recognising revenue, as permitted under AASB 15, disclosures are not required in relation to the transaction price allocated to these unsatisfied performance obligations. Further, the amounts disclosed below do not include variable consideration which has been constrained.

These unsatisfied performance obligations are expected to be satisfied within the following periods:

	Within 1 year \$'000	From 1 to 5 years \$'000	Total \$'000
<b>Consolidated</b>			
Grants and research services	16,887,502	-	16,887,502
Student tuition	526,765	-	526,765
Other	73,825	-	73,825
<b>Total</b>	<b>17,488,092</b>	<b>-</b>	<b>17,488,092</b>
<b>Parent</b>			
Grants and research services	16,887,502	-	16,887,502
Student tuition	526,765	-	526,765
Other	-	-	-
<b>Total</b>	<b>17,414,267</b>	<b>-</b>	<b>17,414,267</b>

##### (d) Assets and liabilities related to contracts with customers

- **Contract assets**

The contract assets are associated with the University's right to consideration for work completed but not billed at the reporting date. Any impairment associated with the contract assets is disclosed in Note 10 Receivables and contract assets.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 2.7 Revenue and income from continuing operations (continued)

##### (d) Assets and liabilities related to contracts with customers (continued)

###### Accounting Policy

While a receivable is the University's right to consideration that is unconditional, a contract asset is the University's right to consideration in exchange for goods or services that the University has transferred to the customer when that right is conditioned on something other than the passage of time (e.g. HEP's future performance).

- **Contract liabilities**

The contract liabilities primarily relate to the advance consideration received from customers for contracts, for which revenue is recognised over time.

###### Accounting Policy

A contract liability is the obligation to transfer goods or services to a customer for which Southern Cross University has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before Southern Cross University transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when Southern Cross University performs under the contract.

Contract liabilities (deferred income) differ from the amounts disclosed in note 19 Other liabilities.

#### 2.8 Reconciliation of revenue and income

The following table reconciles the amounts disclosed in notes 2.1 to 2.6 which contain the mandatory disclosures required by the department and the disclosures provided in note 2.7 as per AASB 15 and AASB 1058:

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Total Australian Government financial assistance including Australian Government loan programs (HELP)	2.1	<b>201,385</b>	195,583	<b>201,385</b>	195,583
Total HECS-HELP - Student Payments		<b>5,650</b>	4,741	<b>5,650</b>	4,741
Total State and Local Government financial assistance	2.2	<b>3,997</b>	7,366	<b>3,997</b>	7,366
Total Fees and charges *	2.3	<b>142,592</b>	107,710	<b>142,592</b>	107,711
Total Royalties, trademarks and licences	2.4	<b>1,011</b>	792	<b>1,011</b>	792
Total Consultancy and contract fees	2.5	<b>15,654</b>	15,831	<b>15,654</b>	15,831
Total Other revenue and income *		<b>17,490</b>	18,229	<b>16,063</b>	17,050
<b>Total</b>		<b>387,779</b>	350,252	<b>386,352</b>	349,074
Total Revenue from contracts with customers as per AASB15	2.7	<b>265,498</b>	228,090	<b>264,100</b>	226,914
Total Income of not-for-profit entity as per AASB1058	2.7	<b>122,281</b>	122,162	<b>122,252</b>	122,160
<b>Total Revenue and Income from continuing operations</b>		<b>387,779</b>	350,252	<b>386,352</b>	349,074

\* This does not include lease income in the scope of AASB 16 in Notes 2.3 and 2.6.

**Notes to the Financial Statements****For the Year Ended 31 December 2025****3 Investment income**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Interest</b>				
Cash and term deposits	1,642	1,495	1,557	1,441
Other financial instruments at fair value through OCI	1,229	1,504	1,229	1,504
<b>Total interest</b>	<b>2,871</b>	<b>2,999</b>	<b>2,786</b>	<b>2,945</b>
<b>Distributions</b>				
Equity instruments designated at fair value through OCI	2,183	1,730	9,183	1,730
Other financial instruments at fair value through profit or loss	2,201	2,139	2,201	2,139
<b>Total distributions</b>	<b>4,384</b>	<b>3,869</b>	<b>11,384</b>	<b>3,869</b>
<b>Net fair value gains</b>				
Financial assets designated at fair value through profit or loss	3,754	3,954	3,754	3,954
<b>Total net fair value gains</b>	<b>3,754</b>	<b>3,954</b>	<b>3,754</b>	<b>3,954</b>
<b>Gain/(loss) on sale of debt instruments</b>				
at fair value through OCI	(603)	22	(603)	22
<b>Total gain/(loss) on sale of debt instruments</b>	<b>(603)</b>	<b>22</b>	<b>(603)</b>	<b>22</b>
<b>Total investment income</b>	<b>10,406</b>	<b>10,844</b>	<b>17,321</b>	<b>10,790</b>

Interest revenue is recognised as it is earned. Dividends and distributions are recognised when the dividend or distribution is declared.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 4 Employee related expenses

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Academic</b>				
Salaries	75,156	67,361	68,322	66,009
Contributions to funded superannuation schemes	11,217	10,285	10,673	10,129
Payroll tax	5,112	4,418	4,799	4,318
Worker's compensation	857	595	823	595
Long service leave	2,348	1,547	2,368	1,543
Annual leave	4,136	4,074	4,173	4,107
Other	977	796	977	798
<b>Total academic</b>	<b>99,803</b>	<b>89,076</b>	<b>92,135</b>	<b>87,499</b>
<b>Non-academic</b>				
Salaries	91,602	80,748	85,287	75,842
Contributions to funded superannuation schemes	14,911	13,634	14,127	13,061
Payroll tax	5,952	5,397	5,536	5,032
Worker's compensation	995	729	954	705
Long service leave	3,115	2,280	3,007	2,299
Annual leave	6,482	6,391	6,147	5,850
Other	1,939	1,390	1,939	1,390
<b>Total non-academic</b>	<b>124,996</b>	<b>110,569</b>	<b>116,997</b>	<b>104,179</b>
<b>Total employee related expenses</b>	<b>224,799</b>	<b>199,645</b>	<b>209,132</b>	<b>191,678</b>

Contributions to the defined contribution section of Southern Cross University's superannuation fund and other independent defined contribution superannuation funds are recognised as an expense as they become payable. Past service costs are recognised in profit or loss immediately.

Refer to note 17 for accounting policies on employee benefits and note 33 for retirement benefit obligations.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 5 Depreciation and amortisation

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Depreciation</b>				
Buildings	7,233	7,201	7,233	7,201
Infrastructure	1,161	1,103	1,161	1,103
Plant and equipment	5,478	5,499	5,461	5,488
Land (Right-of-use)	1,471	1,230	1,471	1,230
Buildings (Right-of-use)	3,762	3,536	-	505
Equipment (Right-of-use)	191	60	153	22
Leasehold improvements	549	1,325	-	1,018
<b>Amortisation</b>				
Intangibles	511	554	-	-
<b>Total depreciation and amortisation</b>	<b>20,356</b>	<b>20,508</b>	<b>15,479</b>	<b>16,567</b>

Land (excluding right-of-use assets), works of art and rare books are not depreciated. Depreciation on the other classes of assets is calculated using the straight-line method over their estimated useful lives. The useful lives of asset classes are as follows:

Depreciable assets	2025	2024
	Useful Lives (Years)	Useful Lives (Years)
Buildings	10-60	10-60
Plant and equipment	2-30	2-30
Leasehold improvements	5-10	5-10
Infrastructure	7-70	7-70
Intangibles	3-7	3-7

Asset residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the asset. The useful lives of right-of-use assets by class is as follows:

Land	29	29
Buildings	5-10	5-10
Equipment	3-5	3-5

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 6 Borrowing costs

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Interest and facility fees on financial liabilities at amortised cost		247	494	247	494
Interest expense on lease liabilities		2,325	2,248	1,695	1,664
<b>Total borrowing costs expensed</b>		<b>2,572</b>	<b>2,742</b>	<b>1,942</b>	<b>2,158</b>

#### Accounting Policy

Borrowing costs incurred for the construction of any qualifying asset are expensed in the period in which they are incurred regardless of how the borrowings are applied.

Finance charges in respect of leases are included in the definition of borrowing costs. For finance charges on lease liabilities, refer to note 16.1 which details the policy for lease accounting where Southern Cross University is the lessee.

#### 7 Impairment of assets

##### Impairment losses - Financial assets

Trade receivables and contract assets	10,30	1,636	887	1,622	864
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##### Impairment losses - Non-financial assets \*

Right-of-use asset		2,888	-	-	-
Buildings (reversal)/impairment		(676)	-	(676)	-
Plant and equipment		3	-	-	-
Infrastructure (reversal)/impairment		(259)	-	(259)	-
Leasehold improvement		182	-	-	-
		2,138	-	(935)	-
<b>Total impairment of assets</b>		<b>3,774</b>	<b>887</b>	<b>687</b>	<b>864</b>

\* During the year, the University undertook a strategic consolidation of its metropolitan campuses. Based on the change in use and management's assessment, this resulted in a \$3.073m impairment to the right of use asset and leasehold improvement connected to the leased properties. This impairment was offset against a reversal of \$937,877 related to a building and other assets previously impaired due to the damage in the 2022 Lismore floods.

#### Accounting Policy

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Many assets of the Southern Cross University that are not held primarily for their ability to generate net cash inflows are typically specialised assets held for continuing use of their service capacity and they are rarely sold. The recoverable amount of such assets is expected to be materially the same as fair value, determined under AASB 13, with the consequence that AASB 136 applies to such assets accounted for under the cost model in AASB 116 and AASB 138.

For further information on accounting policies of impairment of financial assets, refer to Note 10 and Note 11.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 8 Other expenses

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Advertising, marketing and promotional expenses	6,435	5,884	5,270	5,564
Audit fees, bank charges, insurance & taxes	3,881	3,658	3,650	3,438
Books, printing, stationery and subscriptions	4,611	4,562	4,540	4,447
Contract services (including consultants)	23,821	25,398	22,807	24,659
Education fees, services and agent commissions	31,041	25,783	70,360	39,046
Grants & contributions	444	818	444	818
Leased asset charges	2,823	2,708	1,841	2,202
Non-capitalised equipment	2,764	2,490	2,697	2,439
Property and facility costs	10,721	10,250	8,691	8,510
Scholarships, grants and prizes	14,084	25,536	12,985	22,942
Software expenses	14,838	12,935	13,787	12,022
Telecommunications	948	1,104	864	1,010
Travel, entertainment and staff development	7,197	6,376	6,437	6,069
Other expenses	6,713	7,551	5,685	6,585
<b>Total other expenses</b>	<b>130,321</b>	<b>135,053</b>	<b>160,058</b>	<b>139,751</b>

#### Accounting Policy

Lease payments relating to short term or low value leases are classified as leased asset charges. Refer to note 16.

#### 9 Cash and cash equivalents

Cash at bank and on hand	7,827	6,017	6,660	4,736
Short term deposits at call	22,735	13,146	22,735	13,146
<b>Total cash and cash equivalents in the statement of financial position and cashflows</b>	<b>30,562</b>	<b>19,163</b>	<b>29,395</b>	<b>17,882</b>

#### Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, bank overdrafts and other short term highly liquid investments with original maturities with 90 days from date of purchase that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows.

Cash at bank earns floating interest rates between 3.40% and 4.50% (2024: 4.15% and 4.50%). Short term deposits are interest bearing at floating rates between 2.00% and 4.65% (2024: 2.75% and 4.65%). As at 31 December 2025, the amount of cash and cash equivalents, subject to restrictions, held by the University, was \$1,395,061 (2024: \$847,241).

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 10 Receivables and contract assets

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Current</b>					
Trade receivables		5,719	4,846	5,700	5,000
Student fees receivable		5,881	4,312	5,786	4,225
Less: Allowance for expected credit losses		(3,504)	(2,841)	(3,490)	(2,803)
		<b>8,096</b>	6,317	<b>7,996</b>	6,422
Deferred government benefit for superannuation	33(d)	5,738	5,944	5,738	5,944
Contract assets		2,025	3,942	2,025	3,942
Related party receivables	25(e),(f)	16	16	331	2,481
OS-HELP receivable		-	99	-	99
Commonwealth prac payment receivable		86	-	86	-
Other receivables		2,905	3,376	2,598	2,652
<b>Total current receivables and contract assets</b>		<b>18,866</b>	19,694	<b>18,774</b>	21,540
<b>Non-current</b>					
Deferred government benefit for superannuation	33(d)	66,067	71,132	66,067	71,132
Other receivables		22,759	22,759	22,759	22,759
<b>Total non-current receivables</b>		<b>88,826</b>	93,891	<b>88,826</b>	93,891
<b>Total receivables and contract assets</b>		<b>107,692</b>	113,585	<b>107,600</b>	115,431

A receivable represents the University's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Refer to note 11 for a detailed accounting policy for financial assets.

Other receivables includes a franking credit receivable of \$22.8 million (2024: \$22.8 million) relating to franking credits receivable on the fully franked in specie dividend of IDP Education (IDP) shares as part of the wind up of the investment in Education Australia Limited (EAL). The University recognised this amount as it considered that the franking credit tax offsets are refundable under Division 67 of the *Income Tax Assessment Act 1997* (ITAA97).

The ATO issued a Notice of Assessment disputing the validity of the University's claim for the refund of the franking credits under section 207-112 of the ITAA97. The University has sought legal advice. At the date of this report, the University maintains that it has a valid claim and is entitled to receive the franking credits refund. In forming this view, the University has exercised significant judgement. At the date of this report, the University has lodged an objection with the ATO which they have placed on hold pending the outcome of legal proceedings which have been commenced by two other universities in relation to this matter. As the proceedings are expected to extend beyond twelve months, the receivable is classified as non-current.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 10 Receivables and contract assets (continued)

Set out below is the movement in the allowance for expected credit losses of receivables and contract assets:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	2,841	2,982	2,803	2,943
Provision for expected credit losses	1,636	887	1,622	864
Receivables written off	(974)	(1,028)	(935)	(1,004)
<b>At 31 December</b>	<b>3,503</b>	<b>2,841</b>	<b>3,490</b>	<b>2,803</b>

The information about the credit exposures are disclosed in note 31 Financial risk management.

#### Accounting policy

##### Classification and measurement

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. At initial recognition trade receivables are measured at their transaction price and subsequently these are classified and measured as debt instruments at amortised cost. Trade receivables are non-interest bearing and generally on terms of 30 days.

The contract assets are associated with the University's right to consideration for services transferred to customers not yet billed.

##### Impairment

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

While a receivable is the University's right to consideration that is unconditional, a contract asset is the University's right to consideration in exchange for goods or services that the University has transferred to the customer when that right is conditioned on something (e.g. a report) other than the passage of time (e.g. the University's future performance).

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 11 Other financial assets

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Current</b>					
Other financial assets at fair value through profit or loss		1,034	2,205	1,034	2,205
Investments in equity instruments designated at fair value through other comprehensive income		1,734	3,789	1,734	3,789
Other financial assets at fair value through other comprehensive income		-	605	-	605
<b>Total current other financial assets</b>		<b>2,768</b>	<b>6,599</b>	<b>2,768</b>	<b>6,599</b>
<b>Non-current</b>					
Other financial assets at fair value through other comprehensive income		10,143	21,835	10,143	21,835
Other financial assets at fair value through profit or loss		63,716	57,514	63,716	57,514
Investments in equity instruments designated at fair value through other comprehensive income		69,140	60,137	69,140	60,137
Investment in subsidiaries	27	-	-	5,237	5,237
<b>Total non-current other financial assets</b>		<b>142,999</b>	<b>139,486</b>	<b>148,236</b>	<b>144,723</b>
<b>Total other financial assets</b>		<b>145,767</b>	<b>146,085</b>	<b>151,004</b>	<b>151,322</b>

#### Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the University's business model for managing them.

For the purpose of subsequent measurement, financial assets are classified as follows:

##### (a) Financial assets at amortised cost

These financial assets are held for the objective of collecting contractual cash inflows on specific dates are generally in the form of principal and/or interest. They are measured at amortised cost using the effective interest method and net of any impairment loss. Where such assets are reclassified, their fair value at the reclassification date becomes their new gross carrying amount. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### (b) Financial assets at fair value through other comprehensive income

The University measure debt instruments at fair value through OCI if the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling financial assets and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income and any impairment loss is recognised in the income statement with fair value changes recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is recycled to the profit or loss.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 11 Other financial assets (continued)

##### (c) Financial assets at fair value through profit or loss

Financial assets with cashflows that are not solely payments of principal and interest or which do not meet the objective of the University's business model for managing financial assets, or are not held to collect contractual cash flows, are measured at fair value through profit or loss.

Financial assets at fair value through profit or loss principally comprise investments held in managed funds and hybrid debt instruments. They are presented as non-current assets unless there is an intention to dispose of the investment within 12 months of the reporting date. Such assets are initially recognised at fair value, with subsequent increases or decreases in fair value being recognised in the income statement (refer to Note 3 Investment income). Transaction costs incurred in the acquisition of financial assets at fair value through profit or loss are recognised as expenses in net profit in the period in which they are incurred.

##### (d) Investment in equity instruments designated at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (OCI) comprise principally of the University's investments in equity not held for trading. The University has irrevocably elected to classify such assets under this category on an instrument-by-instrument basis. These assets are initially recognised at fair value, with subsequent increases or decreases in fair value recognised in OCI. Gains and losses on these financial assets are never recycled to the income statement. Dividends are recognised in the income statement, unless it's a return of investment, in which case, such gains are recorded in OCI. These equity instruments are not subject to impairment assessment.

##### (e) Investment in subsidiaries

Investments in subsidiaries are carried at the lower of cost and recoverable amount. Refer to Notes 26 and 27 for further details.

##### (f) Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the University's consolidated statement of financial position) when the rights to receive cash flows from the asset have expired or when the University has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the University has transferred substantially all the risks and rewards of the asset, or (b) the University has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 12 Investments accounted for using the equity method

##### Associates

Name of Entity	Place of business	Measurement method	Quoted fair value \$		Ownership Interest %	
			2025	2024	2025	2024
Coffs Harbour Technology Park Ltd	Coffs Harbour, Australia	At Cost	175	175	33.33	33.33

Summarised consolidated financial information for associate is set out below:

	2025 \$'000	2024 \$'000
Share of associates' net assets	326	310
Share of associates' profit	16	25

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

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

Gains or losses resulting from the contribution of non-monetary assets in exchange for an equity interest are accounted for in the same method. When the University's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the University does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 13 Property, plant and equipment

Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>At 1 January 2024</b>										
At cost	11,338	266,267	88,196	36,701	2,374	7,058	4,592	416,526	38,469	454,995
Accumulated depreciation	-	(102,166)	(60,837)	(12,771)	(258)	(6,258)	-	(182,290)	(9,138)	(191,428)
Accumulated impairment	-	(838)	-	(1,591)	-	(683)	-	(3,112)	-	(3,112)
<b>Net book amount</b>	<b>11,338</b>	<b>163,263</b>	<b>27,359</b>	<b>22,339</b>	<b>2,116</b>	<b>117</b>	<b>4,592</b>	<b>231,124</b>	<b>29,331</b>	<b>260,455</b>
<b>Year ended 31 December 2024</b>										
Opening net book amount	11,338	163,263	27,359	22,339	2,116	117	4,592	231,124	29,331	260,455
Additions	-	-	69	-	288	-	12,462	12,819	413	13,232
Transfers to subsidiary	-	-	-	-	(1,057)	-	-	(1,057)	(2,864)	(3,921)
Disposals - written down value	-	(13)	(1,028)	(27)	(329)	-	-	(1,397)	-	(1,397)
Remeasurement at transfer	-	-	-	-	-	-	-	-	1,220	1,220
Lease modification	-	-	-	-	-	-	-	-	829	829
Depreciation expense	-	(7,201)	(5,488)	(1,103)	(1,018)	-	-	(14,810)	(1,757)	(16,567)
Transfers	-	1,327	7,993	2,347	-	-	(11,667)	-	-	-
<b>Closing net book amount</b>	<b>11,338</b>	<b>157,376</b>	<b>28,905</b>	<b>23,556</b>	<b>-</b>	<b>117</b>	<b>5,387</b>	<b>226,679</b>	<b>27,172</b>	<b>253,851</b>
<b>At 31 December 2024</b>										
At cost	11,338	267,551	90,403	38,883	-	2,615	5,387	416,177	34,856	451,033
Accumulated depreciation	-	(109,337)	(61,498)	(13,735)	-	(2,498)	-	(187,068)	(7,684)	(194,752)
Accumulated impairment	-	(838)	-	(1,592)	-	-	-	(2,430)	-	(2,430)
<b>Net book amount</b>	<b>11,338</b>	<b>157,376</b>	<b>28,905</b>	<b>23,556</b>	<b>-</b>	<b>117</b>	<b>5,387</b>	<b>226,679</b>	<b>27,172</b>	<b>253,851</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 13 Property, plant and equipment (continued)

Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>Year ended 31 December 2025</b>										
Opening net book amount	11,338	157,376	28,905	23,556	-	117	5,387	226,679	27,172	253,851
Additions	-	-	5,152	-	-	-	17,220	22,372	4,054	26,426
Disposals - written down value	(1,447)	(537)	(566)	(2,413)	-	-	-	(4,963)	-	(4,963)
Impairment reversal in income	-	676	-	259	-	-	-	935	-	935
Depreciation expense	-	(7,233)	(5,461)	(1,161)	-	-	-	(13,855)	(1,624)	(15,479)
Transfers	-	9,180	3,605	3,109	-	-	(15,894)	-	-	-
<b>Closing net book amount</b>	<b>9,891</b>	<b>159,462</b>	<b>31,635</b>	<b>23,350</b>	<b>-</b>	<b>117</b>	<b>6,713</b>	<b>231,168</b>	<b>29,602</b>	<b>260,770</b>
<b>At 31 December 2025</b>										
At cost	9,891	275,005	97,705	36,645	-	2,503	6,713	428,462	38,911	467,373
Accumulated depreciation	-	(115,414)	(66,070)	(13,271)	-	(2,386)	-	(197,141)	(9,309)	(206,450)
Accumulated impairment	-	(129)	-	(24)	-	-	-	(153)	-	(153)
<b>Net book amount</b>	<b>9,891</b>	<b>159,462</b>	<b>31,635</b>	<b>23,350</b>	<b>-</b>	<b>117</b>	<b>6,713</b>	<b>231,168</b>	<b>29,602</b>	<b>260,770</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 13 Property, plant and equipment (continued)

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>Consolidated</b>										
<b>At 1 January 2024</b>										
At cost	11,338	266,267	88,290	36,701	2,749	7,058	4,675	417,078	50,896	467,974
Accumulated depreciation	-	(102,166)	(60,884)	(12,771)	(267)	(6,258)	-	(182,346)	(9,382)	(191,728)
Accumulated impairment	-	(838)	-	(1,591)	-	(683)	-	(3,112)	-	(3,112)
<b>Net book amount</b>	<b>11,338</b>	<b>163,263</b>	<b>27,406</b>	<b>22,339</b>	<b>2,482</b>	<b>117</b>	<b>4,675</b>	<b>231,620</b>	<b>41,514</b>	<b>273,134</b>
<b>Year ended 31 December 2024</b>										
Opening net book amount	11,338	163,263	27,406	22,339	2,482	117	4,675	231,620	41,514	273,134
Additions	-	-	77	-	366	-	12,462	12,905	413	13,318
Additions through business combinations	-	-	-	-	735	-	-	735	1,996	2,731
Disposals - written down value	-	(13)	(1,028)	(27)	(329)	-	(49)	(1,446)	-	(1,446)
Remeasurement at transfer	-	-	-	-	-	-	-	-	(2,231)	(2,231)
Lease modification	-	-	-	-	-	-	-	-	829	829
Depreciation expense	-	(7,201)	(5,499)	(1,103)	(1,325)	-	-	(15,128)	(4,826)	(19,954)
Transfers	-	1,327	8,027	2,347	-	-	(11,701)	-	-	-
<b>Closing net book amount</b>	<b>11,338</b>	<b>157,376</b>	<b>28,983</b>	<b>23,556</b>	<b>1,929</b>	<b>117</b>	<b>5,387</b>	<b>228,686</b>	<b>37,695</b>	<b>266,381</b>
<b>At 31 December 2024</b>										
At cost	11,338	267,551	90,525	38,883	2,244	2,615	5,387	418,543	48,692	467,235
Accumulated depreciation	-	(109,337)	(61,542)	(13,735)	(315)	(2,498)	-	(187,427)	(10,997)	(198,424)
Accumulated impairment	-	(838)	-	(1,592)	-	-	-	(2,430)	-	(2,430)
<b>Net book amount</b>	<b>11,338</b>	<b>157,376</b>	<b>28,983</b>	<b>23,556</b>	<b>1,929</b>	<b>117</b>	<b>5,387</b>	<b>228,686</b>	<b>37,695</b>	<b>266,381</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 13 Property, plant and equipment (continued)

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure \$'000	Leasehold improvements \$'000	Library collections \$'000	Capital works in progress \$'000	Subtotal Property, plant and equipment (owned) \$'000	Subtotal Right of use assets* \$'000	Total \$'000
<b>Consolidated</b>										
<b>Year ended 31 December 2025</b>										
Opening net book amount	11,338	157,376	28,983	23,556	1,929	117	5,387	228,686	37,695	266,381
Additions	-	-	5,333	-	-	-	17,252	22,585	5,957	28,542
Disposals - written down value	(1,447)	(537)	(568)	(2,413)	-	-	-	(4,965)	-	(4,965)
Lease remeasurement	-	-	-	-	-	-	-	-	2,946	2,946
Impairment loss in income	-	-	(3)	-	(182)	-	-	(185)	(2,888)	(3,073)
Depreciation expense	-	(7,233)	(5,478)	(1,161)	(549)	-	-	(14,421)	(5,424)	(19,845)
Impairment loss reversal	-	676	-	259	-	-	-	935	-	935
Transfers	-	9,180	3,605	3,109	-	-	(15,894)	-	-	-
<b>Closing net book amount</b>	<b>9,891</b>	<b>159,462</b>	<b>31,872</b>	<b>23,350</b>	<b>1,198</b>	<b>117</b>	<b>6,745</b>	<b>232,635</b>	<b>38,286</b>	<b>270,921</b>
<b>At 31 December 2025</b>										
At cost	9,891	275,005	98,003	36,645	2,176	2,503	6,745	430,968	57,552	488,520
Accumulated depreciation	-	(115,414)	(66,128)	(13,271)	(796)	(2,386)	-	(197,995)	(16,378)	(214,373)
Accumulated impairment	-	(129)	(3)	(24)	(182)	-	-	(338)	(2,888)	(3,226)
<b>Net book amount</b>	<b>9,891</b>	<b>159,462</b>	<b>31,872</b>	<b>23,350</b>	<b>1,198</b>	<b>117</b>	<b>6,745</b>	<b>232,635</b>	<b>38,286</b>	<b>270,921</b>

\* Disclosure for each right-of-use asset is included in Note 13.1.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 13 Property, plant and equipment (continued)

##### Accounting Policy

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

##### 13.1 Right-of-use assets

Information about leases where Southern Cross University is a lessee is presented below:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Right-of-use assets</b>				
<b>Buildings</b>				
At 1 January	10,400	13,427	-	1,405
Additions of right-of-use assets	1,903	413	-	413
Transfer to subsidiary	-	-	-	(2,864)
Lease remeasurement	2,946	(2,729)	-	722
Lease modification	-	829	-	829
Acquisition through business combination	-	1,996	-	-
Impairment of right-of-use assets	(2,888)	-	-	-
Depreciation charge	(3,762)	(3,536)	-	(505)
<b>At 31 December</b>	<b>8,599</b>	<b>10,400</b>	<b>-</b>	<b>-</b>
<b>Right-of-use assets</b>				
<b>Land</b>				
At 1 January	27,172	27,904	27,172	27,904
Additions of right-of-use assets	3,540	-	3,540	-
Lease remeasurement	-	498	-	498
Depreciation charge	(1,471)	(1,230)	(1,471)	(1,230)
<b>At 31 December</b>	<b>29,241</b>	<b>27,172</b>	<b>29,241</b>	<b>27,172</b>
<b>Right-of-use assets</b>				
<b>Equipment</b>				
At 1 January	123	183	-	22
Additions of right-of-use assets	514	-	514	-
Depreciation charge	(191)	(60)	(153)	(22)
<b>At 31 December</b>	<b>446</b>	<b>123</b>	<b>361</b>	<b>-</b>
<b>Total right-of-use assets</b>	<b>38,286</b>	<b>37,695</b>	<b>29,602</b>	<b>27,172</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 13 Property, plant and equipment (continued)

##### Accounting Policy

##### Assessment of whether a contract is, or contains, a lease

At inception of a contract, the Southern Cross University assesses whether a contract is, or contains a lease. A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

Southern Cross University assesses whether:

- (a) The contract involves the use of an identified asset. The asset may be explicitly or implicitly specified in the contract. A capacity portion of larger assets is considered an identified asset if the portion is physically distinct or if the portion represents substantially all of the capacity of the asset. The asset is not considered an identified asset, if the supplier has the substantive right to substitute the asset throughout the period of use.
- (b) The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- (c) The customer has the right to direct the use of the asset throughout the period of use - The customer is considered to have the right to direct the use of the asset only if either:
  - i. The customer has the right to direct how and for what purpose the identified asset is used throughout the period of use; or
  - ii. The relevant decisions about how and for what purposes the asset is used is predetermined and the customer has the right to operate the asset, or the customer designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

##### Accounting for leases - Southern Cross University as lessee

In contracts where Southern Cross University is a lessee, Southern Cross University recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied.

##### Right-of-use asset

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

A right-of-use asset associated with land and buildings is measured at amortised cost. All other property, plant and equipment are measured as described in the accounting policy for property, plant and equipment in note 13.

##### Concessionary leases

The University has elected to measure right-of-use assets arising under 'concessionary leases' on initial recognition at fair value, which incorporates the amount of the initial measurement of the lease liability.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 13 Property, plant and equipment (continued)

##### Concessionary leases (continued)

No lease liabilities corresponding to concessionary leases, have been recognised, due to nil lease payments required over the term of the concessionary lease.

Information about leases where Southern Cross University is a lessee is presented below:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Land</b>				
At 1 January	2,166	2,290	2,166	2,290
Depreciation charge	(124)	(124)	(124)	(124)
<b>At 31 December</b>	<b>2,042</b>	2,166	<b>2,042</b>	2,166
<b>Total concessionary leases</b>	<b>2,042</b>	2,166	<b>2,042</b>	2,166

##### Dependencies on concessionary leases

The University operates its Coffs Harbour Campus through a joint operation between North Coast TAFE and the New South Wales Department of Education, refer to Note 28. As a partner to the joint operation, the University has a lease with the New South Wales Department of Education for the right to construct and operate buildings and other assets for the purposes of furthering its objectives as a Higher Education Provider and those of the joint operation.

##### Nature and term of the leases

The underlying asset of the lease is the land that the University can use to operate accommodation principally for students and the development of additional building or buildings for accommodation principally for students. The lease expires in 2058. The University is not required to pay any rent during the term.

##### Concessionary (peppercorn) leases

Leased assets arising from significantly below market leases are measured at fair value at the inception of the lease whereas the lease liability is recognised at present value of peppercorn lease payment amounts. The difference between the right-of-use asset and lease liability is recorded as income in the income statement under AASB 1058.

##### Accounting for leases - The University as lessor

The University recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 14 Intangible assets

Consolidated	Note	Intangibles \$'000	Goodwill \$'000	Total \$'000
<b>At 1 January 2024</b>				
At cost		2,344	2,324	4,668
Accumulated amortisation and impairment		-	-	-
<b>Net book amount</b>		<b>2,344</b>	<b>2,324</b>	<b>4,668</b>
<b>Year ended 31 December 2024</b>				
Opening net book amount		2,344	2,324	4,668
Additions through business combinations	27	-	579	579
Amortisation		(554)	-	(554)
<b>Closing net book amount</b>		<b>1,790</b>	<b>2,903</b>	<b>4,693</b>
<b>At 31 December 2024</b>				
At cost		2,344	2,903	5,247
Accumulated amortisation and impairment		(554)	-	(554)
<b>Net book amount</b>		<b>1,790</b>	<b>2,903</b>	<b>4,693</b>
<b>Year ended 31 December 2025</b>				
Opening net book amount		1,790	2,903	4,693
Amortisation		(511)	-	(511)
<b>Closing net book amount</b>		<b>1,279</b>	<b>2,903</b>	<b>4,182</b>
<b>At 31 December 2025</b>				
At cost		2,344	2,903	5,247
Accumulated amortisation and impairment		(1,065)	-	(1,065)
<b>Net book amount</b>		<b>1,279</b>	<b>2,903</b>	<b>4,182</b>

#### Accounting Policy

Goodwill represents the excess of the cost of an acquisition over the fair value of the University's share of net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, instead it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

#### Intangible assets with finite lives

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

#### Disposal

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

**Notes to the Financial Statements****For the Year Ended 31 December 2025****15 Trade and contract liabilities**

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Current</b>					
Payables		25,152	19,698	22,481	17,239
Contract liabilities		17,488	18,005	17,414	17,936
Related party payables	25(e),(f)	-	-	5,044	-
OS-HELP liability to Australian Government	34(f)	922	723	922	723
Deferred payment for acquisition of subsidiary	27	400	-	-	-
<b>Total current trade and contract liabilities</b>		<b>43,962</b>	<b>38,426</b>	<b>45,861</b>	<b>35,898</b>
<b>Non-current</b>					
Contract liabilities		-	1,954	-	1,954
Deferred payment for acquisition of subsidiary	27	-	400	-	-
OS-HELP liability to Australian Government	34(f)	316	-	316	-
<b>Total non-current trade and contract liabilities</b>		<b>316</b>	<b>2,354</b>	<b>316</b>	<b>1,954</b>
<b>Total trade and contract liabilities</b>		<b>44,278</b>	<b>40,780</b>	<b>46,177</b>	<b>37,852</b>

Payables represent liabilities for goods and services provided to the University prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**Contract liabilities**

Contract liabilities - Australian Government	7,204	4,567	7,204	4,567
Other contract liabilities	10,284	15,392	10,210	15,323
<b>Contract liabilities - current</b>	<b>17,488</b>	<b>18,005</b>	<b>17,414</b>	<b>17,936</b>
<b>Contract liabilities - non-current</b>	<b>-</b>	<b>1,954</b>	<b>-</b>	<b>1,954</b>

Contract liabilities are associated to the University's obligation to transfer goods or services for which it has received consideration (or an amount of consideration is due) from the customer. Where the obligation is due in greater than 12 months, it has been classified as non-current. Contract liabilities differ from the amounts disclosed in Note 19 Other Liabilities. The contract liabilities include deferred income or liabilities arising from agreements, among others.

**Notes to the Financial Statements****For the Year Ended 31 December 2025****16 Borrowings**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Current</b>				
Unsecured bank loans	-	9,000	-	9,000
Lease liabilities	<b>6,889</b>	5,984	<b>2,725</b>	2,236
<b>Total current borrowings</b>	<b>6,889</b>	14,984	<b>2,725</b>	11,236
<b>Non-Current</b>				
Lease liabilities	<b>50,560</b>	46,954	<b>42,999</b>	40,300
<b>Total non-current borrowings</b>	<b>50,560</b>	46,954	<b>42,999</b>	40,300
<b>Total borrowings</b>	<b>57,449</b>	61,938	<b>45,724</b>	51,536

**(a) Assets pledged as security**

The University has no assets pledged as security for borrowings drawn during the year ended 31 December 2025 (2024: Nil).

**(b) Financing arrangements**

Unrestricted access was available at balance date to the following lines of credit:

**Credit standby arrangements:**

Guarantee facility	<b>2,000</b>	1,000	<b>2,000</b>	1,000
Other facilities	<b>1,500</b>	1,500	<b>1,500</b>	1,500
<b>Total credit standby arrangements</b>	<b>3,500</b>	2,500	<b>3,500</b>	2,500
Used at balance date	<b>(1,621)</b>	(893)	<b>(1,621)</b>	(893)
<b>Total unused at balance date</b>	<b>1,879</b>	1,607	<b>1,879</b>	1,607
<b>Bank loan facilities</b>				
Total facilities	<b>49,200</b>	50,800	<b>49,200</b>	50,800
Used at balance date	-	(9,000)	-	(9,000)
<b>Total unused at balance date</b>	<b>49,200</b>	41,800	<b>49,200</b>	41,800

**(c) Bank loans**

The University has entered into a 5 year committed loan facility in 2021 for \$54,000,000 of which \$45,000,000 is guaranteed by NSW Treasury, along with an unsecured line of credit facility of \$9 million, which is unused as at 31 December 2025.

**(d) Fair value**

The fair value of current borrowings equals their carrying amount as the impact of discounting is not significant.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 16 Borrowings (continued)

##### (e) Risk exposures

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

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Within one year	7,091	6,150	2,945	2,111
Between one and five years	22,732	18,908	14,502	11,545
Later than five years	51,534	52,326	50,801	52,326
<b>Total borrowings</b>	<b>81,357</b>	<b>77,384</b>	<b>68,248</b>	<b>65,982</b>

The carrying amounts of the University's borrowings are predominantly related to the long term lease of land, refer to Note 13.1, and denominated in Australian dollars. For an analysis of the sensitivity of borrowings to interest rate risk, refer to Note 31.

##### (f) Reconciliation of liabilities arising from financing activities

	2024	Cash flows	Non-cash changes			2025
			Acquisition / Disposal	Fair value changes	Other	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Short-term borrowings	9,000	(9,000)	-	-	-	-
Lease liabilities	52,938	(6,717)	5,957	2,946	2,325	57,449
<b>Total liabilities from financing activities</b>	<b>61,938</b>	<b>(15,717)</b>	<b>5,957</b>	<b>2,946</b>	<b>2,325</b>	<b>57,449</b>

#### Accounting Policy

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

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 16.1 The University as lessee

##### Amounts recognised in the income statement

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	2,325	2,249	1,695	1,665
Expenses relating to short-term leases	1,041	1,641	1,032	756
Expenses relating to leases of low-value assets, excluding short term leases of low-value assets	1,785	1,043	517	1,043
<b>Total</b>	<b>5,151</b>	<b>4,933</b>	<b>3,244</b>	<b>3,464</b>

##### Maturity analysis - undiscounted contractual cash flows

Less than one year	7,091	6,150	2,945	2,111
One to five years	22,732	18,908	14,502	11,545
More than 5 years	51,534	52,327	50,801	52,326
<b>Total undiscounted contractual cash flows</b>	<b>81,357</b>	<b>77,385</b>	<b>68,248</b>	<b>65,982</b>
Future finance charges	(23,908)	(24,447)	(22,524)	(23,446)
Lease liabilities recognised in the statements of financial position	57,449	52,938	45,724	42,536
<b>Current</b>	<b>6,889</b>	<b>5,984</b>	<b>2,725</b>	<b>2,236</b>
<b>Non-current</b>	<b>50,560</b>	<b>46,954</b>	<b>42,999</b>	<b>40,300</b>

##### Nature of leasing activities as a lessee

###### Land

The University holds long term land leases at its Queensland campus, expiring in 2047 with an option to renew for a further 48 years. During the year, new leases for carparking were entered into, expiring in 2031 and 2035.

###### Buildings

The University leases office space under non-cancellable operating leases expiring within one to five years. The leases have varying terms and renewal rights. On renewal, the terms of the leases are renegotiated.

###### Plant and equipment

The University renewed its lease for printing equipment, with the current agreement set to expire in 2027.

###### Exposure from variable lease payments

The University does not have any material leases which are exposed to variable lease payments.

###### Exposure from extension options and termination options

The University has options to extend the term of its long term land leases at its Gold Coast campus, at balance date. Extension options are available on each long term land lease, however, it is the University's assessment that it is not certain that these options will be exercised, therefore, the option has not been included in determining the length of term of the associated lease liabilities.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 16.1 The University as lessee (continued)

##### Exposure from residual value guarantees

The University is not exposed to any material residual value guarantees on any of its lease contracts.

##### Exposure from leases not yet commenced but committed by Southern Cross University

The University has not entered into any contractual lease arrangements which are not yet effective at balance date.

##### Restrictions and covenants imposed by leases

The University leases land on which its Gold Coast campus is located. The lease agreement stipulates that the land may, during the term, be affected by a resumption or surrender by the landlord and the tenant of the land, and/or the granting of a volumetric lease to facilitate the development of a heavy railway line by Queensland Transport.

##### Sale and leaseback transactions

None of the University's lease contracts are subject to sale and leaseback arrangements.

##### Amounts recognised in statement of cash flows

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Total cash outflow for leases	6,717	5,835	2,561	2,852

##### Accounting policy leases

##### Lease liabilities - Southern Cross University as lessee

Policy on assessment of whether a contract is, or contains, a lease is detailed in note 13.1.

##### Lease liability

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

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (e.g. payments varying on account of changes in CPI); and
- Amounts expected to be payable by the lessee under residual value guarantees.

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

Right-of-use assets are presented within the right-of-use assets note, in Note 13.1 and lease liabilities are presented within Note 16.1 above.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 16.1 The University as lessee (continued)

##### Accounting policy leases (continued)

##### Short-term leases and leases of low-value assets

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

##### Concessionary leases

The University has not recognised any lease liabilities corresponding to concessionary leases in 2025 and 2024 as there were no lease payments being required over the term of the concessionary lease. Refer to note 13.1 for the accounting policy related to concessionary leases.

#### 17 Provisions

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Current provisions expected to be settled wholly within 12 months</b>					
<b>Employee benefits</b>					
Annual leave		10,285	10,067	9,897	9,645
Long service leave		7,481	6,528	7,365	6,428
Defined benefit obligation	33(d)	5,738	5,944	5,738	5,944
Other benefits		608	-	385	-
<b>Other provisions</b>					
Make good		329	-	-	-
		<b>24,441</b>	<b>22,539</b>	<b>23,385</b>	<b>22,017</b>
<b>Current provisions expected to be settled wholly after more than 12 months</b>					
<b>Employee benefits</b>					
Annual leave		3,356	3,633	3,257	3,419
Long service leave		14,522	13,780	14,371	13,643
		<b>17,878</b>	<b>17,413</b>	<b>17,628</b>	<b>17,062</b>
<b>Total current provisions</b>		<b>42,319</b>	<b>39,952</b>	<b>41,013</b>	<b>39,079</b>
<b>Non-current provisions</b>					
<b>Employee benefits</b>					
Long service leave		3,838	3,105	3,675	2,999
Defined benefit obligation	33(d)	67,895	73,065	67,895	73,065
<b>Other provisions</b>					
Make good		528	856	-	-
<b>Total non-current provisions</b>		<b>72,261</b>	<b>77,026</b>	<b>71,570</b>	<b>76,064</b>
<b>Total provisions</b>		<b>114,580</b>	<b>116,978</b>	<b>112,583</b>	<b>115,143</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 17 Provisions (continued)

##### (a) Movements in provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

<b>Consolidated</b>	<b>Provision for Make Good \$'000</b>	<b>Total \$'000</b>
Carrying amount as at 1 January 2025	856	856
Unused amounts reversed	-	-
Amounts used	-	-
<b>Carrying amount as at 31 December 2025</b>	<b>856</b>	<b>856</b>

The University has an obligation to make good on leased premises at the end of certain agreements. A provision has been made factoring in the cost of bringing the premise back to the conditions specified in the lease agreements.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

#### Employee benefits

##### (i) Short-term obligations

Liabilities for short-term employee benefits including wages and salaries, annual leave, and other non-monetary benefits are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period, and is recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

##### (ii) Other long-term obligations

The liability for other long-term benefits are those that are not expected to be settled wholly before 12 months after the end of the annual reporting period. Other long-term employee benefits include such things as annual leave and long service leave liabilities.

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

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

##### (iii) Retirement benefit obligations

Refer to note 33 for ageing of net liability and reimbursement rights relating to defined benefits obligation.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 18 Other financial liabilities

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Current</b>				
Other financial liabilities at amortised cost	637	582	637	582
<b>Total current other financial liabilities</b>	<b>637</b>	<b>582</b>	<b>637</b>	<b>582</b>

#### 19 Other liabilities

<b>Current</b>				
Australian Government unspent financial assistance	7,815	12,343	7,815	12,343
Student Fees received in advance	21,975	20,363	21,951	20,335
Other liabilities	201	168	2	2
<b>Total current other liabilities</b>	<b>29,991</b>	<b>32,874</b>	<b>29,768</b>	<b>32,680</b>
<b>Non-current</b>				
Australian Government unspent financial assistance	576	1,189	576	1,189
Other liabilities	193	193	193	193
<b>Total non-current other liabilities</b>	<b>769</b>	<b>1,382</b>	<b>769</b>	<b>1,382</b>
<b>Total other liabilities</b>	<b>30,760</b>	<b>34,256</b>	<b>30,537</b>	<b>34,062</b>

#### Accounting Policy

Any Australian Government contract liabilities in scope of AASB 15 are disclosed in Note 15.

**Notes to the Financial Statements****For the Year Ended 31 December 2025****20 Reserves and retained earnings****(a) Reserves**

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Reserves</b>					
Common control reserve		-	-	(1,382)	(1,382)
Financial asset reserve		12,919	11,371	12,919	11,371
<b>Total Reserves</b>		<b>12,919</b>	<b>11,371</b>	<b>11,537</b>	<b>9,989</b>
<b>Movements</b>					
<b>Common control reserve</b>					
Balance 1 January		-	-	(1,382)	-
Common control transaction		-	-	-	(1,382)
<b>Balance 31 December</b>		<b>-</b>	<b>-</b>	<b>(1,382)</b>	<b>(1,382)</b>
<b>Financial asset reserve</b>					
Balance 1 January		11,371	8,013	11,371	8,013
Gain on revaluation		782	3,238	782	3,238
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	20(b)	163	142	163	142
Other movements		603	(22)	603	(22)
<b>Balance 31 December</b>		<b>12,919</b>	<b>11,371</b>	<b>12,919</b>	<b>11,371</b>
<b>Total reserves</b>		<b>12,919</b>	<b>11,371</b>	<b>11,537</b>	<b>9,989</b>

**Reserves accounting policy**

On 1 October 2024, the University transferred its share of the net assets in The Hotel School partnership valued \$1,382,381 to its wholly owned subsidiary, SCU Ventures Pty Limited.

This transaction has been accounted for as a common control transaction, as both the University and SCU Ventures Pty Limited are ultimately controlled by Southern Cross University.

Transfer of businesses or assets between entities under common control are accounted for using the carry-over basis (predecessor method). No goodwill or acquisition-related fair value adjustments are recognised in the financial statements. Any difference between the carrying value of the net assets and consideration is recognised directly in equity within the common control reserve.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 20 Reserves and retained earnings (continued)

##### (b) Retained earnings

Movements in retained earnings were as follows:

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Retained earnings at 1 January		294,449	293,632	299,582	293,890
Net result from continuing operations		15,218	961	12,910	5,836
Transfer of fair value reserve of equity instruments designated at fair value through OCI to retained earnings	20(a)	(163)	(142)	(163)	(142)
Remeasurement of defined benefit plans	33(e)	(20)	(2)	(20)	(2)
<b>Retained earnings at end of the financial year</b>		<b>309,484</b>	<b>294,449</b>	<b>312,309</b>	<b>299,582</b>

##### (c) Nature and purpose of reserves

The financial asset reserve reflects the difference between the carrying value and fair value of investments carried at fair value through other comprehensive income.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 21 Key management personnel disclosures

##### (a) Names of responsible persons

The following persons were responsible persons of Southern Cross University during the financial year:

##### **Official Council Members**

Sandra McPhee AM, Chancellor  
Professor Tyrone Carlin, Vice-Chancellor  
Associate Professor Desiree Kozlowski, Chair Academic Board

##### **Ministerial Appointments**

Jonathan Rourke - concluded on 31 December 2025  
Professor Rosslyn Simmons AM - commenced on 1 January 2025

##### **Elected Council Members**

Associate Professor Renaud Joannes-Boyau  
Associate Professor Georgina Dimopoulos  
Prue Berry  
Grace Redden

##### **Council Appointed Members**

Scott Noble  
Geoffrey Stalley  
Dr Jill Goundar  
Peter Lewis

##### (b) Names of executive officers

The following persons had executive authority and responsibility for planning, directing and controlling the activities of Southern Cross University during the financial year:

Professor Tyrone Carlin	Vice-Chancellor
Professor Mary Spongberg	Senior Deputy Vice Chancellor - concluded 19 December 2025
Professor Renaud Joannes-Boyau	Acting Deputy Vice-Chancellor (Research) - commenced 15 September 2025
Professor Erica Wilson	Pro Vice Chancellor (Academic Innovation)
Professor Thomas Roche	Pro Vice Chancellor (Academic Quality)
Allan Morris	Vice President (Operations) - concluded 19 December 2025
Travis Walker	Vice President (Finance)
Ben Roche	Pro Vice Chancellor (Research and Education Impact)
Anna-Maree Shaw	Vice President (Future Students and Outreach)
Brendon Nelson	Vice President (Students) and Registrar
Jack Williamson	Vice President (Strategy and Technology)
Kim Franks	Vice President (People and Culture)
Nicholas Hyde	Acting Vice-President (Enterprise & Campus Operations) - commenced 20 December 2025

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 21 Key management personnel disclosures (continued)

##### (c) Remuneration of board members and executives

	Consolidated		Parent	
	2025 Number	2024 Number	2025 Number	2024 Number
<b>Remuneration of Board Members</b>				
Nil to \$14,999	8	10	8	10
\$45,000 to \$59,999	-	1	-	1
\$75,000 to \$89,999	-	1	-	1
\$165,000 to \$179,999	-	1	-	1
\$180,000 to \$194,999	1	1	1	1
\$195,000 to \$209,999	2	-	2	-
\$255,000 to \$269,999	-	1	-	1
\$285,000 to \$299,999	1	-	1	-
\$1,005,000 to \$1,019,999	-	1	-	1
\$1,050,000 to \$1,064,999	1	-	1	-

No remuneration is paid to members in respect of their role on Council.

<b>Remuneration of executive officers</b>				
Nil to \$14,999	1	-	1	-
\$75,000 to \$89,999	1	-	1	-
\$360,000 to \$374,999	-	2	-	2
\$375,000 to \$389,999	1	1	1	1
\$390,000 to \$404,999	-	1	-	1
\$405,000 to \$419,999	1	1	1	1
\$435,000 to \$449,999	1	1	1	1
\$450,000 to \$464,999	2	1	2	1
\$465,000 to \$479,999	1	1	1	1
\$480,000 to \$494,999	1	1	1	1
\$540,000 to \$554,999	1	-	1	-
\$555,000 to \$569,999	1	-	1	-
\$585,000 to \$599,999	-	1	-	1
\$600,000 to \$614,999	1	-	1	-
\$1,005,000 to \$1,019,999	-	1	-	1
\$1,050,000 to \$1,064,999	1	-	1	-

Remuneration bands for the Vice Chancellor and Acting Deputy Vice-Chancellor (Research) appear in both tables above as these management positions are members of both Council and Executive Committee.

Remuneration includes annual leave paid and any movements in leave liabilities.

During the reporting period, the University identified that previously reported Key Management Personnel remuneration for the year ended 31 December 2024 excluded leave payments made during the year, having only reflected movements in leave liabilities. The comparative information has been updated to reflect this.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 21 Key management personnel disclosures (continued)

##### (d) Key management personnel compensation

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	5,750	5,192	5,750	5,192
Post-employment benefits	870	795	870	795
Other long-term benefits	218	173	218	173
	<b>6,838</b>	6,160	<b>6,838</b>	6,160

#### 22 Remuneration of auditors

During the year, the following fees were paid for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

##### Audit the Financial Statements

Fees paid - Audit Office of NSW	289	322	224	252
<b>Total paid for audit</b>	<b>289</b>	322	<b>224</b>	252

##### Other audit and assurance services

Fees paid - Audit Office of NSW	9	9	9	9
Fees paid to firms unrelated to the Audit Office of NSW	101	110	101	110
<b>Total paid for audit and assurance</b>	<b>110</b>	119	<b>110</b>	119

#### 23 Contingencies

##### (a) Contingent liabilities

###### Bank Guarantees

The University has a bank guarantee facility in place with a facility limit of \$2,000,000 (2024: \$1,000,000) of which \$1,199,892 was utilised at 31 December 2025 (2024: \$454,650). These guarantees relate to leased premises. The leases continue to be serviced in accordance with their terms and management considers it is unlikely that any claims will be made under the guarantees.

###### Claims

From time to time, the University is subject to claims arising from activities undertaken in the normal course of business. Such claims may result in litigation. The University has considered those claims of which it was aware as at 31 December 2025 by reference to the disclosure criteria of contingent liabilities. The University is satisfied that none of the contingent liabilities are material for disclosure in the University's financial statements.

###### Letter of comfort to subsidiaries

The University has provided its subsidiaries (Southern Cross Campus Services Ltd and SCU Ventures Pty Ltd) a letter of comfort guaranteeing the liabilities of the controlled entities. At the date of this report, the net liabilities of the controlled entities total \$176,229 (2024: net liabilities of \$2,995,785).

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 23 Contingencies (continued)

##### (b) Contingent assets

###### *Bonds and guarantees*

The University has entered into a construction contract in 2025 whereby the parties agreed to a performance bond up to \$258,424 and a maintenance bond up to \$258,424, both in favour of the University. These bonds are in respect to contract obligations for the construction of a building and are due to be returned subject to contractual obligations being met.

#### 24 Commitments

##### (a) Capital commitments

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

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Property, plant and equipment</b>				
Within one year	2,365	1,967	2,365	1,967
<b>Total property, plant and equipment commitments</b>	<b>2,365</b>	<b>1,967</b>	<b>2,365</b>	<b>1,967</b>
<b>Other financial assets (Investment portfolio)</b>				
Within one year	3,465	1,475	3,465	1,475
Between one year and five years	1,936	2,137	1,936	2,137
<b>Total other financial assets commitments</b>	<b>5,401</b>	<b>3,612</b>	<b>5,401</b>	<b>3,612</b>

#### 25 Related Parties

##### (a) Parent entities

The ultimate parent entity is Southern Cross University, which is incorporated in Australia.

##### (b) Subsidiaries

Interests in subsidiaries are set out in note 26.

##### (c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 21.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 25 Related Parties (continued)

##### (d) Transactions with related parties

The following transactions occurred during the reporting period between related parties:

	Parent	
	2025	2024
	\$'000	\$'000
<b>Revenue</b>		
Facilities hire and other costs	699	438
Dividends/ distributions	7,000	-
	<u>7,699</u>	<u>438</u>
<b>Expenditure</b>		
Catering services	95	64
Education services	46,644	15,321
	<u>46,739</u>	<u>15,385</u>
<b>Other transactions</b>		
Transfer of net assets in joint operation *	-	1,382
	<u>-</u>	<u>1,382</u>

\* On 30 September 2024, the University transferred its share in The Hotel School to its wholly owned subsidiary, SCU Ventures Pty Ltd, for no consideration. The fair value of the net assets was \$1,382,381.

As the transaction was undertaken between entities under common control, it has been recorded as an equity transaction.

##### (e) Loans to related parties

	2025	2024
	\$'000	\$'000
<b>Loans to associates</b>		
Beginning of the year	16	16
<b>End of year</b>	<u>16</u>	<u>16</u>

No expected credit losses have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

##### (f) Outstanding balances

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Parent	
	2025	2024
	\$'000	\$'000
<i>Current receivables</i>		
Subsidiaries	315	2,635
<b>Total current receivables</b>	<u>315</u>	<u>2,635</u>
<i>Current payables</i>		
Subsidiaries	5,654	327
<b>Total current payables</b>	<u>5,654</u>	<u>327</u>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 25 Related Parties (continued)

##### (f) Outstanding balances (continued)

No provisions for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

##### (g) Guarantees

There have been no guarantees given by the parent entity to its subsidiary as at balance date (2024: Nil)

A letter of unconditional financial support has been provided by Southern Cross University to its subsidiaries. The ultimate parent entity will support the entities financially to ensure they can pay their debts as and when they fall due.

##### (h) Terms and Conditions

Related party outstanding balances are unsecured and have been provided on interest-free terms.

Southern Cross University provides its subsidiaries with administrative, technology and other support services at no charge. Except for these services, all other transactions between related parties were in the ordinary course of business and on normal arms' length commercial terms and conditions stated.

#### 26 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described below:

Name of Entity	Principal place of business	Ownership interest	
		2025	2024
		%	%
Southern Cross Campus Services Ltd	Australia	100.00	100.00
SCU Ventures Pty Limited	Australia	100.00	100.00

##### Subsidiaries

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

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

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

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

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 27 Business Combinations

##### For the year ended 31 December 2025

There were no business combinations during the year ended 31 December 2025.

##### For the year ended 31 December 2024

On the 30th of September 2024, the consolidated entity acquired THS Education Group Pty Ltd (formerly Mulpha Education Group Pty Ltd (MEG)), for a total purchase consideration of \$1,000,000, including \$400,000 deferred consideration applicable in the acquisition. The primary reason for the acquisition was to enable the University to obtain 100% control of The Hotel School Business which operates key metropolitan campuses and is a strategic asset.

The purchase price accounting involves judgement and complexity in the purchase price allocation, including determining the fair values of the acquired assets and liabilities. The acquisition has been provisionally accounted. The fair value of below numbers are subject to measurement period adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

Details of the fair value of the assets and liabilities acquired, and goodwill, are as follows:

	Note	Fair value \$'000
<b>Purchase consideration:</b>		
- Total consideration		1,000
<b>Total purchase consideration</b>		<u>1,000</u>
<b>Recognised amounts of identifiable net assets:</b>		
<b>Assets</b>		
Cash and cash equivalents		204
Security deposits		191
Trade and other receivables *		949
Property, plant and equipment - right of use		<u>2,731</u>
<b>Total assets</b>		<u>4,075</u>
<b>Liabilities</b>		
Trade and other payables		(960)
Contract liabilities		(197)
Lease liabilities		(1,996)
Provisions		<u>(286)</u>
<b>Total liabilities</b>		<u>(3,439)</u>
<b>Total identifiable assets acquired and liabilities assumed</b>		<u>636</u>
Total consideration		1,000
Less: Identifiable net assets acquired		<u>(636)</u>
<b>Goodwill</b>	14	<u><u>364</u></u>
<b>Net cash outflow arising on acquisition</b>		
Total consideration		1,000
Less: Deferred cash consideration	15	(400)
Less: Cash and cash equivalent balances acquired		<u>(204)</u>
		<u><u>396</u></u>

\* The fair value of the acquired trade and other receivables is \$949,187, which is expected to be fully recoverable.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 27 Business Combinations (continued)

##### Accounting Policy

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the University. This method requires recognising and measuring the identifiable assets acquired, liabilities assumed and any goodwill. Intangible assets acquired in a business combination are recognised separately from goodwill if they are separable, but only together with a related contract, identifiable asset or liability. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

#### 28 Joint Operations

The University has entered into the following joint operations.

Name of joint operation	Nature of relationship	Principle place of business	Controlling Interest	
			2025 %	2024 %
Coffs Harbour Education Campus	Represents the development and continued operation of a joint educational precinct with Coffs Harbour Senior College and North Coast TAFE at the Coffs Harbour campus	Coffs Harbour	33.33	33.33

Under AASB 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

The University's share of assets, liabilities, revenue and expenses of the joint operation has been incorporated in the financial statements under the appropriate headings.

The assets and liabilities employed in the above jointly controlled operation, including the Southern Cross University's share of any assets and liabilities held jointly, are detailed below.

The amounts are included in the financial statements under their respective categories.

	2025 \$'000	2024 \$'000
Assets (including share of jointly held assets)	14,560	15,507
Liabilities (including jointly incurred)	-	-

The revenue and expenses raised or incurred in the above jointly controlled operation, including the Southern Cross University's share of any revenue or jointly incurred expenses, are detailed below. The amounts are included in financial statements under their respective categories.

	2025	2024
Share of revenue from joint operation	102	4,478
Expenses (including jointly incurred)	128	4,140

#### 29 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the University, the results of those operations, or the state of affairs of the University in future financial years.

**Notes to the Financial Statements****For the Year Ended 31 December 2025****30 Reconciliation of net result to net cash (used in) / provided by operating activities**

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Net result from continuing operations		15,218	961	12,910	5,836
Depreciation and amortisation	5	20,356	20,508	15,479	16,567
Impairment loss on assets	7	3,774	887	687	864
Net gain/(loss) on sale of non-current assets		(284)	44	(245)	(5)
Fair value gains on other financial assets through profit or loss		(3,151)	(3,976)	(3,151)	(3,976)
Non-cash related party transactions		-	-	25,721	-
Share of joint venture entity net profit after income tax and dividends		(16)	(23)	-	-
Change in operating assets and liabilities, net of effects from purchase of controlled entity		-	(703)	-	-
Change in operating assets and liabilities, net effect from transfer (non-cash)		-	423	-	388
<b>Change in operating assets and liabilities:</b>					
(Increase) / decrease in receivables and contract assets		4,257	5,775	4,057	3,952
(Increase) / decrease in inventories		(23)	(2)	-	-
(Increase) / decrease in other assets		(500)	(202)	(473)	(504)
Increase / (decrease) in trade payables and accruals		5,931	662	5,717	(910)
Increase / (decrease) in other provisions		(2,417)	(3,378)	(2,580)	(3,561)
Increase / (decrease) in other operating liabilities		(3,496)	(4,499)	(3,525)	(4,537)
Increase / (decrease) in contract liabilities		(2,471)	(1,527)	(2,476)	(1,490)
Increase / (decrease) in other financial liabilities		54	(1,940)	54	(1,940)
<b>Net cash (used in)/provided by operating activities</b>		<b>37,232</b>	<b>13,010</b>	<b>52,175</b>	<b>10,684</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 31 Financial risk management

The University's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The University's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the University. The University uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, and ageing analysis for credit risk.

The University's principal financial instruments are cash and cash equivalents, as well as investments in listed and unlisted equities, managed investment funds and other held to maturity investments. The main purpose of the investment funds are to earn an income stream and provide long term growth to support the objectives of the University.

The University also has various other financial instruments such as receivables, payables and finance leases.

Risk management is carried out by a central group treasury department under policies approved by the University Council. The University does not enter into or trade financial instruments for speculative purposes.

##### (a) Market risk

###### *(i) Foreign exchange risk*

The University undertakes transactions with other educational institutions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. At reporting date the transactions were insignificant and the movement in rates throughout the year was not considered high risk.

###### *(ii) Price risk*

Price risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instruments or its issuer, or factors affecting all similar financial instruments traded in the market.

The University is exposed to domestic and international securities price risk arising from financial assets at fair value which is mitigated through a diversified investment portfolio.

###### *(iii) Cash flow and fair value interest rate risk*

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates.

The University's exposure to market interest rates relates primarily to the University's long term borrowings and investments held as interest bearing deposits and on-call bank deposits.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 31 Financial risk management (continued)

##### (a) Market risk (continued)

##### (iv) Summarised sensitivity analysis

The following table summarises the sensitivity of the University's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

31 December 2025	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Financial assets</b>													
Cash and cash equivalents	30,562	(227)	(227)	227	227	-	-	-	-	-	-	-	
Trade and other receivables	34,700	-	-	-	-	-	-	-	-	-	-	-	
Other financial assets	145,768	-	-	-	-	-	-	-	-	(14,577)	-	14,577	
<b>Financial liabilities</b>													
Trade and other payables	(22,463)	-	-	-	-	-	-	-	-	-	-	-	
Other liabilities	(8,391)	-	-	-	-	-	-	-	-	-	-	-	
Borrowings	-	95	95	(95)	(95)	-	-	-	-	-	-	-	
<b>Total increase/(decrease)</b>		(132)	(132)	132	132	-	-	-	-	-	(14,577)	-	14,577

31 December 2024	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-1%		+1%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Financial assets</b>													
Cash and cash equivalents	19,163	(131)	(131)	131	131	-	-	-	-	-	-	-	
Trade and other receivables	35,408	-	-	-	-	-	-	-	-	-	-	-	
Other financial assets	146,086	-	-	-	-	-	-	-	-	(14,608)	-	14,608	
<b>Financial liabilities</b>													
Trade and other payables	(16,798)	-	-	-	-	-	-	-	-	-	-	-	
Other liabilities	(12,343)	-	-	-	-	-	-	-	-	-	-	-	
Borrowings	(9,000)	90	90	(90)	(90)	-	-	-	-	-	-	-	
<b>Total increase/(decrease)</b>		(41)	(41)	41	41	-	-	-	-	-	(14,608)	-	14,608

##### (b) Credit risk

Credit risk is the risk of financial loss to the University if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from receivables from customers and investments.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 31 Financial risk management (continued)

##### (b) Credit risk (continued)

###### Receivables

The University's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Receivables are mainly attributable to sales transactions with a single customer. Apart from the Deferred Government receivable, the University does not have any material risk exposure to any other single debtor or group of debtors.

###### Investments

The University limits its exposure to credit risk through its Treasury Policy and strategy which is approved annually by the Finance and Investment Committee.

##### (c) Liquidity risk

Liquidity risk is the risk that the University will not be able to meet its financial obligations as they fall due. The University's approach to managing liquidity is to ensure that it will have liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or reputational risk.

The University manages liquidity risk by maintaining adequate cash reserves, banking facilities and continuously monitoring forecast and actual cash flows to ensure that there is adequate liquidity to meet the University's obligations over the near term.

The following tables summarise the maturity of the University's financial assets and financial liabilities:

	Within 1 year		1 - 5 years		5+ years		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>								
Cash and cash equivalents	30,562	19,163	-	-	-	-	30,562	19,163
Trade and other receivables (a)	11,941	12,650	22,759	22,758	-	-	34,700	35,408
Other financial assets	119,612	113,432	26,156	32,654	-	-	145,768	146,086
<b>Total financial assets</b>	<b>162,115</b>	<b>145,245</b>	<b>48,915</b>	<b>55,412</b>	<b>-</b>	<b>-</b>	<b>211,030</b>	<b>200,657</b>
<b>Financial Liabilities:</b>								
Trade and other payables	22,147	16,798	316	-	-	-	22,463	16,798
Borrowings and lease liabilities	7,091	15,150	22,732	18,909	51,534	52,326	81,357	86,385
Other liabilities	7,815	12,343	576	-	-	-	8,391	12,343
<b>Total financial liabilities</b>	<b>37,053</b>	<b>44,291</b>	<b>23,624</b>	<b>18,909</b>	<b>51,534</b>	<b>52,326</b>	<b>112,211</b>	<b>115,526</b>

(a) The University's deferred government contribution for superannuation included in Note 10 is not included in the above analysis as the timing of cash flows cannot be determined.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 32 Fair value measurements

##### (a) Fair value measurements

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

Due to the short-term nature of the cash and cash equivalents and current receivables, their carrying value approximates their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

The carrying value of the University's financial assets approximates their fair value at balance date.

The University measures and recognises financial assets at fair value through other comprehensive income and profit and loss at at fair value on a recurring basis.

##### (b) Fair value hierarchy

The University categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurement.

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

##### (i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2025.

##### Fair value measurements at 31 December 2025

Consolidated	Note	2025 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Investments in equity instruments designated at fair value through other comprehensive income	11	70,874	60,923	-	9,951
Other financial assets at fair value through other comprehensive income	11	10,143	10,143	-	-
Other financial assets at fair value through profit or loss	11	64,750	32,245	18,032	14,473
<b>Total financial assets</b>		<b>145,767</b>	<b>103,311</b>	<b>18,032</b>	<b>24,424</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 32 Fair value measurements (continued)

##### (b) Fair value hierarchy (continued)

###### Fair value measurements at 31 December 2024

Consolidated	Note	2024 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Investments in equity instruments designated at fair value through other comprehensive income	11	63,926	53,946	-	9,980
Other financial assets at fair value through other comprehensive income	11	22,440	22,440	-	-
Other financial assets at fair value through profit & loss	11	59,719	28,324	20,495	10,900
<b>Total financial assets</b>		<b>146,085</b>	<b>104,710</b>	<b>20,495</b>	<b>20,880</b>

There were no transfers between levels 1, 2 or 3 measurements for the year.

The University's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

##### (c) Valuation techniques used to derive level 2 and level 3 fair values

###### (i) Recognised fair value measurements

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. These valuation techniques 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. This is the case for unlisted equity securities.

The University uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices discounted to reflect the limited liquidity in the market for shareholders to sell their holding and the likely impact of a trade sale should the shareholders realise the value of their equity interests;
- Share of the net assets of unlisted entities;

All of the resulting fair value estimates are included in level 2 except for unlisted and private equity securities. These are explained in (d) below.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 32 Fair value measurements (continued)

##### (d) Fair value measurements using significant unobservable inputs (level 3)

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

##### Consolidated

	Unlisted securities \$'000	Total \$'000
<b>Level 3 Fair Value Measurement 2025</b>		
Opening balance	20,880	20,880
Acquisitions	5,272	5,272
Disposals/ Return of capital	(2,862)	(2,862)
Recognised in profit or loss	(29)	(29)
Recognised in other comprehensive income	1,164	1,164
<b>Closing balance</b>	<b>24,425</b>	<b>24,425</b>
<b>Level 3 Fair Value Measurement 2024</b>		
Opening balance	11,679	11,679
Acquisitions	2,274	2,274
Transfers from level 2	6,446	6,446
Recognised in profit or loss*	224	224
Recognised in other comprehensive income	257	257
<b>Closing balance</b>	<b>20,880</b>	<b>20,880</b>

##### (i) Transfers between levels 2 and 3 and changes in valuation techniques

There were no transfers of assets/liabilities between levels 2 and 3 during the financial year ended 31 December 2025.

There were transfers between levels during the year. Refer to Note 32(b).

##### (ii) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted.

Consolidated Description	Fair value at 31 December 2025 \$'000	Unobservable inputs*	Range of inputs	Relationship of unobservable inputs to fair value
Unlisted investments	24,425	Asset-based valuation approach	Book value of net assets assumed to reflect fair value	A market-based and income based valuation approach may produce a different fair value
<b>Total</b>	<b>24,425</b>			

\*There were no significant inter-relationship between unobservable inputs that materially affects fair value.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 33 Retirement benefit obligations

All University employees, including casuals, receive superannuation benefits equal or exceeding the government superannuation guarantee levy.

##### Defined Contribution Plan (Unisuper)

The University contributes to the UniSuper Defined Benefit Plan ('Unisuper') (formerly Superannuation Scheme for Australian Universities) SSAU for academic staff appointed since 1 March 1988 and all other staff from 1 July 1991. Unisuper is a post employment defined contribution plan into which the University pays fixed contributions. The Unisuper Defined Benefit Division (DBD) is a defined benefit plan under Superannuation Law but, as a result of Clause 34 of the Unisuper Trust Deed, a defined contribution plan under Accounting Standard AASB 119.

##### Defined Benefit Plans (State Funds)

The University contributes to three closed state pension schemes (as detailed in Note 33(a)), which are subject to reimbursement arrangements under the *Higher Education Support Act 2003* in the proportion of 78:22 from the Commonwealth and the NSW State Government respectively.

A non-current receivable for deferred government superannuation benefits are the amounts recognised as reimbursement rights as they are the amounts expected to be received from the Australian and New South Wales (NSW) Governments for the emerging costs of the superannuation funds for the life of the liability.

A liability in respect of defined benefit superannuation plans is recognised in the statement of financial position, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund's assets at that date. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement of financial position. Past service costs are recognised in profit or loss immediately.

The liabilities recorded in the statement of financial position under provisions, for all NSW Universities, have been determined by Mercer (Australia) Pty Ltd using consistent valuation techniques.

#### (a) Fund specific disclosure

##### i) Nature of the benefits provided

The Pooled Fund holds in trust the investments of the closed NSW public sector superannuation schemes:

- State Authorities Superannuation Scheme (SASS)
- State Superannuation Scheme (SSS)
- State Authorities Non-Contributory Superannuation Scheme (SANCS)

These schemes are all defined benefit schemes - at least a component of the final benefit is derived from a multiple of member salary and years of membership. Members receive a lump sum or pension benefits on retirement, death, disablement and withdrawal. All schemes are closed to new members.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 33 Retirement benefit obligations (continued)

##### (a) Fund specific disclosure (continued)

###### ii) Description of the regulatory framework

The schemes in the Pooled Fund are established and governed by the following NSW legislation:

- *Superannuation Act 1916*
- *State Authorities Superannuation Act 1987*
- *State Authorities Non-Contributory Superannuation Scheme Act 1987*, and their associated regulations

The schemes in the Pooled Fund are exempt public sector superannuation schemes under the *Commonwealth Superannuation Industry (Supervision) Act 1993* (SIS). The SIS Legislation treats exempt public sector superannuation funds as complying funds for concessional taxation and superannuation guarantee purposes.

Under a Heads of Government agreement, the New South Wales government undertakes to ensure that the Pooled Fund will conform with the principles of the Commonwealth retirement incomes policy relating to preservation, vesting and reporting to members and that members' benefits are adequately protected.

The New South Wales government prudentially monitors and audits the Pooled Fund and the Trustee Board activities in a manner consistent with the prudential controls of the SIS legislation. These provisions are in addition to other legislative obligations on the Trustee Board and internal processes that monitor the Trustee Board's adherence to the principles of the Commonwealth's retirement incomes policy.

An actuarial investigation of the Pooled Fund is performed every three years. The last actuarial investigation was performed as at 30 June 2024. The next actuarial investigation will be performed at 30 June 2027.

###### iii) Description of other entities' responsibilities for the governance of the funds

The Fund's Trustee is responsible for the governance of the Fund. The Trustee has a legal obligation to act solely in the best interests of fund beneficiaries. The Trustee has the following roles:

- Administration of the fund and payment to the beneficiaries from fund assets when required in accordance with the fund rules;
- Management and investment of the fund assets; and
- Compliance with other applicable regulations.

###### iv) Description of risks

There are a number of risks to which the Fund exposes the Employer. The more significant risks relating to the defined benefits are:

- Investment risk: the risk that investment returns will be lower than assumed and the Employer will need to increase contributions to offset this shortfall;
- Longevity risk: The risk that pensioners live longer than assumed, increasing future pensions;
- Pension indexation risk: the risk that pensions will increase at a rate greater than assumed, increasing future pensions;
- Salary growth risk: The risk that wages or salaries (on which future benefit amounts for active members will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions;
- Legislative risk: the risk is that Legislative changes could be made which increase the cost of providing the defined benefits.

The defined benefit fund assets are invested with independent fund managers and have a diversified asset mix. The Fund has no significant concentration of investment risk or liquidity risk.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 33 Retirement benefit obligations (continued)

##### (a) Fund specific disclosure (continued)

The Trustee monitors its asset-liability risk continuously in setting its investment strategy. It also monitors cashflows to manage liquidity requirements. No explicit asset-liability matching strategy is used by the Trustee.

##### v) Description of any plan amendments, curtailments and settlements

There were no fund amendments, curtailments or settlements during the year.

##### vi) Expected Contributions

The Southern Cross University expects to make employer contribution's of \$49,666 (2024: \$45,407) to the defined benefit plan during the next financial year.

##### vii) Maturity Profile

The weighted average duration of the defined benefit obligation is 9.2 years (2024 9.6 years). The expected maturity analysis of undiscounted benefit obligations is as follows:

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total \$'000
Defined benefit obligations - 31 December 2025	5,247	5,344	16,275	84,981	111,847
Defined benefit obligations - 31 December 2024	5,202	5,253	16,065	84,956	111,476

##### (b) Categories of plan assets

The analysis of the plan assets at the end of the reporting period is as follows:

	2025 (%)		2024 (%)	
	Active Market	No Active Market	Active Market	No Active Market
Short term securities	7.30	-	6.20	-
Australian fixed interest	1.70	-	0.30	-
International fixed interest	0.60	-	0.50	-
Australian equities	11.50	0.30	20.50	0.10
International equities	41.10	0.40	39.20	0.80
Property	1.00	5.90	1.20	5.40
Alternatives	10.40	19.80	5.40	20.10
<b>Total</b>	<b>73.60</b>	<b>26.40</b>	<b>73.30</b>	<b>26.40</b>

The principal assumptions used for the purposes of the actuarial valuations (expressed as weighted averages) were:

	2025	2024
	%	%
Discount rate(s)	4.80	4.41
Expected rate of return on fund assets backing other liabilities	6.20	6.20
Expected rate(s) of salary increase	3.50 to 3.76	3.70 to 4.75

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 33 Retirement benefit obligations (continued)

##### (c) Actuarial assumptions and sensitivity

The sensitivity of the defined benefit obligation to change in the significant assumptions is:

	Change in assumption	Impact on defined obligation	
		Increase in assumption	Decrease in assumption
Discount rate	0.50 %	Increase by 5%	Decrease by -4%
Salary inflation rate	0.50 %	Increase by 0.1%	Decrease by -0.1%

The above sensitivity analyses are based on a change in an assumption while holding all the other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

The methods and types of assumptions used in the preparation of the sensitivity analysis did not change compared to the prior period.

##### (d) Statement of financial position amounts

Amounts recognised in the statement of financial position - 2025	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Liabilities</b>					
Provision for deferred government benefits for superannuation		521	110	71,225	71,856
Add: Oncosts on pension entitlements		12	3	1,762	1,777
<b>Total liabilities recognised in the statement of financial position</b>	17	<b>533</b>	<b>113</b>	<b>72,987</b>	<b>73,633</b>
<b>Assets</b>					
Receivable for deferred government benefit for superannuation	10	527	113	71,165	71,805
<b>Total assets recognised in the statement of financial position</b>		<b>527</b>	<b>113</b>	<b>71,165</b>	<b>71,805</b>
<b>Net liability recognised in the statement of financial position</b>		<b>(6)</b>	<b>-</b>	<b>(1,822)</b>	<b>(1,828)</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 33 Retirement benefit obligations (continued)

##### (d) Statement of financial position amounts (continued)

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Net liability reconciliation - 2025</b>					
Defined benefit obligation		1,694	303	76,394	78,391
On-cost on pension entitlements		12	3	1,762	1,777
Fair value of plan assets		(1,173)	(193)	(5,169)	(6,535)
<b>Net liability</b>	17	<b>533</b>	<b>113</b>	<b>72,987</b>	<b>73,633</b>
Reimbursement right	10	527	113	71,165	71,805
<b>Total net liability/(asset)</b>		<b>6</b>	<b>-</b>	<b>1,822</b>	<b>1,828</b>
<b>Reimbursement rights - 2025</b>					
Opening value of reimbursement right		43	(269)	77,302	77,076
Contributions received for super schemes		1	217	(2,399)	(2,181)
Actuarial losses/(gains) arising from changes in financial assumptions		483	165	(3,738)	(3,090)
<b>Closing value of reimbursement right</b>	10	<b>527</b>	<b>113</b>	<b>71,165</b>	<b>71,805</b>
<b>Present value of obligation - 2025</b>					
Opening defined benefit obligation		1,513	222	81,961	83,696
Current service cost		-	8	-	8
Interest expense		64	9	3,504	3,577
		1,577	239	85,465	87,281
<b>Remeasurements</b>					
Actuarial losses/(gains) arising from changes in financial assumptions		(21)	(6)	(2,340)	(2,367)
Actuarial losses/(gains) arising from liability experience		528	175	(1,415)	(712)
		507	169	(3,755)	(3,079)
<b>Contributions</b>					
Contributions by participants		15	-	8	23
<b>Payments from plan</b>					
Benefits paid		(399)	(97)	(4,808)	(5,304)
Taxes, premiums and expenses		(6)	(8)	(516)	(530)
		(405)	(105)	(5,324)	(5,834)
<b>Closing defined benefit obligation</b>		<b>1,694</b>	<b>303</b>	<b>76,394</b>	<b>78,391</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 33 Retirement benefit obligations (continued)

##### (d) Statement of financial position amounts (continued)

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Present value of plan assets - 2025</b>					
Opening fair value of plan assets		1,495	497	4,598	6,590
Interest (income)		65	17	217	299
		<u>1,560</u>	<u>514</u>	<u>4,815</u>	<u>6,889</u>
<b>Remeasurements</b>					
Return on fund assets less interest income		5	-	(16)	(11)
<b>Contributions</b>					
Employers		-	(216)	5,686	5,470
Fund participants		13	-	8	21
		<u>13</u>	<u>(216)</u>	<u>5,694</u>	<u>5,491</u>
<b>Payments from plan</b>					
Benefits paid		(399)	(97)	(4,808)	(5,304)
Taxes, premiums and expenses		(6)	(8)	(516)	(530)
		<u>(405)</u>	<u>(105)</u>	<u>(5,324)</u>	<u>(5,834)</u>
<b>Closing fair value of plans assets</b>		<u>1,173</u>	<u>193</u>	<u>5,169</u>	<u>6,535</u>
<b>Amounts recognised in the statement of financial position - 2024</b>					
<b>Liabilities</b>					
Provision for deferred government benefits for superannuation		18	(275)	77,363	77,106
Provision for pension entitlements		-	(7)	1,910	1,903
<b>Total liabilities recognised in the statement of financial position</b>	17	<u>18</u>	<u>(282)</u>	<u>79,273</u>	<u>79,009</u>
<b>Assets</b>					
Receivable for deferred government benefit for superannuation		43	(269)	77,302	77,076
<b>Total assets recognised in the statement of financial position</b>	10	<u>43</u>	<u>(269)</u>	<u>77,302</u>	<u>77,076</u>
<b>Net liability recognised in the statement of financial position</b>		<u>25</u>	<u>13</u>	<u>(1,971)</u>	<u>(1,933)</u>
<b>Net liability reconciliation - 2024</b>					
Defined benefit obligation		1,513	222	81,961	83,696
On-cost on pension entitlements		-	(7)	1,910	1,903
Fair value of plan assets		(1,495)	(497)	(4,598)	(6,590)
<b>Net liability</b>	17	<u>18</u>	<u>(282)</u>	<u>79,273</u>	<u>79,009</u>
Reimbursement right	10	<u>43</u>	<u>(269)</u>	<u>77,302</u>	<u>77,076</u>
<b>Total net liability/(asset)</b>		<u>(25)</u>	<u>(13)</u>	<u>1,971</u>	<u>1,933</u>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 33 Retirement benefit obligations (continued)

##### (d) Statement of financial position amounts (continued)

	Note	\$'000 SASS	\$'000 SANCS	\$'000 SSS	\$'000 Total
<b>Reimbursement rights - 2024</b>					
Opening value of reimbursement right		(86)	(224)	83,409	83,099
Contributions received for super schemes		(4)	(67)	(2,864)	(2,935)
Actuarial losses/(gains) arising from changes in financial assumptions		133	22	(3,243)	(3,088)
<b>Closing value of reimbursement right</b>	10	<u>43</u>	<u>(269)</u>	<u>77,302</u>	<u>77,076</u>
<b>Present value of obligation - 2024</b>					
Opening defined benefit obligation		1,351	194	87,629	89,174
Current service cost		-	7	-	7
Interest expense		51	7	3,405	3,463
		<u>1,402</u>	<u>208</u>	<u>91,034</u>	<u>92,644</u>
<b>Remeasurements</b>					
Actuarial losses/(gains) arising from changes in demographic assumptions		-	-	1,376	1,376
Actuarial losses/(gains) arising from changes in financial assumptions		12	4	(3,103)	(3,087)
Actuarial losses/(gains) arising from liability experience		133	17	(1,519)	(1,369)
		<u>145</u>	<u>21</u>	<u>(3,246)</u>	<u>(3,080)</u>
<b>Contributions</b>					
Plan Participants		13	-	6	19
<b>Payments from plan</b>					
Benefits paid		34	-	(5,242)	(5,208)
Taxes, premiums and expenses		(81)	(7)	(591)	(679)
		<u>(47)</u>	<u>(7)</u>	<u>(5,833)</u>	<u>(5,887)</u>
<b>Closing defined benefit obligation</b>		<u>1,513</u>	<u>222</u>	<u>81,961</u>	<u>83,696</u>
<b>Present value of plan assets - 2024</b>					
Opening fair value of plan assets		1,460	423	4,164	6,047
Interest (income)		57	18	188	263
		<u>1,517</u>	<u>441</u>	<u>4,352</u>	<u>6,310</u>
<b>Remeasurements</b>					
Return on fund assets less interest income		13	-	(8)	5
<b>Contributions</b>					
Employers		-	63	6,082	6,145
Fund participants		13	-	6	19
		<u>13</u>	<u>63</u>	<u>6,088</u>	<u>6,164</u>
<b>Payments from plan</b>					
Benefits paid		33	-	(5,243)	(5,210)
Taxes, premiums and expenses		(81)	(7)	(591)	(679)
		<u>(48)</u>	<u>(7)</u>	<u>(5,834)</u>	<u>(5,889)</u>
<b>Closing fair value of plans assets</b>		<u>1,495</u>	<u>497</u>	<u>4,598</u>	<u>6,590</u>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 33 Retirement benefit obligations (continued)

##### (e) Amounts recognised in other statements

The amounts recognised in the statement of comprehensive income are restricted to the following schemes and are included in retained earnings (note 20).

##### Amounts recognised in other comprehensive income - 2025

	\$'000	\$'000	\$'000	\$'000
	SASS	SANCS	SSS	Total
<b>Remeasurements</b>				
Actuarial losses (gains) arising from changes in financial assumptions	(21)	(6)	(2,340)	(2,367)
Actuarial losses (gains) arising from experience adjustments	528	175	(1,415)	(712)
Remeasurement of reimbursement right	(484)	(166)	3,739	3,089
Return on fund assets less interest income	(5)	-	16	11
<b>Total remeasurements in OCI</b>	<b>18</b>	<b>3</b>	<b>-</b>	<b>21</b>
<b>Total amounts recognised in the Statement of Comprehensive Income</b>	<b>18</b>	<b>3</b>	<b>-</b>	<b>21</b>

20

##### Amounts recognised in other comprehensive income - 2024

<b>Remeasurements</b>				
Actuarial losses (gains) arising from changes in demographic assumptions	-	-	1,376	1,376
Actuarial losses (gains) arising from changes in financial assumptions	12	4	(3,103)	(3,087)
Actuarial losses (gains) arising from experience adjustments	133	17	(1,519)	(1,369)
Remeasurement of reimbursement right	(133)	(22)	3,238	3,083
Return on fund assets less interest income	(13)	-	8	(5)
<b>Total remeasurements in OCI</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>(2)</b>
<b>Total amounts recognised in the Statement of Comprehensive Income</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>(2)</b>

20

## Notes to the Financial Statements For the Year Ended 31 December 2025

### 34 Acquittal of Australian government financial assistance

(a) Education - CGS and other Education grants	Commonwealth Grants Scheme #1		Indigenous, Regional and Low SES Attainment Fund #2		National Priorities and Industry Linkage Fund		Higher Education Disability Support Program #3		Indigenous Student Success Program		Other #4		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Parent Entity (University) Only	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	105,580	98,052	4,727	6,837	3,809	3,659	755	192	2,327	2,282	163	-	117,361	111,022
Net adjustments	1,759	8,116	-	(456)	-	-	-	-	-	-	-	-	1,759	7,660
<b>Revenue for the period</b>	<b>107,339</b>	<b>106,168</b>	<b>4,727</b>	<b>6,381</b>	<b>3,809</b>	<b>3,659</b>	<b>755</b>	<b>192</b>	<b>2,327</b>	<b>2,282</b>	<b>163</b>	<b>-</b>	<b>119,120</b>	<b>118,682</b>
Surplus/(deficit) from the previous year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>107,339</b>	<b>106,168</b>	<b>4,727</b>	<b>6,381</b>	<b>3,809</b>	<b>3,659</b>	<b>755</b>	<b>192</b>	<b>2,327</b>	<b>2,282</b>	<b>163</b>	<b>-</b>	<b>119,120</b>	<b>118,682</b>
Less expenses including accrued expenses	(107,339)	(106,168)	(4,727)	(6,381)	(3,809)	(3,659)	(478)	(192)	(2,327)	(2,282)	(163)	-	(118,843)	(118,682)
<b>Surplus/(deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>277</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>277</b>	<b>-</b>

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

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

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

#4 Includes the administrative component of Commonwealth Prac Payment receipts to support system and process implementation only.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 34 Acquittal of Australian government financial assistance (continued)

##### (b) Higher Education Loan Programs (excl OS-HELP)

	HECS-HELP (Australian Government payments only)		FEE-HELP #6		SA-HELP		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Parent Entity (University) Only</b>								
Cash Payable/(Receivable) at the beginning of the year	587	905	4,639	4,228	(123)	(91)	5,103	5,042
Financial assistance received in CASH during the reporting period	52,923	48,841	7,598	10,846	1,792	1,708	62,313	61,395
<b>Cash available for period</b>	<b>53,510</b>	<b>49,746</b>	<b>12,237</b>	<b>15,074</b>	<b>1,669</b>	<b>1,617</b>	<b>67,416</b>	<b>66,437</b>
Revenue earned net of adjustments	54,733	49,159	8,597	10,436	1,837	1,740	65,167	61,335
<b>Cash Payable/(Receivable) at end of year</b>	<b>(1,223)</b>	<b>587</b>	<b>3,640</b>	<b>4,638</b>	<b>(168)</b>	<b>(123)</b>	<b>2,249</b>	<b>5,102</b>

2.1(b)

#6 Program is in respect of Fee-HELP for Higher Education only, and excludes funds received in respect of VET FEE-HELP.

##### (c) Department of Education and Training Research

	Research Training Program		Research Support Program		Total	
	2025	2024	2025	2024	2025	2024
Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Parent Entity (University) Only</b>						
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	5,075	4,998	4,986	4,074	10,061	9,072
Net accrual adjustments	-	-	-	-	-	-
<b>Revenue for the period</b>	<b>5,075</b>	<b>4,998</b>	<b>4,986</b>	<b>4,074</b>	<b>10,061</b>	<b>9,072</b>
Surplus/(deficit) from the previous year	-	-	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>5,075</b>	<b>4,998</b>	<b>4,986</b>	<b>4,074</b>	<b>10,061</b>	<b>9,072</b>
Less expenses including accrued expenses	(5,075)	(4,998)	(4,986)	(4,074)	(10,061)	(9,072)
<b>Surplus/(deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

2.1(c)

## Notes to the Financial Statements For the Year Ended 31 December 2025

- 34 Acquittal of Australian government financial assistance (continued)
- (d) Total Higher Education Provider Research Training Program expenditure

	Total domestic students \$'000	Total overseas students \$'000
Research Training Program Fees offsets	3,663	241
Research Training Program Stipends	905	264
Research Training Program Allowances	-	2
<b>Total for all types of support</b>	<b>4,568</b>	<b>507</b>

- (e) Australian Research Council Grants

### Parent Entity (University) Only

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)

Net accrual adjustments

### Revenue for the period

Surplus/(deficit) from the previous year

### Total revenue including accrued revenue

Less expenses including accrued expenses

### Surplus/(deficit) for reporting period

Note	Discovery		Linkages		Total	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	1,294	1,449	453	601	1,747	2,050
	(31)	(541)	335	403	304	(138)
2.1(d)	1,263	908	788	1,004	2,051	1,912
	1,405	1,465	1,330	1,553	2,735	3,018
	2,668	2,373	2,118	2,557	4,786	4,930
	(1,168)	(968)	(1,644)	(1,227)	(2,812)	(2,195)
	1,500	1,405	474	1,330	1,974	2,735

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 34 Acquittal of Australian government financial assistance (continued)

##### (f) OS-HELP

	2025	2024
Parent Entity (University) Only	Note	\$'000
Cash received during the reporting period		347
Cash spent during the reporting period		(260)
<b>Net cash received</b>		<b>87</b>
Cash surplus from the previous period		1,150
<b>Cash surplus for reporting period</b>	15	<b>1,237</b>

##### (g) Higher Education Superannuation Program

<b>Parent Entity (University) Only</b>		
Cash received during the reporting period		4,435
University contribution in respect of current employees		(216)
Cash available		4,219
Cash surplus / (deficit) from the previous period		-
Cash available for current period		4,219
Contributions to specified defined benefit funds	10 / 33	(4,219)
<b>Cash surplus/(deficit) this period</b>		<b>-</b>

##### (h) Student Services and Amenities Fee

<b>Parent Entity (University) Only</b>		
Unspent/(overspent) revenue from previous period		1,670
SA-HELP revenue earned	2.1(b)	1,837
Student Services and Amenities Fees direct from students	2.3	2,715
<b>Total revenue expendable in period</b>		<b>6,222</b>
Student services expenses during period		(4,552)
<b>Unspent student services revenue</b>		<b>1,670</b>



## INDEPENDENT AUDITOR'S REPORT

### Southern Cross University

To Members of the New South Wales Parliament

### Opinion

I have audited the accompanying financial statements of Southern Cross University and its Controlled Entities (the University), which comprise the Statement by the Members of Council and the Responsible Persons' Declaration, Income Statement and Statement of Comprehensive Income for the year ended 31 December 2025, the Statement of Financial Position as at 31 December 2025, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes to the financial statements, including a Summary of material accounting policy information, and other explanatory information of the University and the consolidated entity. The consolidated entity comprises the University and the entities it controlled at the year's end or from time to time during the financial year.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act) and the Government Sector Finance Regulation 2024
- presents fairly, the financial position, financial performance and cash flows of the University and the consolidated entity
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-Profits Commission Act 2012* and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2022.

My opinion should be read in conjunction with the rest of this report.

### Basis for Opinion

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

I am independent of the University in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

## Key Audit Matters

Australian Auditing Standard ASA 701 'Communicating Key Audit Matters in the Independent Auditor's Report' applies to the audit of the general purpose financial statements of listed entities or when an auditor is required by legislation to communicate key audit matters in the auditor's report. There is no legislative requirement to communicate key audit matters in my independent audit report on the University. I have voluntarily included a narrative on Key Audit Matters to enhance the readability of my audit opinion.

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the year ended 31 December 2025. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, I do not provide a separate opinion on these matters.

Key Audit Matter	How my audit addressed the matter
<b>Valuation of defined benefit superannuation and long service leave liabilities</b>	
<p>At 31 December 2025, the University reported:</p> <ul style="list-style-type: none"> <li>defined benefit superannuation liabilities totalled \$73.6 million</li> <li>employee long service leave liabilities totalled \$25.8 million.</li> </ul> <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> <li>the defined benefit superannuation and long service leave liabilities are financially significant to the University's financial position</li> <li>there is a risk the data used in the defined benefit superannuation and long service leave liability valuation models (the models) is not accurate and/or complete</li> <li>the underlying models used to value the liabilities are complex due to a high level of judgement and estimation involved in the valuation assumptions, including discount rates and salary inflation</li> <li>the value of the liabilities is sensitive to minor changes in key valuation inputs.</li> </ul> <p>Further information on the valuation of defined benefit superannuation and long service leave liabilities is included in Note 17 'Provisions' and Note 33 'Retirement benefit obligations'.</p>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> <li>obtaining an understanding of the processes and key controls in place for defined benefit superannuation liabilities supporting the: <ul style="list-style-type: none"> <li>membership data used in the model</li> <li>defined benefit superannuation liability calculation</li> </ul> </li> <li>assessing the completeness and mathematical accuracy of the data used in the models</li> <li>obtaining management's actuarial reports and year-end adjustments, and for defined benefit superannuation liabilities, engaged a qualified actuary ('auditor's expert') to assess the: <ul style="list-style-type: none"> <li>competence and capability of management's independent experts</li> <li>appropriateness of the models</li> <li>reasonableness of key assumptions used</li> <li>reasonableness of the reported liability balances</li> </ul> </li> <li>assessing the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards.</li> </ul>
<b>Valuation of other financial assets (investments)</b>	
<p>At 31 December 2025, the University held non-current investments of \$143 million measured at fair value. The University's non-current investments are managed by external fund managers and a contracted services organisation.</p> <p>I considered this to be a key audit matter because:</p> <ul style="list-style-type: none"> <li>of the significance of the balance to the University's financial position</li> <li>the University holds a portfolio of assets classified</li> </ul>	<p>Key audit procedures included the following:</p> <ul style="list-style-type: none"> <li>confirming the existence and completeness of balances at 31 December 2025 with external counterparties</li> <li>for unit trust and equities assets, obtaining valuation confirmations directly from the external fund managers, and assessing the reliability of the information received</li> </ul>

Key Audit Matter	How my audit addressed the matter
<p>as 'Level 3' according to the fair value hierarchy under Australian Accounting Standards (i.e. where significant unobservable inputs are used in the valuation). The University's Level 3 assets of \$24.4 million include unlisted equity securities. Assessing the fair value of these assets requires judgment as the valuation inputs are not based on observable market transactions or other readily available market data of the degree of judgement and estimation uncertainty associated with the valuation.</p> <p>Further information on investments is included in Note 11 'Other financial assets' and Note 32 'Fair value measurement'.</p>	<ul style="list-style-type: none"> <li>assessing the adequacy of the financial statement disclosures against the requirements of applicable Australian Accounting Standards</li> </ul>

## Other Information

The University's annual reporting information for the year ended 31 December 2025 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Members of Council of the University is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Report by the Members of the Council.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

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

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## Members of Council's Responsibilities for the Financial Statements

The Members of Council are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and the 'Financial Statement Guidelines for Australian Higher Education Providers for the 2025 Reporting Period' the *Australian Charities and Not-for-Profits Commission Act 2012*. The Members of Council's responsibilities also includes such internal control as the Members of Council determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members of Council is responsible for assessing the University's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/media/5fkcysek/ar5\\_2024.pdf](https://www.auasb.gov.au/media/5fkcysek/ar5_2024.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the University carried out its activities effectively, efficiently and economically
- as to the appropriateness of the certifications in the Statement by the Members of Council that the:
  - amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended, and the University has complied with applicable legislation, contracts, agreements and program Guidelines in making the expenditure
  - University charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* (HES Act) and the Administration Guidelines under the Act. Revenue from the fees was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19 clause 38 (4) of the Act
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Min Ellis  
Director Financial Audit

Delegate of the Auditor-General for New South Wales

17 April 2026  
SYDNEY



To the Chancellor and Vice-Chancellor  
Southern Cross University

### **Auditor's Independence Declaration**

As auditor for the audit of the financial statements of Southern Cross University for the year ended 31 December 2025, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read "Min Ellis".

Min Ellis  
Director Financial Audit

Delegate of the Auditor-General for New South Wales

17 April 2026  
SYDNEY

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# Southern Cross Campus Services Limited

ABN 57 003 082 406

Financial Statements for the  
Year Ended 31 December 2025

## Financial Statements

### Contents

	Page
Directors' Report	119
Directors' Financial Declaration	121
Statement of Profit or Loss and Other Comprehensive Income	122
Statement of Financial Position	123
Statement of Changes in Equity	124
Statement of Cash Flows	125
Notes to the Financial Statements	126
Independent Auditor's Report	140
Auditor's Independence Declaration	143

## Directors' Report

### For the Year Ended 31 December 2025

The directors present their report on Southern Cross Campus Services Limited ("the Company") for the financial year ended 31 December 2025.

#### Information on directors

The names of each person who has been a director during the year and to the date of this report are:

<b>Paul Deegan</b>	Appointed to the Board on 21 September 2010
Qualifications	BBuild (UNSW), Licensed Real Estate Agent
Special responsibilities	Independent Director
<b>Professor Leslie Christidis</b>	Appointed to the Board on 12 April 2018
Qualifications	BSc(Hons), PhD(ANU)
Special responsibilities	Associate Deputy Vice Chancellor (Research) and Dean at Southern Cross University
<b>Allan Morris</b>	Appointed to the Board on 21 February 2019; Resigned on 19 December 2025
Qualifications	Grad Dip InfoTech (Monash), GAICD, MACS (Senior)
Special responsibilities	Vice President (Operations) at Southern Cross University
<b>Travis Walker</b>	Appointed to the Board on 21 February 2019
Qualifications	BBus (Accounting) (RMIT), MBA (La Trobe), CPA
Special responsibilities	Vice President (Finance) at Southern Cross University

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Company Secretary

Mark Dixon, Director Governance Services at Southern Cross University, was appointed as Company Secretary on 21 May 2024.

#### Principal activities

The principal activity of Southern Cross Campus Services Limited ("the Company") during the year was to provide on-campus amenities and services to students and staff of Southern Cross University ("the University"). These principal activities included operating catering services, fitness facilities and managing residential accommodation.

No significant changes in the nature of the Company's activities occurred during the financial year.

#### Company objectives and strategy

The Company's short and long term objective is to lift engagement by providing meaningful services and amenities to students and staff of the University. To achieve these objectives, the Company has adopted the strategy to provide high quality service in the provision of on-campus food and beverage services, fitness facilities and other amenities. The financial and operating performances are assessed against an approved budget, feedback received from the University and users of the Company's services and metrics relating to student and staff usage of facilities provided.

#### Operating result

The Company reported a net deficit of \$333,276 (2024: net deficit of \$458,673) with the improved student occupancy driving the better result. Occupancy in the student residential accommodation rose to 81% compared to 72% in the prior year.

## Directors' Report

### For the Year Ended 31 December 2025

#### Members guarantee

The Company is a not-for-profit entity, incorporated under the *Corporations Act 2001* and limited by guarantee. As the sole member, Southern Cross University, undertakes to contribute to the property of the Company, in the event of it being wound up, such an amount as may be required not exceeding \$20. At 31 December 2025, the collective liability of members was \$20 (2024: \$20).

#### Going concern

The financial report has been prepared on a going concern basis. As at 31 December 2025, the Company had net liabilities of \$439,837 (2024: net liabilities of \$106,561), net current liabilities of \$698,195 (2024: \$203,578), recorded net cash outflows from operating activities of \$82,063 (2024: \$358,500), and incurred a loss of \$333,276 (2024: loss of \$458,673) for the year then ended.

The directors believe the going concern basis of preparation is appropriate given the Company has received a guarantee of continuing financial support from the Company's ultimate parent entity, Southern Cross University, and the Directors believe that such financial support will continue to be made available.

#### Meetings of directors

During the financial year, one meeting of directors was held. Attendances by each director during the year were as follows:


	Directors' Meetings	
	Number eligible to attend	Number attended
Paul Deegan	1	-
Professor Leslie Christidis	1	1
Allan Morris (Resigned 19 December 2025)	1	1
Travis Walker	1	1

#### Auditor's independence declaration

The auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Regulations 2022* (ACNC Regulation) for the year ended 31 December 2025 has been received and can be found on page 143 of the financial report.

Signed on behalf of and in accordance with the resolution of the Board of Directors:

Director:   
Travis Walker

Director:   
Professor Leslie Christidis

Dated 8 April 2026

## Directors' Financial Declaration

The directors of the Company declare that:

1. The financial statements and notes, set out on pages 122 to 139, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and section 7.6(4) of the *Government Sector Finance Act 2018* and:
  - a. comply with Australian Accounting Standards, the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2024*, the *Australian Charities and Not-for-profit Commission Act 2012*, *Australian Charities and Not-for-profit Commission Regulations 2022* and other mandatory professional reporting requirements; and
  - b. presents fairly the financial position as at 31 December 2025 and the financial performance and cash flows for the year then ended.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.


This declaration is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022* and with a resolution of the Board of Directors.

Director .....



Travis Walker

Director .....



Professor Leslie Christidis

Dated 8 April 2026

## Statement of Profit or Loss and Other Comprehensive Income

### For the Year Ended 31 December 2025

		2025	2024
	Note	\$	\$
Revenue	2	4,642,074	3,869,772
Other income	2	9,427	-
Costs of goods sold		(506,721)	(417,644)
Employee benefits expense	3	(1,471,551)	(1,009,115)
Impairment expense	4	2,201	1,621
Depreciation expense	9	(52,797)	(48,775)
Other expenses	5	(2,948,972)	(2,845,382)
Borrowing costs	10	(6,937)	(9,150)
<b>Net loss for the year</b>		<b>(333,276)</b>	<b>(458,673)</b>
<b>Total comprehensive loss for the year</b>		<b>(333,276)</b>	<b>(458,673)</b>

The accompanying notes form part of these financial statements.

**Statement of Financial Position****As At 31 December 2025**

	Note	2025 \$	2024 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	378,851	654,949
Trade and other receivables	7	104,387	59,001
Inventories	8	30,285	7,722
Prepayments		4,481	5,367
<b>TOTAL CURRENT ASSETS</b>		<b>518,004</b>	<b>727,039</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	319,179	193,536
<b>TOTAL NON-CURRENT ASSETS</b>		<b>319,179</b>	<b>193,536</b>
<b>TOTAL ASSETS</b>		<b>837,183</b>	<b>920,575</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	616,518	591,527
Lease liabilities	10	44,042	44,042
Provisions	12	258,128	31,430
Other liabilities	13	223,686	194,470
Contract liabilities	14	73,825	69,148
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,216,199</b>	<b>930,617</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities	10	48,800	86,140
Provisions	12	12,021	10,379
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>60,821</b>	<b>96,519</b>
<b>TOTAL LIABILITIES</b>		<b>1,277,020</b>	<b>1,027,136</b>
<b>NET LIABILITIES</b>		<b>(439,837)</b>	<b>(106,561)</b>
<b>NET DEFICIENCY</b>			
Accumulated losses	15	(439,837)	(106,561)
<b>NET DEFICIENCY</b>		<b>(439,837)</b>	<b>(106,561)</b>

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity

### For the Year Ended 31 December 2025

	Retained Earnings/ (Accumulated losses)
Note	\$
<b>Balance at 1 January 2024</b>	<u>352,112</u>
Net loss for the year	<u>(458,673)</u>
<b>Balance at 31 December 2024</b>	<u>15</u> <u>(106,561)</u>
<b>Balance at 1 January 2025</b>	<u>(106,561)</u>
Net loss for the year	<u>(333,276)</u>
<b>Balance at 31 December 2025</b>	<u>15</u> <u>(439,837)</u>

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

### For the Year Ended 31 December 2025

	2025	2024
Note	\$	\$
<b>Cash flows from operating activities:</b>		
Receipts from customers	4,877,104	4,082,769
Payments to suppliers and employees	(4,921,493)	(4,416,727)
Interest received	28,238	39,933
Interest and other costs of finance	(6,937)	(9,150)
Net GST recovered/(paid)	(58,975)	(55,325)
<b>Net cash used in operating activities</b>	<b>16 (82,063)</b>	<b>(358,500)</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of plant and equipment	24,401	-
Payments for property, plant and equipment	(181,096)	-
<b>Net cash used in investing activities</b>	<b>(156,695)</b>	<b>-</b>
<b>Cash flows from financing activities:</b>		
Amounts advanced from related parties	-	2,826,759
Repayments of loans to related parties	-	(2,665,000)
Repayment of lease liabilities	(37,340)	(35,127)
<b>Net cash generated by/(used in) financing activities</b>	<b>(37,340)</b>	<b>126,632</b>
<b>Net decrease in cash and cash equivalents held</b>	<b>(276,098)</b>	<b>(231,868)</b>
Cash and cash equivalents at beginning of year	654,949	886,817
<b>Cash and cash equivalents at end of financial year</b>	<b>6 378,851</b>	<b>654,949</b>

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

For the Year Ended 31 December 2025

Contents	Page
<b>Notes to the Financial Statements</b>	
<b>Note 1</b> Summary of Material Accounting Policy Information	127
<b>Note 2</b> Revenue and other Income	129
<b>Note 3</b> Employee related expenses	130
<b>Note 4</b> Impairment of assets	130
<b>Note 5</b> Other expenses	130
<b>Note 6</b> Cash and cash equivalents	131
<b>Note 7</b> Trade and other receivables	131
<b>Note 8</b> Inventories	131
<b>Note 9</b> Property, plant and equipment	132
<b>Note 10</b> The Company at Lesse	134
<b>Note 11</b> Trade and other payables	135
<b>Note 12</b> Provisions	135
<b>Note 13</b> Other liabilities	136
<b>Note 14</b> Contract liabilities	137
<b>Note 15</b> Accumulted losses	137
<b>Note 16</b> Cash flow information	137
<b>Note 17</b> Key management personnel disclosures	138
<b>Note 18</b> Related Parties	138
<b>Note 19</b> Remuneration of auditors	139
<b>Note 20</b> Contingencies	139
<b>Note 21</b> Events Occuring After the Reporting Date	139

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 1 Summary of Material Accounting Policy Information

Southern Cross Campus Services Limited ("the Company") is a not-for-profit company incorporated in Australia and a controlled entity of Southern Cross University.

The registered office of the Company is Military Road, East Lismore NSW 2480.

##### (a) Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with:

- Australian Accounting Standards (AAS) and other pronouncements of the Australian Accounting Standards Board (AASB);
- *Government Sector Finance Act 2018* and the *Government Sector Finance Regulation 2024*; and
- *Australian Charities and Not-for-profit Commission Act 2012* and Section 60-40 of the *Australian Charities and Not-for-profit Commission Regulations 2022 (ACNC Regulation)*.

The significant accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated. The financial statements are based on historical costs.

The financial statements were authorised for issue by the directors of Southern Cross Campus Services Limited on 8 April 2026.

##### *Critical accounting estimates*

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying Southern Cross Campus Services Limited's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

- Measurement and recognition of employee benefits provisions (Note 12)
- Impairment of trade and other receivables (Note 7)
- Estimated useful life assessments of property, plant and equipment assets (Note 9)
- Measurement and recognition of right-of-use assets and lease liabilities (Notes 9 and 10)

##### *Functional and presentation currency*

The Company's financial statements are presented in Australian dollars.

##### *Going concern*

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

As at 31 December 2025, the Company had net liabilities of \$439,837 (2024: net liabilities of \$106,561), net current liabilities of \$698,195 (2024: \$203,578), recorded net cash outflows from operating activities of \$82,063 (2024: \$358,500), and incurred a loss of \$333,276 (2024: loss of \$458,673) for the year then ended.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 1 Summary of Material Accounting Policy Information (continued)

##### (a) Basis of Preparation (continued)

In forming a view as to the ability of the Company to continue as a going concern, the Directors have given consideration to all available information and actions planned, including:

- pursuing new revenue streams and cost saving measures; and
- the Company has received a letter of unconditional support from Southern Cross University, the Company's ultimate parent entity. The parent entity will support the Company financially to ensure the Company can pay its debts as and when they fall due.

The Directors have concluded that there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due and payable and the basis of preparation of the financial report on a going concern basis is appropriate.

##### (b) Comparative Amounts

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

Comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

##### (c) Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

##### (d) Goods and Services Tax (GST)

Revenue, expenses and assets 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).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

##### (e) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but do not expect any impact on the reported position or performance of the Company.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 2 Revenue and Other Income

	2025	2024
	\$	\$
<b>Revenue</b>		
Student accommodation	2,674,600	2,153,275
Interest	27,221	38,938
Membership and miscellaneous sales	884,428	858,826
Facilities hire revenue	37,333	39,560
Catering revenue	1,005,927	779,173
Other revenue	12,565	-
<b>Total revenue</b>	<b>4,642,074</b>	<b>3,869,772</b>
<b>Other Income</b>		
Net gain on disposal of plant and equipment	9,427	-
<b>Total other income</b>	<b>9,427</b>	<b>-</b>

#### Accounting policy

##### Revenue from contracts with customers

The core principle of AASB 15 *Revenue from Contracts with Customers* is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

##### Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

###### (i) Rendering of services

Revenue from rendering of services is recognised over time in the accounting period in which the services are rendered. For fixed price contracts, revenue is recognised based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided as the customer receives and uses the benefit simultaneously.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 2 Revenue and Other Income (continued)

##### Accounting policy (continued)

##### (ii) Sale of goods

Revenue from the sale of goods, including catering, is recognised at the point of delivery to the customer as this is deemed to be the point in time when the performance obligation is satisfied.

##### (iii) Membership and Residential Accommodation revenue

Membership and residential accommodation revenue is recognised as income in the year of receipt, except to the extent that revenue relates to future periods. Such periods (or portion thereof) are treated as contract liabilities in the statement of financial position.

#### 3 Employee Related Expenses

	2025	2024
Note	\$	\$
Salaries	1,215,917	827,960
Superannuation	150,948	95,635
Payroll tax	62,245	50,021
Workers compensation	2,542	2,572
Long service leave	1,641	6,303
Annual leave	38,258	26,624
<b>Total employee related expenses</b>	<b>1,471,551</b>	<b>1,009,115</b>

#### 4 Impairment of assets

Impairment of trade receivables	7	(2,201)	(1,621)
<b>Total impairment of receivables</b>		<b>(2,201)</b>	<b>(1,621)</b>

##### Accounting Policy

When a trade receivable is uncollectible, the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within 'impairment expense'. Subsequent recoveries of amounts previously written off are credited to 'other revenue' in the statement of profit or loss and other comprehensive income.

#### 5 Other expenses

Audit fees, bank charges, insurance & taxes	81,070	95,507
Consulting & professional fees	196,306	19,033
Non-capitalised equipment & maintenance	93,557	98,464
Property & facility costs	2,403,706	2,412,343
Travel, entertainment & staff development	11,223	14,389
Other expenses	163,110	205,646
<b>Total other expenses</b>	<b>2,948,972</b>	<b>2,845,382</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 6 Cash and cash equivalents

	2025	2024
	\$	\$
Cash at bank and on hand	378,851	654,949
<b>Total cash and cash equivalents in the statement of financial position and cashflows</b>	<b>378,851</b>	<b>654,949</b>

#### Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

#### 7 Trade and other receivables

##### Current

Trade and other receivables	115,615	93,005
Less: Allowance for expected credit losses	(13,702)	(37,558)
	101,913	55,447
GST receivable	2,474	3,554
<b>Total current trade and other receivables</b>	<b>104,387</b>	<b>59,001</b>

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for expected credit losses. The Company's standard terms of trade receivables is 30 days from the date of recognition. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

#### Movements in the provision for impaired receivables are as follows:

At 1 January	37,558	39,179
Provision for expected credit losses	(2,201)	(1,621)
Amounts written off as uncollectible	(21,655)	-
<b>At 31 December</b>	<b>13,702</b>	<b>37,558</b>

#### Impairment

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

#### 8 Inventories

##### Current

Food and beverage stock - at cost	30,285	7,722
<b>Total current inventories</b>	<b>30,285</b>	<b>7,722</b>

**Notes to the Financial Statements****For the Year Ended 31 December 2025****8 Inventories (continued)****Accounting policy**

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the first-in-first-out basis and are net of any rebates and discounts received. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the costs necessary to make the sale. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

**9 Property, plant and equipment**

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Plant and equipment</b>		
At cost	<b>288,791</b>	107,695
Accumulated depreciation	<b>(55,212)</b>	(40,460)
<b>Total plant and equipment</b>	<b>233,579</b>	67,235
<b>Motor vehicles</b>		
At cost	-	5,312
Accumulated depreciation	-	(2,656)
<b>Total motor vehicles</b>	-	2,656
<b>Right-of-use asset (Equipment)</b>		
At cost	<b>190,223</b>	190,223
Accumulated depreciation	<b>(104,623)</b>	(66,578)
<b>Total right-of-use asset (equipment)</b>	<b>85,600</b>	123,645
<b>Total property, plant and equipment</b>	<b>319,179</b>	193,536

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 9 Property, plant and equipment (continued)

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are as follows:

	Plant and Equipment	Motor Vehicles	Right-of-Use Asset (Equipment)	Total
	\$	\$	\$	\$
<b>Year ended 31 December 2024</b>				
Opening net book value	77,965	2,656	161,690	242,311
Depreciation expense	(10,730)	-	(38,045)	(48,775)
<b>Closing net book amount</b>	<b>67,235</b>	<b>2,656</b>	<b>123,645</b>	<b>193,536</b>
<b>Year ended 31 December 2025</b>				
Opening net book value	<b>67,235</b>	<b>2,656</b>	<b>123,645</b>	<b>193,536</b>
Additions	<b>181,096</b>	-	-	<b>181,096</b>
Disposals	-	<b>(2,656)</b>	-	<b>(2,656)</b>
Depreciation expense	<b>(14,752)</b>	-	<b>(38,045)</b>	<b>(52,797)</b>
<b>Closing net book amount</b>	<b>233,579</b>	-	<b>85,600</b>	<b>319,179</b>

#### Accounting policy

All property, plant and equipment is stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, over their estimated useful lives, as follows:

Class of Asset	Useful life (yrs)
Plant and Equipment	5 - 10
Motor Vehicles	3 - 10
Right-of-use asset (Equipment)	5

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 10 The Company as Lessee

##### (a) Nature of leasing activities as a lessee

In 2023, the Company entered into a 5-year lease for plant and equipment due to expire in 2028.

##### (b) Amounts recognised in the Statement of Profit or Loss and Other Comprehensive Income

	2025	2024
	\$	\$
Interest on lease liabilities	6,937	9,150
<b>Total</b>	<b>6,937</b>	<b>9,150</b>

##### (c) Maturity analysis - undiscounted contractual cash flows

Less than one year	44,277	44,277
One to five years	55,346	99,623
More than five years	-	-
<b>Total undiscounted lease payments receivable</b>	<b>99,623</b>	<b>143,900</b>
Future finance charges	(6,781)	(13,718)
<b>Lease liabilities recognised in the statement of financial position</b>	<b>92,842</b>	<b>130,182</b>
<b>Current lease liabilities</b>	<b>44,042</b>	<b>44,042</b>
<b>Non-current lease liabilities</b>	<b>48,800</b>	<b>86,140</b>
	<b>92,842</b>	<b>130,182</b>

##### (d) Accounting Policy

At inception of a contract, the Company assesses whether a lease exists.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however, where this cannot be readily determined, the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 11 Trade and other payables

	Note	2025 \$	2024 \$
<b>Current</b>			
Trade payables		294,825	348,861
Related party payables	18(c)	315,299	238,324
Other payables		6,394	4,342
<b>Total current trade and other payables</b>		<b>616,518</b>	<b>591,527</b>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

#### Accounting policy

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

#### 12 Provisions

##### Current provisions expected to be settled wholly within 12 months

##### Employee benefits

Annual leave		29,243	24,663
Long service leave		17	18
Employment payment remediation	12(a)	222,978	-
		<b>252,238</b>	<b>24,681</b>

##### Current provisions expected to be settled wholly after more than 12 months

##### Employee benefits

Annual leave		5,890	6,749
		<b>5,890</b>	<b>6,749</b>
<b>Total current provisions</b>		<b>258,128</b>	<b>31,430</b>

##### Non-current provisions

##### Employee benefits

Long service leave		12,021	10,379
<b>Total non-current provisions</b>		<b>12,021</b>	<b>10,379</b>

##### Total provisions

		<b>270,149</b>	<b>41,809</b>
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#### (a) Underpayments

The Company has undertaken a program of work to identify and rectify issues related to payment of wages. During 2025, all remediation payments relating to current employees were settled. A provision has been recognised at year-end for former employees, with these payments expected to be made within the next 12 months.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 12 Provisions (continued)

##### Accounting policy

Where the Company has no right to defer the payment of employee benefits beyond 12 months, these are classified as current provision.

##### *i) Wages and salaries*

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses which are expected to be settled wholly before 12 months after the end of the period are measured at the amount expected to be paid when the liability is settled and recognised in other payables.

##### *ii) Annual leave and sick leave*

A current liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date.

##### *iii) Long service leave*

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

##### *iv) Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits not expected to be settled wholly before 12 months after balance date are discounted to present value.

#### 13 Other Liabilities

	2025	2024
	\$	\$
<b>Current</b>		
Security deposits	223,686	194,470
<b>Total current other liabilities</b>	<u>223,686</u>	<u>194,470</u>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 14 Contract liabilities

	2025	2024
	\$	\$
<b>Current</b>		
Income received in advance	73,825	69,148
<b>Total current contract liabilities</b>	<b>73,825</b>	<b>69,148</b>

#### 15 Accumulated losses

(Accumulated losses)/ Retained earnings at the beginning of the financial year	(106,561)	352,112
Net loss for the year	(333,276)	(458,673)
<b>Accumulated losses at end of the financial year</b>	<b>(439,837)</b>	<b>(106,561)</b>

#### 16 Cash flow information

##### Reconciliation of net income for the year to net cash used in operating activities

Net result for the year	(333,276)	(458,673)
Non-cash flows in net result:		
Depreciation expense	52,797	48,775
Net (gain)/loss on disposal of non-current assets	(21,745)	-
Impairment of trade receivables	(2,201)	(1,621)
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(43,185)	20,405
(Increase)/decrease in inventories	(22,563)	(1,917)
(Increase)/decrease in other assets	886	(2,872)
Increase/(decrease) in trade and other payables	24,991	21,903
Increase/(decrease) in provisions	228,340	15,254
Increase/(decrease) in other liabilities	29,216	37,761
Increase/(decrease) in contract liabilities	4,677	(37,515)
<b>Cash flows used in operating activities</b>	<b>(82,063)</b>	<b>(358,500)</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 17 Key Management Personnel Disclosures

##### (a) Directors

The names of directors of Southern Cross Campus Services Limited who held office during the year are:

Paul Deegan  
Professor Les Christidis  
Allan Morris (Resigned 19 December 2025)  
Travis Walker

The above persons have been in office since the start of the year unless otherwise stated.

##### (b) Directors and responsible officers' remuneration

No income is paid or payable, or otherwise made available, to board members by the Company in connection with the management of affairs of the Company.

The independent board member, Paul Deegan, is external to the Company and is not remunerated. The remaining board members and responsible officers are remunerated by the Company's ultimate parent entity, Southern Cross University.

#### 18 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

##### (a) Ultimate Parent Entity

The Company is a wholly owned subsidiary of its ultimate parent entity, Southern Cross University.

##### (b) Transactions with related parties

The following transactions occurred with related parties:

	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Parent</b>		
Catering services	<b>94,777</b>	64,172
Facilities hire and other costs	<b>(367,670)</b>	(438,048)

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 18 Related Parties (continued)

##### (c) Balances to related parties

The parent entity, Southern Cross University, meets expenses of the Company that are processed through inter-entity accounts with the University. These are treated as payments and receipts for the purpose of the statement of cash flows. The balance of these transactions at the end of the reporting period are:

	Note	2025 \$	2024 \$
<b>Current</b>			
Amount payable to:			
Ultimate parent entity	11	<u>315,299</u>	238,324
<b>Total current balances to related parties</b>		<u><u>315,299</u></u>	<u>238,324</u>

The outstanding balances are unsecured and have been provided on interest-free terms.

##### (d) Related party services not recognised

Southern Cross University provides the Company with a range of administrative, technology and other support services at no cost.

#### 19 Remuneration of Auditors

##### Audit of the Financial Statements:

Fees paid to the Audit Office of NSW	<u>24,597</u>	23,880
<b>Total remuneration of auditor</b>	<u><u>24,597</u></u>	<u>23,880</u>

#### 20 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2025 (31 December 2024: None).

#### 21 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.



## INDEPENDENT AUDITOR'S REPORT

### Southern Cross Campus Services Limited

To Members of Southern Cross Campus Services Limited

#### Opinion

I have audited the accompanying financial statements of Southern Cross Campus Services Limited (the Company), which comprise the Directors' Financial Declaration, the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2025, the Statement of Financial Position as at 31 December 2025, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a Summary of Material Accounting Policy Information and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation)
- presents fairly the Company's financial position, financial performance and cash flows
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*

My opinion should be read in conjunction with the rest of this report.

#### Basis for Opinion

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

I am independent of the Company in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

## **Other Information**

The Company's annual reporting information for the year ended 31 December 2025 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The directors of the Company are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Directors' Report.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

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

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## **Directors' Responsibilities for the Financial Statements**

The directors of the Company are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and the *Australian Charities and Not-for-profits Commission Act 2012*. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Company carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in black ink, appearing to read 'Min Ellis', with a stylized, cursive script.

Min Ellis  
Director Financial Audit

Delegate of the Auditor-General for New South Wales

10 April 2026  
SYDNEY



To the Directors

Southern Cross Campus Services Limited

### **Auditor's Independence Declaration**

As auditor for the audit of the financial statements of Southern Cross Campus Services Limited for the year ended 31 December 2025, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to be "Min Ellis".

Min Ellis  
Director Financial Audit

Delegate of the Auditor-General for New South Wales

10 April 2026  
SYDNEY

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# SCU Ventures Pty Limited

ABN 81 165 638 719

Financial Statements for the  
Year Ended 31 December 2025

## Financial Statements

### Contents

	Page
Director's Report	147
Director's Financial Declaration	149
Statement of Profit or Loss and Other Comprehensive Income	150
Statement of Financial Position	151
Statement of Changes in Equity	152
Statement of Cash Flows	153
Notes to the Financial Statements	154
Independent Auditor's Report	171
Auditor's Independence Declaration	174

## Director's Report

### For the Year Ended 31 December 2025

The director presents his report on SCU Ventures Pty Limited ("the Company") for the financial year ended 31 December 2025.

#### Information on directors

The names of each person who has been a director during the year and to the date of this report are:

<b>Travis Walker</b>	Appointed to the Board on 1 December 2023
Qualifications	BBus (Accounting) (RMIT), MBA (La Trobe), CPA
Special responsibilities	Vice President (Finance) at Southern Cross University

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

#### Principal activities

The principal activity of SCU Ventures Pty Limited ("the Company") during the year are the delivery of SCU educational courses to students of Southern Cross University ("SCU" or "the University"). These principal activities include the operation of the SCU branch campuses located in Sydney, Melbourne, Perth and Brisbane.

#### Company objectives and strategy

The Company's short and long term objective is to maintain the reputation, quality and values of Southern Cross University in delivering education courses at the metropolitan branch campuses. The courses offered at these locations were historically focused on Hotel Management and Business courses, with a successful expansion into Education courses in 2025. The Company also consolidated its campuses in Melbourne and Sydney into one site for each city and is in the process of moving to a new site in Perth to improve the student experience and attractiveness.

#### Operating result

The Company reported a net surplus of \$10,152,832 for the year ended 31 December 2025 (2024: net deficit \$4,624,958). This significant turnaround in operating performance reflects the absence of one-off acquisition-related costs incurred in 2024, the full-year contribution of businesses acquired in late 2024, and increased enrolments across the campuses in 2025.

#### Dividends paid or recommended

During the financial year, the Company paid an unfranked dividend of \$7,000,000 (2024: \$NIL) to its ultimate holding company, Southern Cross University, which is a registered charity.

#### Meetings of directors

During the financial year, two meetings of directors were held with all directors attending.

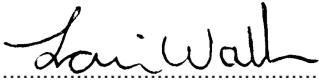
#### Auditor's independence declaration

The auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Regulations 2022* (ACNC Regulation) for the year ended 31 December 2025 has been received and can be found on page 174 of the financial report.

## Director's Report

### For the Year Ended 31 December 2025

Signed on behalf of and in accordance with the resolution of the Board of Directors:

Director: .....  
Travis Walker

Dated 8 April 2026

## Directors' Financial Declaration

The director of the Company declares that:

1. The financial statements and notes, set out on pages 150 to 170, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and section 7.6(4) of the *Government Sector Finance Act 2018* and:
  - a. comply with Australian Accounting Standards, the *Government Sector Finance Act 2018*, the *Government Sector Finance Regulation 2024*, the *Australian Charities and Not-for-profit Commission Act 2012*, *Australian Charities and Not-for-profit Commission Regulations 2022* and other mandatory professional reporting requirements; and
  - b. presents fairly the financial position as at 31 December 2025 and the financial performance and cash flows for the year then ended.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of its ultimate parent entity.

This declaration is signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2022* and with a resolution of the Board of Directors.

Director .....



Travis Walker

Dated 08 April 2026

## Statement of Profit or Loss and Other Comprehensive Income

### For the Year Ended 31 December 2025

		2025	1 Dec 2023 - 31 Dec 2024
	Note	\$	\$
Revenue and other income	2	47,042,660	15,749,650
Employee benefits expense	3	(14,195,363)	(7,364,175)
Impairment expense	4	(3,393,963)	(41,376)
Depreciation expense	10	(4,312,508)	(3,562,902)
Other expenses	5	(14,364,684)	(8,730,972)
Loss on disposal of assets	10	-	(49,000)
Borrowing costs	11	(623,310)	(626,183)
<b>Net profit/(loss) for the year</b>		<b>10,152,832</b>	<b>(4,624,958)</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>10,152,832</b>	<b>(4,624,958)</b>

The accompanying notes form part of these financial statements.

**Statement of Financial Position****As At 31 December 2025**

	2025	2024
Note	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	7 <b>788,744</b>	626,494
Trade and other receivables	8 <b>5,763,785</b>	410,364
Prepayments	<b>61,842</b>	33,924
Security deposits	9 <b>193,733</b>	633,421
<b>TOTAL CURRENT ASSETS</b>	<b>6,808,104</b>	1,704,203
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	10 <b>9,831,438</b>	12,336,632
Goodwill	6 <b>363,842</b>	363,842
<b>TOTAL NON-CURRENT ASSETS</b>	<b>10,195,280</b>	12,700,474
<b>TOTAL ASSETS</b>	<b>17,003,384</b>	14,404,677
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Trade and other payables	12 <b>3,380,326</b>	4,829,592
Lease liabilities	11 <b>4,120,277</b>	3,703,951
Provisions	13 <b>1,048,733</b>	840,040
<b>TOTAL CURRENT LIABILITIES</b>	<b>8,549,336</b>	9,373,583
<b>NON-CURRENT LIABILITIES</b>		
Trade and other payables	12 -	400,000
Lease liabilities	11 <b>7,511,867</b>	6,568,028
Provisions	13 <b>678,573</b>	952,290
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>8,190,440</b>	7,920,318
<b>TOTAL LIABILITIES</b>	<b>16,739,776</b>	17,293,901
<b>NET ASSETS/ (NET LIABILITIES)</b>	<b>263,608</b>	(2,889,224)
<b>EQUITY/ (NET DEFICIENCY)</b>		
Issued capital	<b>1</b>	1
Reserves	14 <b>1,382,381</b>	1,382,381
Accumulated losses	15 <b>(1,118,774)</b>	(4,271,606)
<b>EQUITY/ (NET DEFICIENCY)</b>	<b>263,608</b>	(2,889,224)

The accompanying notes form part of these financial statements.

## Statement of Changes in Equity

For the Year Ended 31 December 2025

	Note	Issued Capital \$	Retained Earnings/ (Accumulated Losses) \$	Contribution (Common Control) Reserve \$	Total \$
<b>Balance at 1 December 2023</b>		-	353,352	-	353,352
Net deficit for the period	15	-	(4,624,958)	-	(4,624,958)
<b>Transactions with owners in their capacity as owners</b>					
Issued capital		1	-	-	1
Contribution of equity (common control)	14	-	-	1,382,381	1,382,381
<b>Balance at 31 December 2024</b>	15	1	(4,271,606)	1,382,381	(2,889,224)
<b>Balance at 1 January 2025</b>		1	(4,271,606)	1,382,381	(2,889,224)
Net surplus for the year	15	-	10,152,832	-	10,152,832
<b>Transactions with owners in their capacity as owners</b>					
Dividends provided for or paid	16	-	(7,000,000)	-	(7,000,000)
<b>Balance at 31 December 2025</b>	15	1	(1,118,774)	1,382,381	263,608

The accompanying notes form part of these financial statements.

## Statement of Cash Flows

### For the Year Ended 31 December 2025

	2025	1 Dec 2023 - 31 Dec 2024
Note	\$	\$
<b>Cash flows from operating activities:</b>		
Receipts from student fees and other customers	13,003,996	16,355,886
Payments to suppliers and employees	(12,921,520)	(16,538,130)
Interest received	62,459	16,793
Interest and other costs of finance	-	(626,184)
Other operating inflows	-	275,760
Net GST recovered	-	411,261
<b>Net cash generated by/(used in) operating activities</b>	<b>17</b>	<b>(104,614)</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of plant and equipment	17,315	-
Payments for property, plant and equipment	-	(88,924)
Payment for subsidiary, net of cash acquired	6	(395,910)
Proceeds from parent (capital contribution)	-	291,360
<b>Net cash generated by/(used in) investing activities</b>	<b>17,315</b>	<b>(193,474)</b>
<b>Cash flows from financing activities:</b>		
Amounts advanced from related parties	-	18,338,667
Repayments of loans to related parties	-	(16,111,822)
Repayment of lease liabilities	-	(2,516,449)
<b>Net cash used in financing activities</b>	<b>-</b>	<b>(289,604)</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>	<b>162,250</b>	<b>(587,692)</b>
Cash and cash equivalents at beginning of period/year	626,494	1,214,186
<b>Cash and cash equivalents at end of financial year</b>	<b>7</b>	<b>626,494</b>

The accompanying notes form part of these financial statements.

## Notes to the Financial Statements

For the Year Ended 31 December 2025

Contents	Page
<b>Notes to the Financial Statements</b>	
<b>Note 1</b> Summary of Material Accounting Policy Information	155
<b>Note 2</b> Revenue and other Income	157
<b>Note 3</b> Employee related expenses	158
<b>Note 4</b> Impairment of assets	158
<b>Note 5</b> Other expenses	158
<b>Note 6</b> Business Combinations	159
<b>Note 7</b> Cash and cash equivalents	160
<b>Note 8</b> Trade and other receivables	160
<b>Note 9</b> Security deposits	161
<b>Note 10</b> Property, plant and equipment	161
<b>Note 11</b> The Company at Lesse	163
<b>Note 12</b> Trade and other payables	165
<b>Note 13</b> Provisions	165
<b>Note 14</b> Reserves	167
<b>Note 15</b> Accumulted losses	167
<b>Note 16</b> Dividends	167
<b>Note 17</b> Cash flow information	168
<b>Note 18</b> Key management personnel disclosures	168
<b>Note 19</b> Related Parties	168
<b>Note 20</b> Remuneration of auditors	170
<b>Note 21</b> Contingencies	170
<b>Note 22</b> Events Occuring After the Reporting Date	170

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 1 Summary of Material Accounting Policy Information

SCU Ventures Pty Limited ("the Company") is a not-for-profit company incorporated in Australia and a controlled entity of Southern Cross University.

The registered office of the Company is Military Road, East Lismore NSW 2480.

##### (a) Basis of Preparation

The financial statements are general purpose financial statements of the Company, consisting of SCU Ventures Pty Limited, that have been prepared in accordance with:

- Australian Accounting Standards (AAS) and other pronouncements of the Australian Accounting Standards Board (AASB);
- *Government Sector Finance Act 2018* and the *Government Sector Finance Regulation 2024*; and
- *Australian Charities and Not-for-profit Commission Act 2012* and Section 60-40 of the *Australian Charities and Not-for-profit Commission Regulations 2022 (ACNC Regulation)*.

The material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated. The financial statements are based on historical costs.

The financial statements were authorised for issue by the director of SCU Ventures Pty Limited on 8 April 2026.

##### *Critical accounting estimates*

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying SCU Ventures Pty Limited's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

- Measurement and recognition of employee benefits provisions (Note 13)
- Impairment of trade and other receivables (Note 8)
- Estimated useful life assessments of property, plant and equipment assets (Note 10)
- Measurement and recognition of right-of-use assets and lease liabilities (Notes 10 and 11)

##### *Functional and presentation currency*

The Company's financial statements are presented in Australian dollars.

##### (b) Basis for consolidation

The Company did not prepare consolidated financial statements for the year, as its wholly owned subsidiary, THS Education Group Pty Ltd, was assessed as immaterial to the Company's operations. THS Education Group is in the process of being de-registered.

##### (c) Business combinations

The Company accounts for business combinations using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of:

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 1 Summary of Material Accounting Policy Information (continued)

##### (c) Business combinations (continued)

- the acquisition-date fair values of the assets transferred;
- the liabilities incurred by the Company to the former owners of the acquiree; and
- the equity interests issued by the Company up in exchange for control of the acquiree.

Acquisition-related costs are expensed as incurred and recognised in profit or loss.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value. Any excess of the consideration transferred over the net fair value of the identifiable assets acquired and liabilities assumed is recognised as goodwill. If the consideration is less than the fair value of the net assets acquired, the difference is recognised directly in profit or loss as a bargain purchase gain.

Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired.

##### (d) Comparative Amounts

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

The Company was acquired by Southern Cross University on 1 December 2023. The comparative results presented are for the 13-month period from the date of acquisition, 1 December 2023, to 31 December 2024, in accordance with the *Government Sector Finance Act 2018*.

##### (e) Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

##### (f) Goods and Services Tax (GST)

Revenue, expenses and assets 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).

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

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

##### (g) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but do not expect any impact on the reported position or performance of the Company.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 2 Revenue and Other Income

	2025	1 Dec 2023 - 31 Dec 2024
	\$	\$
<b>Revenue</b>		
- Service fees - tuition and other fees	46,965,316	15,731,257
<b>Other income</b>		
- Interest income	57,474	16,793
- Other income	19,870	1,600
<b>Total revenue and other income</b>	<b>47,042,660</b>	<b>15,749,650</b>

#### Accounting policy

##### Revenue from contracts with customers

The core principle of AASB 15 *Revenue from Contracts with Customers* is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

##### Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Company are:

##### (i) Rendering of services

Revenue from rendering of services is recognised over time as the Company provides tuition service.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 3 Employee Related Expenses

		1 Dec 2023
		- 31 Dec 2024
	2025	\$
Note	\$	\$
Salaries	11,933,068	5,769,815
Contributed to funded superannuation schemes	1,177,683	671,544
Payroll tax	667,049	445,293
Workers compensation	71,814	24,053
Long service leave	86,157	(29,808)
Annual leave	259,592	483,278
<b>Total employee related expenses</b>	<b>14,195,363</b>	<b>7,364,175</b>

#### 4 Impairment of assets

Impairment of trade receivables	8	321,102	41,376
Impairment of non-current assets *		3,072,861	-
<b>Total impairment of assets</b>		<b>3,393,963</b>	<b>41,376</b>

\* During the year, the Company undertook a strategic consolidation of its metropolitan campuses. Based on the change in use and management's assessment, this has resulted in a \$3.073 million impairment to the right of use assets and leasehold improvements connected to the leased properties.

#### Accounting Policy

When a trade receivable is uncollectible, the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within 'impairment expense'. Subsequent recoveries of amounts previously written off are credited to 'other revenue' in the statement of profit or loss and other comprehensive income.

#### 5 Other expenses

Advertising, marketing and promotional expenses	1,165,176	337,329
Audit fees, bank charges, insurance & taxes	136,020	120,008
Books, printing, stationery and subscriptions	66,192	105,357
Contract services (including consultants)	875,966	876,713
External education fees, services & agent commissions	7,144,465	2,125,269
Leased asset charges	139,366	210,250
Property & facility costs	1,375,698	810,285
Scholarships, grants and prizes	1,099,226	2,701,798
Software expenses	1,037,277	954,271
Telecommunications	84,590	38,127
Travel, entertainment & staff development	875,382	334,518
Other expenses	365,326	117,047
<b>Total other expenses</b>	<b>14,364,684</b>	<b>8,730,972</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 6 Business Combinations

On 30th September 2024, the Company acquired THS Education Group Pty Ltd (formerly Mulpha Education Group Pty Ltd (MEG)), which held 50% interest in the Hotel School Business for a total purchase consideration of \$1,000,000 cash which includes \$400,000 deferred consideration applicable in the acquisition.

The primary reason for the acquisition was to enable the University group to obtain 100% control of the Hotel School Business which operates key metropolitan campuses and is a strategic asset.

The purchase price accounting involves judgement and complexity in the purchase price allocation, including determining the fair values of the acquired assets and liabilities. The acquisition has been provisionally accounted. The fair value of below numbers are subject to measurement period adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

Details of the fair value of the assets and liabilities acquired, and goodwill, are as follows:

	Note	Fair value \$
<b>Purchase consideration:</b>		
- Total consideration		1,000,000
<b>Total purchase consideration</b>		<u>1,000,000</u>
<b>Recognised amounts of identifiable net assets:</b>		
<b>Assets</b>		
Cash and cash equivalents		204,090
Security deposits		190,819
Trade and other receivables *		949,187
Property, plant and equipment - right of use		<u>2,731,308</u>
<b>Total assets</b>		<u>4,075,404</u>
<b>Liabilities</b>		
Trade and other payables		(960,108)
Contract liabilities		(197,132)
Lease liabilities		(1,995,785)
Provisions		<u>(286,221)</u>
<b>Total liabilities</b>		<u>(3,439,246)</u>
<b>Total identifiable assets acquired and liabilities assumed</b>		<u>636,158</u>
Total consideration		1,000,000
Less: Identifiable assets acquired		<u>(636,158)</u>
<b>Goodwill</b>		<u>363,842</u>
<b>Net cash outflow arising on acquisition</b>		
Total consideration		1,000,000
Less: Deferred cash consideration	12	(400,000)
Less: Cash and cash equivalent balances acquired		<u>(204,090)</u>
		<u>395,910</u>

\* The fair value of the acquired trade and other receivables is \$949,187 which is expected to be fully recoverable.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 7 Cash and cash equivalents

	2025	2024
Note	\$	\$
Cash at bank and on hand	<u>788,744</u>	626,494
<b>Total cash and cash equivalents in the statement of financial position and cashflows</b>	<b><u>788,744</u></b>	<b>626,494</b>

#### Accounting policy

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

#### 8 Trade and other receivables

##### Current

Trade and other receivables - related party	<b>1,381,993</b>	1,053,863
Less: Allowance for expected credit losses	<b>(771,993)</b>	(726,650)
	<u>610,000</u>	327,213
GST receivable	<b>103,696</b>	72,204
Related party receivables	<b>5,044,126</b>	-
Accrued interest income	<b>5,963</b>	10,947
<b>Total current trade and other receivables</b>	<b><u>5,763,785</u></b>	<b>410,364</b>

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for expected credit losses. The Company's standard terms of trade receivables is 30 days from the date of recognition. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

#### Movements in the provision for impaired receivables are as follows:

At 1 January 2025/1 December 2023	<b>726,650</b>	213,081
Provision for expected credit losses	<b>321,101</b>	41,376
Acquisition of The Hotel School	-	605,350
Amounts written off as uncollectible	<b>(275,758)</b>	(133,157)
<b>At 31 December</b>	<b><u>771,993</u></b>	<b>726,650</b>

#### Impairment

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

**Notes to the Financial Statements****For the Year Ended 31 December 2025****9 Security deposits**

	<b>2025</b>	<b>2024</b>
	\$	\$
<b>Current</b>		
Security deposits	193,733	633,421
<b>Total current security deposits</b>	<u>193,733</u>	<u>633,421</u>

The Company holds term deposits as security for bank guarantees issued in favour of third parties related to property leases. These security deposits are not available for general use by the Company while the guarantees are in place. The deposits are invested in interest-bearing accounts with financial institutions and are subject to restrictions until the associated guarantees are released.

**10 Property, plant and equipment****Capital works in progress**

At cost	31,611	-
<b>Total capital works in progress</b>	<u>31,611</u>	<u>-</u>

**Plant and equipment**

At cost	9,213	9,213
Accumulated depreciation	(2,980)	(826)
Accumulated impairment losses	(3,276)	-
<b>Total plant and equipment</b>	<u>2,957</u>	<u>8,387</u>

**Leasehold improvements**

At cost	2,176,253	2,243,923
Accumulated amortisation	(796,387)	(315,480)
Accumulated impairment losses	(181,795)	-
<b>Total leasehold improvements</b>	<u>1,198,071</u>	<u>1,928,443</u>

**Right-of-use asset (Buildings)**

Under lease	18,451,252	13,646,398
Accumulated depreciation	(6,964,663)	(3,246,596)
Accumulated impairment losses	(2,887,790)	-

<b>Total right-of-use asset (buildings)</b>	<u>8,598,799</u>	<u>10,399,802</u>
<b>Total property, plant and equipment</b>	<u>9,831,438</u>	<u>12,336,632</u>

**Notes to the Financial Statements****For the Year Ended 31 December 2025****10 Property, plant and equipment (continued)**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year are as follows:

	Capital Works in Progress	Plant and Equipment	Leasehold Improvements	Right-of-Use Asset (Buildings)	Total
	\$	\$	\$	\$	\$
<b>Period ended 31 December 2024</b>					
Opening net book value	49,000	-	374,543	12,236,846	12,660,389
Additions	-	9,213	1,133,857	2,864,372	4,007,442
Acquisitions through business combination	-	-	735,523	1,995,785	2,731,308
Lease measurement	-	-	-	(3,450,605)	(3,450,605)
Disposals	(49,000)	-	-	-	(49,000)
Depreciation expense	-	(826)	(315,480)	(3,246,596)	(3,562,902)
<b>Closing net book amount</b>	<b>-</b>	<b>8,387</b>	<b>1,928,443</b>	<b>10,399,802</b>	<b>12,336,632</b>

	Capital Works in Progress	Plant and Equipment	Leasehold Improvements	Right-of-Use Asset (Buildings)	Total
	\$	\$	\$	\$	\$
<b>Year ended 31 December 2025</b>					
Opening net book value	-	8,387	1,928,443	10,399,802	12,336,632
Additions	31,611	-	-	1,902,945	1,934,556
Impairment loss	-	(3,276)	(181,795)	(2,887,790)	(3,072,861)
Lease remeasurement	-	-	-	2,945,619	2,945,619
Depreciation expense	-	(2,154)	(548,577)	(3,761,777)	(4,312,508)
<b>Closing net book amount</b>	<b>31,611</b>	<b>2,957</b>	<b>1,198,071</b>	<b>8,598,799</b>	<b>9,831,438</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 10 Property, plant and equipment (continued)

##### Accounting policy

All property, plant and equipment is stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit or Loss and Other Comprehensive Income during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost, over their estimated useful lives, as follows:

Class of Asset	Useful life (yrs)
Plant and Equipment	5 - 10
Leasehold Improvement	1 - 7
Right-of-use asset (Buildings)	1 - 10

Right-of-use assets (under AASB 16) are depreciated/amortised over the shorter of the lease term and the useful life of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

#### 11 The Company as Lessee

##### (a) Nature of leasing activities as a lessee

The Company operates its campuses in leased buildings.

##### (b) Amounts recognised in the Statement of Profit or Loss and Other Comprehensive Income

	2025	1 Dec 2023 - 31 Dec 2024
	\$	\$
Interest on lease liabilities	623,310	626,183
<b>Total</b>	<b>623,310</b>	<b>626,183</b>

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 11 The Company as Lessee (continued)

##### (c) Maturity analysis - undiscounted contractual cash flows

	2025	1 Dec 2023 - 31 Dec 2024
	\$	\$
Less than one year	4,105,707	3,994,568
One to five years	8,170,418	7,263,821
More than five years	734,003	-
<b>Total undiscounted lease payments receivable</b>	<b>13,010,128</b>	<b>11,258,389</b>
Future finance charges	(1,377,984)	(986,410)
<b>Lease liabilities recognised in the statement of financial position</b>	<b>11,632,144</b>	<b>10,271,979</b>
<b>Current lease liabilities</b>	<b>4,120,277</b>	<b>3,703,951</b>
<b>Non-current lease liabilities</b>	<b>7,511,867</b>	<b>6,568,028</b>
	<b>11,632,144</b>	<b>10,271,979</b>

##### (d) Accounting Policy

At inception of a contract, the Company assesses whether a lease exists.

At the lease commencement, the Company recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Company believes it is reasonably certain that the option will be exercised.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however, where this cannot be readily determined, the Company's incremental borrowing rate is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Company's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 12 Trade and other payables

	2025	2024
Note	\$	\$
<b>Current</b>		
Trade payables	26,872	251,985
Employee payables	370,751	504,479
Related party payables	19(c) -	2,226,845
Sundry payables and accrued expenses	2,582,703	1,846,283
Deferred consideration	400,000	-
<b>Total current trade and other payables</b>	<b>3,380,326</b>	<b>4,829,592</b>
<b>Non-Current</b>		
Deferred consideration	6 -	400,000
<b>Total non-current trade and other payables</b>	<b>-</b>	<b>400,000</b>

All amounts are short term and the carrying values are considered to be a reasonable approximation of fair value.

#### Accounting policy

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

#### 13 Provisions

##### Current provisions expected to be settled wholly within 12 months

##### Employee benefits

Annual leave	358,536	397,227
Long service leave	116,280	99,737

##### Other provisions

Make good	328,862	-
	<b>803,678</b>	<b>496,964</b>

##### Current provisions expected to be settled wholly after more than 12 months

##### Employee benefits

Annual leave	93,655	206,145
Long service leave	151,400	136,931

	<b>245,055</b>	<b>343,076</b>
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##### Total current provisions

	<b>1,048,733</b>	<b>840,040</b>
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##### Non-current provisions

##### Employee benefits

Long service leave	150,950	95,805
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##### Other provisions

Make good	527,623	856,485
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<b>Total non-current provisions</b>	<b>678,573</b>	<b>952,290</b>
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<b>Total provisions</b>	<b>1,727,306</b>	<b>1,792,330</b>
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## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 13 Provisions (continued)

##### Accounting policy

Where the Company has no right to defer the payment of employee benefits beyond 12 months, these are classified as current provision.

##### *i) Wages and salaries*

Liabilities for short-term employee benefits including wages and salaries, and non-monetary benefits which are expected to be settled wholly before 12 months after the end of the period are measured at the amount expected to be paid when the liability is settled and recognised in other payables.

##### *ii) Annual leave and sick leave*

A current liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date.

##### *iii) Long service leave*

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

##### *iv) Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits not expected to be settled wholly before 12 months after balance date are discounted to present value.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 14 Reserves

	2025	2024
Note	\$	\$
<b>Contribution (common control) reserve</b>		
Opening balance	1,382,381	-
Capital contribution (common control)	-	1,382,381
<b>Closing balance</b>	<u>1,382,381</u>	<u>1,382,381</u>
<b>Total reserves</b>	<u>1,382,381</u>	<u>1,382,381</u>

#### (a) Contribution (common control) reserve

The common control reserve records any difference between the cost of the transaction and the carrying value of the net assets acquired in a transaction between entities under common control.

On 1 October 2024, the University transferred its share of the net assets in The Hotel School partnership to its wholly owned subsidiary, SCU Ventures Pty Limited. This resulted in the Company obtaining 100% ownership and control of the business and operations of The Hotel School.

This transaction has been accounted for as a common control transaction, as both the Company and the University are ultimately controlled by Southern Cross University at the time of the transaction.

Transfer of businesses or assets between entities under common control are accounted for using the carry-over basis (predecessor method). No goodwill or acquisition-related fair value adjustments are recognised in the financial statements. Any difference between the carrying value of the net assets and consideration is recognised directly in equity within the common control reserve.

#### 15 Accumulated losses

(Accumulated losses)/ Retained earnings at the beginning of the financial year	(4,271,606)	353,352
Net surplus/(deficit) for the year	10,152,832	(4,624,958)
Dividends paid (Note 16)	(7,000,000)	-
<b>Accumulated losses at end of the financial year</b>	<u>(1,118,774)</u>	<u>(4,271,606)</u>

#### 16 Dividends

The following dividends were declared and paid:

Dividend of \$7,000,000 (2024: NIL) per share	15	<u>7,000,000</u>	-
<b>Total dividends paid</b>		<u>7,000,000</u>	-

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 17 Cash flow information

##### Reconciliation of net income for the year to net cash generated by/(used in) operating activities

	2025	2024
	\$	\$
Net profit/(loss) for the year	10,152,832	(4,624,958)
Non-cash flows in net result:		
Net (gain)/loss on disposal of non-current assets	(17,315)	49,000
Depreciation expense	4,312,508	3,562,902
Impairment expense	3,393,963	41,376
Change in operating assets and liabilities, net of effect from purchase of controlled entity and transfer	-	(628,067)
Non-cash inter-entity transactions	(17,790,980)	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(190,708)	(540,929)
(Increase)/decrease in other assets	(27,920)	114,192
Increase/(decrease) in trade and other payables	377,579	2,005,568
Increase/(decrease) in provisions	(65,024)	161,045
Increase/(decrease) in contract liabilities	-	(244,743)
<b>Cash flows used in operating activities</b>	<b>144,935</b>	<b>(104,614)</b>

#### 18 Key Management Personnel Disclosures

##### (a) Directors

The director of SCU Ventures Pty Limited who has held office during and since the start of the year is:  
 Travis Walker (Appointed 1 December 2023)

##### (b) Directors and responsible officers' remuneration

No income is paid or payable, or otherwise made available, to board members by the Company in connection with the management of affairs of the Company.

The board members and responsible officers are remunerated by the Company's ultimate parent entity, Southern Cross University.

#### 19 Related Parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

##### (a) Ultimate Parent Entity

The Company is a wholly owned subsidiary of its ultimate parent entity, Southern Cross University.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 19 Related Parties (continued)

##### (b) Transactions with related parties

The following transactions occurred with related parties:

	Note	2025 \$	1 Dec 2023 - 31 Dec 2024 \$
<b>Parent</b>			
<b>Revenue</b>			
Service fees - tuition	2	46,644,214	15,731,257
<b>Expenditure</b>			
Facilities hire and other costs		(331,503)	-
Dividends paid	16	(7,000,000)	-

##### (c) Balances to related parties

The parent entity, Southern Cross University, meets expenses of the Company that are processed through inter-entity loan accounts with the University. The balance of these transactions at the end of the reporting period are:

	Note	2025 \$	2024 \$
<b>Current</b>			
Amount payable to:			
Ultimate parent entity	12	-	2,226,845
Accrued expenses		-	170,261
<b>Total current payables to related parties</b>		-	<u>2,397,106</u>
Amount receivable from:			
Ultimate parent entity	8	6,426,118	1,053,863
<b>Total current receivables from related parties</b>		<u>6,426,118</u>	<u>1,053,863</u>

The outstanding balances are unsecured and have been provided on interest-free terms.

##### (d) Related party services not recognised

Southern Cross University provides the Company with a range of administrative, technology and other support services at no cost.

## Notes to the Financial Statements

### For the Year Ended 31 December 2025

#### 20 Remuneration of Auditors

	2025	1 Dec 2023 - 31 Dec 2024
	\$	\$
<b>Audit of the Financial Statements:</b>		
Fees paid to the Audit Office of NSW	39,682	52,781
<b>Total remuneration of auditor</b>	<u>39,682</u>	<u>52,781</u>

#### 21 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2025 (31 December 2024: None).

#### 22 Events Occurring After the Reporting Date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.



## INDEPENDENT AUDITOR'S REPORT

### SCU Ventures Pty Limited

To Members of SCU Ventures Pty Limited

#### Opinion

I have audited the accompanying financial statements of SCU Ventures Pty Limited (the Company), which comprise the Directors' Financial Declaration, the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2025, the Statement of Financial Position as at 31 December 2025, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a Summary of Material Accounting Information and other explanatory information.

In my opinion, the financial statements:

- have been prepared in accordance with Australian Accounting Standards and the applicable financial reporting requirements of the *Government Sector Finance Act 2018* (GSF Act), the *Government Sector Finance Regulation 2024* (GSF Regulation)
- presents fairly the Company's financial position, financial performance and cash flows
- have been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022*

My opinion should be read in conjunction with the rest of this report.

#### Basis for Opinion

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

I am independent of the Company in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

## Other Information

The Company's annual reporting information for the year ended 31 December 2025 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The director of the Company is responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the Director's Report.

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information.

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

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

## Director's Responsibilities for the Financial Statements

The director of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the GSF Act, GSF Regulation and the *Australian Charities and Not-for-profits Commission Act 2012*. The director's responsibility also includes such internal control as the director[Manager] determines is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements the director[Manager] is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Company carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in black ink, appearing to read 'Min Ellis', with a stylized, cursive script.

Min Ellis  
Director Financial Audit

Delegate of the Auditor-General for New South Wales

10 April 2026  
SYDNEY



To the Director

SCU Ventures Pty Limited

### **Auditor's Independence Declaration**

As auditor for the audit of the financial statements of SCU Ventures Pty Limited for the year ended 31 December 2025, I declare, to the best of my knowledge and belief, there have been no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to be 'Min Ellis', written in a cursive style.

Min Ellis  
Director Financial Audit

Delegate of the Auditor-General for New South Wales

10 April 2026  
SYDNEY

# Compliance Index and Appendix

## Compliance Index

	Compliance Requirement	Basis for, or source of, requirement	Completed (Yes, No, N/A)	Page Reference
Operations and performance	2.2 Infrastructure program - major works	TPG25-10a	Yes	14, 16
	2.3 IPART Act requirements - Implementation of price determination	s18(4) IPART Act	N/A	-
Management and accountability	2.4 Numbers and remuneration of senior executives	TPG25-10a, PSC Circular 2014-09	Yes	18
	2.5 People	TPG25-10a	Yes	19
	2.6 Consultants	TPG25-10a	N/A	-
	2.7 International travel	TPG25-10a	Yes	21, 180
	2.8 Requirements arising from employment arrangements	TPG25-10a	N/A	-
	2.9 Privacy and Personal Information Protection Act 1998 (NSW) (PIPP Act) requirements	TPG25-10a	Yes	22
	2.10 Government Information (Public Access) Act 2009 (NSW) (GIPA Act) requirements	s125(4), (6) GIPA Act; cl8, Schedule 2 and clause 13, Schedule 3 GIPA Regulation	Yes	22, 176
	2.11 Internal audit and risk management policy attestation	TPP20-08	N/A	-
Sustainability	2.12 Climate-related financial disclosures	TPG25-10a; TPG24-33	N/A	-
	2.13 Disability inclusion action plans	Disability Action Inclusion Act 2014	N/A	-
	2.14 Modern Slavery Act 2018 (NSW) requirements	Modern Slavery Act 2018	Yes	23
	2.15 Work health and safety	TPG25-10a	Yes	24
	2.16 Workforce diversity	PSC Circular 2014-09	Yes	25
Financial performance	2.17 Costs and benefits associated with machinery of government changes	TPG25-10a	N/A	-

## Compliance appendix

### 2.10 Government Information (Public Access) Act 2009 (NSW) (GIPA Act) requirements

Table A: Number of applications by type of applicant and outcome*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Media	0	0	0	0	0	0	0	0
Members of Parliament	0	0	0	0	0	0	0	0
Private sector business	0	0	0	0	0	0	0	0
Not for profit organisations or community groups	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	0	0	0	0	0	0	0	0
Members of the public (other)	1	2	0	0	0	0	0	1

\* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome*								
	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with application	Refuse to confirm/deny whether information is held	Application withdrawn
Personal information applications*	0	0	0	0	0	0	0	1
Access applications (other than personal information applications)	0	0	0	0	0	0	0	0
Access applications that are partly personal information applications and partly other	1	2	0	0	0	0	0	0

\* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

## Compliance appendix (Continued)

Table C: Invalid applications	
Reason for invalidity	Number of applications
Application does not comply with formal requirements (section 41 of the Act)	0
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	0
Invalid applications that subsequently became valid applications	0

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 to Act	
	Number of times consideration used*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	1
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0
Privilege generally – Sch1(5A)	0
Information provided to High Risk Offenders Assessment Committee	0

\* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E.

## Compliance appendix (Continued)

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act	
	Number of times consideration used*
Responsible and effective government	1
Law enforcement and security	2
Individual rights, judicial processes and natural justice	0
Business interests of agencies and other persons	3
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

Table F: Timeliness	
	Number of applications
Decided within the statutory timeframe (20 days plus any extensions)	3
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0

Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)			
	Decision varied	Decision upheld	Total
Internal review	0	0	0
Review by Information Commissioner*	0	0	0
Internal review following recommendation under section 93 of Act	0	0	0
Review by NCAT	0	0	0

\* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

## Compliance appendix (Continued)

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review
Applications by access applicants	0
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	Number of applications transferred
Agency-initiated transfers	0
Applicant-initiated transfers	0

## Compliance appendix (Continued)

### 2.7 International travel

Countries	Business Development		Professional Development		Research		Student recruitment		Teaching	
	A	B	A	B	A	B	A	B	A	B
Austria					1	1				
Bangladesh							1	1		
Belgium					1	1				
Brazil					2	2	1	1		
Cambodia	1	1								
Canada					2	2				
Chile					1	1				
China	4	4	4	4	2	2	10	16	21	32
Croatia					2	2				
Fiji					9	11				
France			1	1	3	3				
Germany			1	1	3	3	2	2		
India	7	7			11	13	3	4		
Indonesia	3	3			4	5	3	3		
Italy			1	1	3	5				
Japan	1	1			2	2	1	1		
Kenya					4	4				
Laos					1	1	2	2		
Malaysia	1	2			3	3	3	3		
Maldives					1	2				
Mauritius							1	1		
Mexico					1	1	1	1		
Nepal							1	1		
Netherlands					1	1				
New Zealand			3	3	11	11	1	1		
Papua New Guinea			2	2	3	3	1	2		
Peru					1	1				
Philippines					3	5	10	11		
Qatar					1	1				
Romania					2	2				
Rwanda					1	2				
Singapore	1	1	1	1	5	5	3	4		
Slovenia					2	2				
Soloman Islands					4	4				
South Africa					1	1	1	1		
South Korea					1	1	4	4		
Spain					1	1				
Sri Lanka	5	11					6	6		
Sweden					1	1				
Taiwan					4	7				
Thailand							2	2		
UAE			1	1						
United Kingdom	1	1	5	5	9	10				
United States					8	9	3	5		
Vanuatu					2	2				
Vietnam	4	4			1	4	21	24		
<b>Grand Total</b>	<b>28</b>	<b>35</b>	<b>19</b>	<b>19</b>	<b>118</b>	<b>137</b>	<b>81</b>	<b>96</b>	<b>21</b>	<b>32</b>

**A = Officer and employees individual trip traveller count**

**B = Unique trips**

