

# **Geelong Grammar School**

**ABN 92 004 971 500**

**Financial Report - 31 December 2025**

**Geelong Grammar School**  
**Directors' report**  
**31 December 2025**

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated entity') consisting of Geelong Grammar School (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2025.

**Directors**

David Bowser  
Andrew Burgess (resigned on 31 December 2025)  
John Chomley  
Rebecca Cody  
Patrick Handbury (resigned on 17 November 2025)  
Kieron Jones  
Steve Lansdell  
Penelope McBain  
Allan Shaw  
Joon Yong  
Vanessa Mahon  
Justin Arter  
James Robinson (appointed on 01 January 2026)

**Company secretary**

The following person was the company secretary of Geelong Grammar School during the whole of the financial year and up to the date of this report, unless otherwise stated:

Bronwen Charleson

**Principal activities**

The principal continuing activities of the Consolidated entity during the year consisted of providing education and boarding facilities for boys and girls at Geelong Grammar School, Corio and Bostock House in Geelong, Toorak and Timbertop near Mansfield. No significant changes to the nature of these activities occurred during the year.

**Meetings of Directors**

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2025, and the number of meetings attended by each Director were:

	Council		Finance		Asset Management	
	Attended	Held	Attended	Held	Attended	Held
David Bowser	4	4	4	4	3	4
Andrew Burgess	4	4	-	-	-	-
John Chomley	4	4	3	4	-	-
Rebecca Cody	4	4	2	4	2	4
Patrick Handbury	4	4	4	4	4	4
Keiron Jones	2	4	-	-	-	-
Steve Lansdell	4	4	-	-	4	4
Penelope McBain	4	4	4	4	-	-
Allan Shaw	3	4	4	4	4	4
Joon Yong	4	4	4	4	-	-
Vanessa Mahon	4	4	4	4	-	-
Justin Arter	4	4	2	4	-	-

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

**Rounding of amounts**

Amounts in this report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012* is set out immediately after this directors' report.

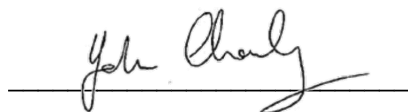
**Geelong Grammar School  
Directors' report  
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**Matters subsequent to the end of the financial period**

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Consolidated entity's operations, the results of those operations, or the Consolidated entity's state of affairs in future financial years.

This report is made in accordance with a resolution of directors.

On behalf of the Directors



Handwritten signature of John Charly, written in cursive above a horizontal line.



Handwritten signature, written in cursive above a horizontal line.

1 April 2026

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**Grant Thornton Audit Pty Ltd**

Level 22 Tower 5  
Collins Square  
727 Collins Street  
Melbourne VIC 3008  
GPO Box 4736  
Melbourne VIC 3001  
T +61 3 8320 2222

## Auditor's Independence Declaration

### To the Members of Geelong Grammar School and controlled entities

In accordance with the requirements of section 60-40 of the *Australian Charities and Not-for-profits Commission Act 2012*, as lead auditor for the audit of Geelong Grammar School and controlled entities for the year ended 31 December 2025, I declare that, 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.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



C S Gangemi  
Partner - Audit & Assurance

Melbourne, 1 April 2026

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**Geelong Grammar School**

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**Geelong Grammar School**  
**Statements of profit or loss and other comprehensive income**  
**For the year ended 31 December 2025**

	Note	Consolidated		Parent	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<b>Revenue and income</b>	4	114,263	104,527	116,029	102,115
Other income	5	7,351	8,779	7,844	5,185
Interest revenue		553	1,098	152	387
Total revenue		<u>122,167</u>	<u>114,404</u>	<u>124,025</u>	<u>107,687</u>
<b>Expenses</b>					
Employee benefits expense		(64,203)	(60,662)	(64,203)	(60,662)
Administrative expenses		(9,424)	(20,557)	(9,262)	(20,400)
Catering expenses		(8,506)	(6,921)	(8,506)	(6,921)
Cleaning expenses		(3,135)	(3,095)	(3,135)	(3,095)
Maintenance and vehicle expenses		(4,693)	(5,602)	(4,693)	(5,602)
Services and utilities expense		(3,621)	(3,414)	(3,621)	(3,414)
Tuition expenses		(7,945)	(7,573)	(7,945)	(7,573)
Raw materials and consumables used		(1,751)	(1,614)	(1,751)	(1,614)
Depreciation	6	(5,703)	(5,516)	(5,703)	(5,516)
Finance costs	6	(311)	(78)	(311)	(78)
Other expenses		<u>(136)</u>	<u>(730)</u>	<u>(136)</u>	<u>(730)</u>
<b>Surplus/(deficit) for the year attributable to the members of Geelong Grammar School</b>	19	12,739	(1,358)	14,759	(7,918)
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Actuarial gain on defined benefit plans		85	74	85	74
Other comprehensive income for the year		<u>85</u>	<u>74</u>	<u>85</u>	<u>74</u>
<b>Total comprehensive income for the year attributable to the members of Geelong Grammar School</b>		<u>12,824</u>	<u>(1,284)</u>	<u>14,844</u>	<u>(7,844)</u>

*The above statements of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

**Geelong Grammar School**  
**Statements 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	7	11,189	15,632	2,898	2,430
Trade and other receivables	8	2,136	3,523	2,366	3,522
Inventories	9	1,037	1,288	1,037	1,288
Other assets	10	2,027	1,920	2,027	1,920
Total current assets		<u>16,389</u>	<u>22,363</u>	<u>8,328</u>	<u>9,160</u>
<b>Non-current assets</b>					
Financial assets at fair value through profit or loss	11	75,274	72,152	-	-
Property, plant and equipment	12	180,183	159,331	180,183	159,331
Right-of-use assets	13	100	107	100	107
Retirement benefit obligations	14	3,328	3,140	3,328	3,140
Total non-current assets		<u>258,885</u>	<u>234,730</u>	<u>183,611</u>	<u>162,578</u>
<b>Total assets</b>		<u>275,274</u>	<u>257,093</u>	<u>191,939</u>	<u>171,738</u>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	15	7,252	5,200	7,252	5,200
Contract liabilities	16	36,324	34,904	36,324	34,904
Lease liabilities	17	7	6	7	6
Provisions	18	13,156	14,152	13,156	14,152
Total current liabilities		<u>56,739</u>	<u>54,262</u>	<u>56,739</u>	<u>54,262</u>
<b>Non-current liabilities</b>					
Contract liabilities	16	3,053	2,936	3,053	2,936
Borrowings	20	13,576	10,500	13,576	10,500
Lease liabilities	17	100	107	100	107
Provisions	18	1,229	1,535	1,229	1,535
Total non-current liabilities		<u>17,958</u>	<u>15,078</u>	<u>17,958</u>	<u>15,078</u>
<b>Total liabilities</b>		<u>74,697</u>	<u>69,340</u>	<u>74,697</u>	<u>69,340</u>
<b>Net assets</b>		<u>200,577</u>	<u>187,753</u>	<u>117,242</u>	<u>102,398</u>
<b>Equity</b>					
Retained surpluses	19	<u>200,577</u>	<u>187,753</u>	<u>117,242</u>	<u>102,398</u>
<b>Total equity</b>		<u>200,577</u>	<u>187,753</u>	<u>117,242</u>	<u>102,398</u>

*The above statements of financial position should be read in conjunction with the accompanying notes*

**Geelong Grammar School**  
**Statements of changes in equity**  
**For the year ended 31 December 2025**

<b>Consolidated</b>	<b>Retained surpluses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 January 2024	189,037	189,037
Deficit for the year	(1,358)	(1,358)
Other comprehensive income for the year	74	74
Total comprehensive income for the year	<u>(1,284)</u>	<u>(1,284)</u>
Balance at 31 December 2024	<u>187,753</u>	<u>187,753</u>

<b>Consolidated</b>	<b>Retained surpluses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 January 2025	187,753	187,753
Surplus for the year	12,739	12,739
Other comprehensive income for the year	85	85
Total comprehensive income for the year	<u>12,824</u>	<u>12,824</u>
Balance at 31 December 2025	<u>200,577</u>	<u>200,577</u>

<b>Parent</b>	<b>Retained surpluses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 January 2024	110,242	110,242
Deficit for the year	(7,918)	(7,918)
Other comprehensive income for the year	74	74
Total comprehensive income for the year	<u>(7,844)</u>	<u>(7,844)</u>
Balance at 31 December 2024	<u>102,398</u>	<u>102,398</u>

<b>Parent</b>	<b>Retained surpluses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 January 2025	102,398	102,398
Surplus for the year	14,759	14,759
Other comprehensive income for the year	85	85
Total comprehensive income for the year	<u>14,844</u>	<u>14,844</u>
Balance at 31 December 2025	<u>117,242</u>	<u>117,242</u>

*The above statements of changes in equity should be read in conjunction with the accompanying notes*

**Geelong Grammar School**  
**Statements 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>					
Receipts from students (inclusive of GST)		89,764	82,801	89,764	82,801
Receipts from Government		14,117	12,166	14,117	12,166
Payments to suppliers and employees (inclusive of GST)		(104,410)	(118,299)	(104,241)	(118,225)
		(529)	(23,332)	(360)	(23,258)
Dividends and other investment income received		5,177	5,721	-	-
Interest received		734	496	151	387
Interest and other finance costs paid		(310)	(78)	(310)	(78)
Receipts from donations and endowments		4,770	2,601	11,658	5,142
Receipts from other revenue		11,893	11,630	11,893	11,630
Net cash from/(used in) operating activities	28	21,735	(2,962)	23,032	(6,177)
<b>Cash flows from investing activities</b>					
Payments for financial assets at fair value through profit or loss	11	(16,891)	(27,283)	-	-
Payments for property, plant and equipment	12	(27,234)	(6,594)	(27,234)	(6,594)
Proceeds from disposal of financial assets at fair value through profit or loss		13,277	21,694	-	-
Proceeds from disposal of property, plant and equipment		1,594	91	1,594	91
Net cash used in investing activities		(29,254)	(12,092)	(25,640)	(6,503)
<b>Cash flows from financing activities</b>					
Proceeds from borrowings		3,076	10,500	3,076	10,500
Net cash from financing activities		3,076	10,500	3,076	10,500
Net (decrease)/increase in cash and cash equivalents		(4,443)	(4,554)	468	(2,180)
Cash and cash equivalents at the beginning of the financial year		15,632	20,186	2,430	4,610
Cash and cash equivalents at the end of the financial year	7	11,189	15,632	2,898	2,430

*The above statements of cash flows should be read in conjunction with the accompanying notes*

**Geelong Grammar School**  
**Notes to the financial statements**  
**31 December 2025**

**Note 1. General information**

The financial statements cover both Geelong Grammar School as an individual entity and the Consolidated entity consisting of Geelong Grammar School and GGS Nominees Pty Ltd, Geelong Grammar Foundation Limited, Geelong Grammar School Endowment Trust, Geelong Grammar School Building Fund, Geelong Grammar School Library Fund and Geelong Grammar School Scholarship Fund. The financial statements are presented in Australian dollars, which is Geelong Grammar School's functional and presentation currency.

Geelong Grammar School is a not-for-profit unlisted public company limited by guarantee, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Geelong Grammar School

50 Biddlecombe Avenue  
Corio VIC 3214

A description of the Consolidated entity's principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 1 April 2026.

**Note 2. Material accounting policy information**

The accounting policies that are material to the Consolidated entity are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

**New or amended Accounting Standards and Interpretations adopted**

The Consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period, which had no impact on the consolidated entity's financial statements.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Going concern**

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

At 31 December 2025, the Consolidated entity has a working capital (current assets less current liabilities) deficiency of \$40.4M (2024: \$31.9M deficiency). The Company has a working capital (current assets less current liabilities) deficiency of \$48.4M (2024: \$45.1M deficiency).

**Note 2. Material accounting policy information (continued)**

At the date of this report and having considered the deficiency in current assets, the Directors are confident that the Consolidated entity will be able to continue as a going concern due to the following factors:

- The Consolidated entity has a bank loan facility (note 20) of \$36M (2024: \$36M) available to it should the need for operating cash flow arise. The Company has drawn down \$13.6M (2024: \$10.5M) of the loan facility as at 31 December 2025. The Company and the Consolidated entity has met all the covenants of the facility and understands that the facility will remain in place to expiry date;
- The Company has a financing facility agreement with the Geelong Grammar School Foundation of up to \$10M (2024: \$10M) available to it should the need for operating cash flow arise. The Company has drawn down \$nil (2024: \$nil) of the facility as at 31 December 2025;
- Cash flow projections prepared by the Consolidated entity demonstrates that the Consolidated entity will generate sufficient cash over the coming year from signing date to meet obligations as and when they fall due;
- Current liabilities include employee provisions of \$6.9M (2024: \$5.8M) which are not expected to be paid out in full in the next financial year and;
- Current liabilities include contract liabilities of \$19.6M (2024: \$16.9M), representing the portion of non-refundable tuition fees and deposits that will not be paid out in full in the next financial year but recognised as revenue over time in line with relevant accounting standards;
- The Consolidated entity reported net operating cash inflows of \$21.7M (2024 : \$3.0M cash outflow). The Consolidated entity reported net cash outflows of \$4.4M (2024 : \$4.6M cash outflow). However, the school is expected to generate positive cash flows over the coming year.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the company not continue as a going concern.

Should the Consolidated entity be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Consolidated entity be unable to continue as a going concern and meet its debts as and when they fall due.

**Basis of preparation**

In the Directors' opinion, the Company and Consolidated entity are not reporting entities because there are no users dependent on general purpose financial statements.

These are special purpose financial statements that have been prepared for the purposes of complying with the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*, and associated regulations. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members of Geelong Grammar School.

These financial statements have been prepared in accordance with the recognition and measurement requirements specified by the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the disclosure requirements of AASB 101 'Presentation of Financial Statements', AASB 107 'Statement of Cash Flows', AASB 108 'Accounting Policies, Changes in Accounting Estimates and Errors', AASB 124 'Related Party Disclosures', AASB 1048 'Interpretation of Standards' and AASB 1054 'Australian Additional Disclosures', as appropriate for not-for profit oriented entities, to the extent applicable as required by the *Australian Charities and Not-for-profits Commission Regulation 2022*.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention, modified by the revaluation of selected non-current assets and financial instruments for which the fair value basis of accounting has been applied.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated entity's and Company'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 in note 3.

**Note 2. Material accounting policy information (continued)**

**Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Geelong Grammar School ('Company' or 'parent entity') as at 31 December 2025 and the results of all subsidiaries for the year then ended. Geelong Grammar School and its subsidiaries together are referred to in these financial statements as the 'Consolidated entity'.

Subsidiaries are all those entities over which the Consolidated entity has control. The Consolidated entity controls an entity when the Consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated entity 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 Consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

**Income tax**

As the Consolidated entity is a charitable institution in terms of subsection 50-5 of the *Income Tax Assessment Act 1997*, as amended, it is exempt from paying income tax.

**Current and non-current classification**

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

**Investments and other financial assets**

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Financial assets at amortised cost*

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

**Note 2. Material accounting policy information (continued)**

*Financial assets at fair value through profit or loss*

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

*Impairment of financial assets*

The Consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

**Impairment of non-financial assets**

Non-financial 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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

**Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

**Rounding of amounts**

Amounts in this report have been rounded off to the nearest thousand dollars, or in certain cases, the nearest dollar.

**Note 3. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Provision for survivor claims*

The Consolidated entity exercises judgement in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation or arbitration. Judgement is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. As a result of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

**Geelong Grammar School**  
**Notes to the financial statements**  
**31 December 2025**

**Note 4. Revenue and income**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Revenue from contracts with customers</i>				
Tuition fees	99,155	92,725	99,155	92,725
Other student income	1,020	1,084	1,020	1,084
Scholarships, bursaries and concessions	(11,856)	(10,938)	(11,856)	(10,938)
Government funding	12,834	11,063	12,834	11,063
	<u>101,153</u>	<u>93,934</u>	<u>101,153</u>	<u>93,934</u>
<i>Income</i>				
Dividends and other investment income	5,122	4,954	-	-
Rental income	153	133	153	133
Donations	3,635	1,740	-	-
Endowments	1,102	954	11,625	5,236
Merchandise sales revenue	3,098	2,812	3,098	2,812
	<u>13,110</u>	<u>10,593</u>	<u>14,876</u>	<u>8,181</u>
Revenue and income	<u>114,263</u>	<u>104,527</u>	<u>116,029</u>	<u>102,115</u>

*Disaggregation of revenue*

The disaggregation of revenue from contracts with customers is as follows:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Timing of revenue recognition</i>				
Services transferred over time	<u>101,153</u>	<u>93,934</u>	<u>101,153</u>	<u>93,934</u>

*Accounting policy for revenue and income recognition*

The Consolidated entity recognises revenue and income as follows:

*Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the Consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided such as discounts, rebates and refunds, and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved.

*Tuition fees*

Tuition fees represent fees earned from providing education to students. Revenue from tuition received by the Consolidated entity is recognised in the period that the tuition is provided. Tuition fees received in advance, in accordance with AASB 15 *Revenue from Contracts with Customers*, are recognised as revenue in the year to which the fees relate. Tuition fees are recognised over time, with revenue deferred until the Consolidated entity has an unconditional right to receive this consideration.

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**Note 4. Revenue and income (continued)**

*Scholarships, bursaries and concessions*

Scholarships, bursaries and concessions represent variable consideration related to tuition fee revenue and is recognised in the period that the tuition is provided.

*Non-reciprocal Government funding*

Government-provided grant funds received by the Consolidated entity to enable the Consolidated entity to further its objectives, in accordance with AASB 1058 *Income of Not-for-Profit Entities*, are recognised as income on receipt of the funds.

*Dividends and other investment income*

Dividends and other investment income is brought to account when declared.

*Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

*Donations and endowments*

Donations and endowments are recognised when the Consolidated entity gains control of the funds and are only recognised as revenue when the funds have been provided to further the Consolidated entity's objectives for no consideration or where consideration is significantly less than the funds provided and when the funds provided do not give rise to an obligation.

*Merchandise sales revenue*

Revenue from the sale of merchandise is recognised at the point in time when the customer obtains control of the goods, which is generally at the point of sale.

*Other revenue*

All other revenue is recognised when the related performance obligation has been satisfied in accordance with the applicable standard.

**Note 5. Other income**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Net fair value (loss)/gain on financial assets at fair value through profit or loss	(896)	2,526	-	-
Net gain on disposal of property, plant and equipment	859	79	859	79
Net gain on disposal of financial assets at fair value through profit or loss	403	1,068	-	-
Recoveries and other income	6,985	5,106	6,985	5,106
Other income	<u>7,351</u>	<u>8,779</u>	<u>7,844</u>	<u>5,185</u>

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**Note 6. Expenses**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Surplus/(deficit) includes the following specific expenses:				
<i>Depreciation</i>				
Buildings	2,892	2,879	2,892	2,879
Plant and equipment	2,632	2,451	2,632	2,451
Motor vehicles	172	180	172	180
Right-of-use assets	7	7	7	6
Total depreciation	5,703	5,517	5,703	5,516
<i>Finance costs</i>				
Interest and finance charges paid/payable on borrowings	308	75	308	75
Interest and finance charges paid/payable on lease liabilities	3	3	3	3
Finance costs expensed	311	78	311	78
<i>Superannuation expense</i>				
Defined contribution superannuation expense	6,245	5,823	6,245	5,823
Defined benefit superannuation expense	(85)	(82)	(85)	(82)
Total superannuation expense	6,160	5,741	6,160	5,741

**Note 7. Cash and cash equivalents**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current assets</i>				
Cash at bank and on hand	5,370	6,577	2,898	2,430
Cash on deposit	1,233	1,250	-	-
Short term deposits	4,586	7,805	-	-
	11,189	15,632	2,898	2,430

Cash at bank bears a floating interest rate. At 31 December 2025 the rate was 3.45% (2024: 4.20%).

Cash on deposit bears interest rates ranging from 3.98% to 4.23% (2024: 5.09% to 5.13%). These deposits have varying maturity days.

*Accounting policy for cash and cash equivalents*

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash and cash equivalents that have a maturity date of greater than three months but less than twelve months are classified as short term deposits. Short term deposits have an average duration of nine month terms.

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**Note 8. Trade and other receivables**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current assets</i>				
Trade receivables	2,296	2,432	2,296	2,432
Less: Allowance for expected credit losses	(312)	(222)	(312)	(222)
	<u>1,984</u>	<u>2,210</u>	<u>1,984</u>	<u>2,210</u>
Other receivables	152	1,313	79	974
Receivables from related parties	-	-	303	338
	<u>2,136</u>	<u>3,523</u>	<u>2,366</u>	<u>3,522</u>

*Allowance for expected credit losses*

Movements in the allowance for expected credit losses are as follows:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Opening balance	222	232	222	232
Net additional provisions recognised	101	-	101	-
Receivables written off during the year as uncollectable	(11)	(10)	(11)	(10)
Closing balance	<u>312</u>	<u>222</u>	<u>312</u>	<u>222</u>

*Accounting policy for trade and other receivables*

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally settled within 60 days.

The Consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on expected chance of recoverability of the associated balance. This involves all debtor balances being individually analysed according to any particular circumstance that the Consolidated entity may be aware of which will potentially affect the debtor's ability to pay. In performing this assessment, the Consolidated entity uses its historical information, external indicators and forward-looking information to derive the expected credit losses.

Other receivables, including receivables from related parties, are recognised at amortised cost, less any allowance for expected credit losses.

**Note 9. Inventories**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current assets</i>				
Stock on hand	<u>1,037</u>	<u>1,288</u>	<u>1,037</u>	<u>1,288</u>

*Accounting policy for inventories*

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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**Note 10. Other assets**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current assets</i>				
Prepayments	2,027	1,920	2,027	1,920

**Note 11. Financial assets at fair value through profit or loss**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Non-current assets</i>				
Listed and unlisted equity securities	75,274	72,152	-	-

*Reconciliation*

Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	72,152	62,971	-	-
Additions	16,891	27,283	-	-
Disposals	(12,872)	(20,628)	-	-
Revaluation increments/(decrements)	(896)	2,526	-	-
Closing fair value	75,275	72,152	-	-

**Note 12. Property, plant and equipment**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Non-current assets</i>				
Land - at cost	16,644	17,794	16,644	17,794
Buildings - at cost	181,501	180,080	181,501	180,080
Less: Accumulated depreciation	(55,886)	(52,994)	(55,886)	(52,994)
	125,615	127,086	125,615	127,086
Plant and equipment - at cost	35,394	40,131	35,394	40,131
Less: Accumulated depreciation	(27,982)	(32,784)	(27,982)	(32,784)
	7,412	7,347	7,412	7,347
Motor vehicles - at cost	2,411	2,497	2,411	2,497
Less: Accumulated depreciation	(1,859)	(1,984)	(1,859)	(1,984)
	552	513	552	513
Work in progress - at cost	29,960	6,591	29,960	6,591
	180,183	159,331	180,183	159,331

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**Note 12. Property, plant and equipment (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	<b>Land \$'000</b>	<b>Buildings \$'000</b>	<b>Plant and equipment \$'000</b>	<b>Motor vehicles \$'000</b>	<b>Work in progress \$'000</b>	<b>Total \$'000</b>
Balance at 1 January 2024	17,794	129,965	6,413	620	3,513	158,305
Additions	-	-	1,655	-	4,893	6,548
Disposals	-	-	(12)	-	-	(12)
Transfers	-	-	1,742	73	(1,815)	-
Depreciation expense	-	(2,879)	(2,451)	(180)	-	(5,510)
Balance at 31 December 2024	17,794	127,086	7,347	513	6,591	159,331
Additions	-	-	1,983	-	25,737	27,720
Disposals	(1,150)	-	(2)	(20)	-	(1,172)
Transfers	-	1,421	716	231	(2,368)	-
Depreciation expense	-	(2,892)	(2,632)	(172)	-	(5,696)
Balance at 31 December 2025	<u>16,644</u>	<u>125,615</u>	<u>7,412</u>	<u>552</u>	<u>29,960</u>	<u>180,183</u>

<b>Parent</b>	<b>Land \$'000</b>	<b>Buildings \$'000</b>	<b>Plant and equipment \$'000</b>	<b>Motor vehicles \$'000</b>	<b>Work in progress \$'000</b>	<b>Total \$'000</b>
Balance at 1 January 2024	17,794	129,965	6,413	620	3,513	158,305
Additions	-	-	1,655	-	4,893	6,548
Disposals	-	-	(12)	-	-	(12)
Transfers	-	-	1,742	73	(1,815)	-
Depreciation expense	-	(2,879)	(2,451)	(180)	-	(5,510)
Balance at 31 December 2024	17,794	127,086	7,347	513	6,591	159,331
Additions	-	-	1,983	-	25,737	27,720
Disposals	(1,150)	-	(2)	(20)	-	(1,172)
Transfers	-	1,421	716	231	(2,368)	-
Depreciation expense	-	(2,892)	(2,632)	(172)	-	(5,696)
Balance at 31 December 2025	<u>16,644</u>	<u>125,615</u>	<u>7,412</u>	<u>552</u>	<u>29,960</u>	<u>180,183</u>

*Accounting policy for property, plant and equipment*

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

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives. The depreciation rates used for each class of assets are as follows:

Buildings	1.5% - 3%
Plant and equipment	10% - 33%
Motor vehicles	15%

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

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**Note 12. Property, plant and equipment (continued)**

*Work in progress*

At 31 December 2025 and 31 December 2024 work in progress predominantly related to expansion and renovation projects.

**Note 13. Right-of-use assets**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Non-current assets</i>				
Right-of-use assets	140	140	140	140
Less: Accumulated depreciation	(40)	(33)	(40)	(33)
	<u>100</u>	<u>107</u>	<u>100</u>	<u>107</u>

The Consolidated entity leases land and buildings for its offices, warehouses and retail outlets under agreements of 20 years with no option to extend. Lease will expire in 2040.

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Right-of-use assets \$'000
<b>Consolidated</b>	
Balance at 1 January 2024	113
Depreciation expense	(6)
Balance at 31 December 2024	107
Depreciation expense	(7)
Balance at 31 December 2025	<u>100</u>
	<b>Right-of-use assets \$'000</b>
<b>Parent</b>	
Balance at 1 January 2024	113
Depreciation expense	(6)
Balance at 31 December 2024	107
Depreciation expense	(7)
Balance at 31 December 2025	<u>100</u>

*Accounting policy for right-of-use assets*

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

**Note 13. Right-of-use assets (continued)**

The right-of-use asset refers to the lease held over Crown land adjoining the Timbertop campus.

**Note 14. Retirement benefit obligations**

*Superannuation plan*

All employees of the Consolidated entity are entitled to benefits from the Consolidated entity's superannuation plan on retirement, disability or death. The Consolidated entity has one plan with a defined benefit section and a defined contribution section. Defined benefit members receive lump sum benefits on retirement, death, disablement and withdrawal. The defined benefit section of the plan is closed to new members. All new members receive accumulation only benefits.

The Superannuation Industry (Supervision) (SIS) legislation governs the superannuation industry and provides the framework within which superannuation plans operate. The SIS Regulations require an actuarial valuation to be performed for each defined benefit superannuation plan every three years, or every year if the plan pays defined benefit pensions unless an exemption has been obtained.

The plan's trustee is responsible for the governance of the plan. The trustee has a legal obligation to act solely in the best interests of plan beneficiaries. The trustee has the following roles: administration of the plan and payment to the beneficiaries from plan assets when required in accordance with the plan rules, management and investment of the plan assets, and compliance with superannuation law and other applicable regulations.

The prudential regulator, the Australian Prudential Regulation Authority (APRA), licenses and supervises regulated superannuation plans.

The following sets out details in respect of the defined benefit section only. The expense recognised in relation to the defined contribution plan is disclosed in note 6.

*Significant events*

There were no plan amendments affecting the defined benefits assets, curtailments or settlements occurring during the current or prior period.

*Statement of financial position amounts*

The amounts recognised in the statement of financial position are determined as follows:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Present value of the defined benefit obligation	(750)	(652)	(750)	(652)
Fair value of defined benefit plan assets	4,078	3,792	4,078	3,792
Total net asset in the statement of financial position	<u>3,328</u>	<u>3,140</u>	<u>3,328</u>	<u>3,140</u>
	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Net defined benefit superannuation asset - non-current	<u>3,328</u>	<u>3,140</u>	<u>3,328</u>	<u>3,140</u>

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**Note 14. Retirement benefit obligations (continued)**

*Categories of plan assets*

The major categories of plan assets are as follows:

	Consolidated		Parent	
	2025	2024	2025	2024
	%	%	%	%
Cash and cash equivalents	16.0%	17.0%	16.0%	17.0%
Equity instruments	32.0%	31.0%	32.0%	31.0%
Property	19.0%	18.0%	19.0%	18.0%
Fixed income	27.0%	30.0%	27.0%	30.0%
Other	6.0%	4.0%	6.0%	4.0%

*Fair value of entity's own financial instruments*

The fair value of plan assets includes no amounts relating to any of the Consolidated entity's own financial instruments nor any property occupied by, or other assets used by, the Consolidated entity.

*Reconciliations*

	Consolidated		Parent	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Reconciliation of the present value of the defined benefit obligation:				
Balance at the beginning of the year	652	531	652	531
Current service cost	37	37	37	37
Interest expense	52	46	52	46
Contributions by plan participants	11	11	11	11
Actuarial losses	57	57	57	57
Taxes, premiums and expenses paid	(59)	(30)	(59)	(30)
Balance at the end of the year	<u>750</u>	<u>652</u>	<u>750</u>	<u>652</u>
Reconciliation of the fair value of plan assets:				
Balance at the beginning of the year	3,792	3,515	3,792	3,515
Interest income	174	165	174	165
Return on plan assets less interest income	160	131	160	131
Contributions by plan participants	11	11	11	11
Taxes, premiums and expenses paid	(59)	(30)	(59)	(30)
Balance at the end of the year	<u>4,078</u>	<u>3,792</u>	<u>4,078</u>	<u>3,792</u>

The asset ceiling has no impact on the net defined benefit asset.

**Note 14. Retirement benefit obligations (continued)**

*Amounts recognised in the statement of profit or loss and other comprehensive income*

The amounts recognised in the statement of profit or loss and other comprehensive income are as follows:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current service cost	(37)	(37)	(37)	(37)
Net interest income	122	119	122	119
Total amount recognised in profit or loss	<u>85</u>	<u>82</u>	<u>85</u>	<u>82</u>
Actuarial losses	(57)	(57)	(57)	(57)
Return on plan assets less interest income	160	131	160	131
Total gain recognised in other comprehensive income	<u>103</u>	<u>74</u>	<u>103</u>	<u>74</u>

*Significant actuarial assumptions*

The significant actuarial assumptions used (expressed as weighted averages) were as follows:

	Consolidated		Parent	
	2025 %	2024 %	2025 %	2024 %
Discount rate	4.7%	4.6%	4.7%	4.6%
Future salary increases	3.5%	3.0%	3.5%	3.0%

*Sensitivity analysis*

The retirement benefit obligation would increase/decrease by \$nil if one of the following variables changed with all other assumptions remaining constant: the discount rate changed by +/-0.5%; or future salary increases changed by +/-0.5%.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the statement of financial position.

*Risk exposure*

There are a number of risks to which the plan exposes the Company and the Consolidated entity. The more significant risks relating to the defined benefits are:

- Investment risk: the risk that investment returns will be lower than assumed and the Consolidated entity will need to increase contributions to offset this shortfall.
- Salary growth risk: the risk that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contribution.
- Legislative risk: the risk that legislative changes could be made which increase the cost of providing the defined benefits.
- Timing of members leaving service: as there is now only one member in the plan, when the member leaves, this may have an impact on the financial position of the plan, depending on the financial position of the plan at the time they leave. The impact may be positive or negative, depending on the circumstances and timing of the withdrawal.

The defined benefit assets are invested in a mix of MySuper and conservative investment options in Prime Super. The assets are diversified within these investment options and therefore the plan has no significant concentration of investment risk.

*Asset-liability matching strategies*

No asset and liability matching strategies have been adopted by the plan.

**Note 14. Retirement benefit obligations (continued)**

*Employer contributions and funding arrangements*

The financing objective adopted at the 30 June 2024 actuarial investigation of the plan, in a report dated 20 September 2024, is to maintain the value of the plan's assets at least equal to 100% of accumulation account balances plus, for defined benefits, the greater of 105% of vested benefits and 100% of the actuarial value of accrued benefits.

In that valuation, it was recommended that the Consolidated entity contributes to the plan as follows: \$nil in respect of defined benefit entitlements; and member contributions from before-tax salary (other than category A1 deemed member contributions met from the general reserve) and any other contributions agreed between the Consolidated entity and a member (e.g. additional salary sacrifice contributions).

*Maturity profile of defined benefit obligation*

The weighted average duration of the defined benefit obligation is 2 years (2024: 3 years). The expected maturity analysis of undiscounted defined benefit obligations is as follows:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
One to two years	1,420	1,361	1,420	1,361

*Accounting policy for retirement benefit obligations*

All employees of the Consolidated entity are entitled to benefits from the Consolidated entity's default superannuation plan on retirement, disability or death. The Consolidated entity has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from entities in the Consolidated entity and the Consolidated entity's legal or constructive obligation is limited to these contributions. The defined benefit section of the plan is closed to new members. All new members receive accumulation only benefits.

A liability or asset in respect of defined benefit superannuation plans is recognised in the statement of financial position, and is measured at 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 and any unrecognised past service cost. 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 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.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised, in the period in which they occur, in other comprehensive income.

Past service costs are recognised immediately in profit or loss, unless the changes to the superannuation fund are conditional on the employees remaining in service for a specified period of time ('the vesting period'). In this case, the past service costs are amortised on a straight-line basis over the vesting period.

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**Note 15. Trade and other payables**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current liabilities</i>				
Trade payables	3,048	2,745	3,048	2,745
Accrued expenses	2,325	805	2,325	805
Payables to related parties	-	85	-	85
Other payables	1,879	1,565	1,879	1,565
	<u>7,252</u>	<u>5,200</u>	<u>7,252</u>	<u>5,200</u>

*Accounting policy for trade and other payables*

These amounts represent liabilities for goods and services provided to the Consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Note 16. Contract liabilities**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current liabilities</i>				
Tuition fees in advance	33,326	33,517	33,326	33,517
Enrolment deposits	860	673	860	673
Other contract liabilities	724	714	724	714
Provision for Senior school deposits	1,414	-	1,414	-
	<u>36,324</u>	<u>34,904</u>	<u>36,324</u>	<u>34,904</u>
<i>Non-current liabilities</i>				
Enrolment deposits	1,950	1,727	1,950	1,727
Provision for Senior school deposits	1,103	1,209	1,103	1,209
	<u>3,053</u>	<u>2,936</u>	<u>3,053</u>	<u>2,936</u>
	<u>39,377</u>	<u>37,840</u>	<u>39,377</u>	<u>37,840</u>

*Accounting policy for contract liabilities*

Contract liabilities represent the Consolidated entity's obligation to transfer services to students or other parties and are recognised when a party pays consideration, or when the Consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Consolidated entity has transferred the goods or services to the party.

**Geelong Grammar School**  
**Notes to the financial statements**  
**31 December 2025**

**Note 16. Contract liabilities (continued)**

*Tuition fees in advance*

Tuition fees are billed in four instalments, two terms in advance. Fees are payable one term prior to the commencement of the term to which they relate.

Fees received in relation to future financial periods are not included as revenue in the statement of profit or loss and other comprehensive income until the year in which the services are provided to that student. These fees are held as a contract liability until the revenue can be recognised.

A receivable balance has been recognised for uncollected invoices that the Consolidated entity has an unconditional right to consideration as at 31 December 2025. As such, the tuition fees in advance balance is representative of Term 1 2026 tuition fees billed as the Consolidated entity has a contractual obligation to provide tuition for the respective semester as at 31 December 2025. In addition, amounts received in respect of Term 2 2026 tuition fees billed in December 2025 are included in the tuition fees in advance balance.

*Enrolment deposits*

Contract liabilities also include enrolment fees and Senior School transition deposits. Enrolment fees are upfront fees paid by parents when they accept an offer of enrolment for their child, and guarantees the student a place for an agreed-upon year and for the agreed-upon period of tuition (e.g. high school). The fee is non-refundable and non-transferrable and is not offset against any future tuition fees. The enrolment fees are deferred and recognised as revenue over the contract period (average student tenure) for tuition services. Senior School transition deposits are deposits paid by parents of students commencing their enrolment at the Timbertop campus. The value of the deposit will be equal to the full term's published fees for a Year 10 boarding student. If a domestic or overseas student transitions to the Senior School, the deposit will be applied as a fee credit to the student's Year 10 Term 3 fee statement. The deposit is forfeited if the student does not transition from Timbertop to the Senior School.

This upfront payment includes two components.

- Component 1: non-refundable fee for confirmation of enrolment.  
 The enrolment fee for domestic 2026 entries including component 2 is \$1,000 for Early Learning Centre students, for Primary and Secondary students excluding Year 9 and \$5,000 for Year 9 students. The enrolment fee for Full Fee-Paying Overseas students is \$5,500.  
 Non-refundable enrolment fees received which are not deducted from future fees are recognised as a contract liability. These amounts are recognised as revenue over the average life of a student at the school.
- Component 2: non-refundable fee of \$409 for lifetime membership of the Old Geelong Grammarians.  
 This fee is recognised as revenue in the statement of profit or loss and other comprehensive income when received.

**Note 17. Lease liabilities**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Current liabilities</i>				
Lease liabilities	7	6	7	6
<i>Non-current liabilities</i>				
Lease liability	100	107	100	107
	<u>107</u>	<u>113</u>	<u>107</u>	<u>113</u>

**Note 17. Lease liabilities (continued)**

*Accounting policy for lease liabilities*

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The Consolidated entity has utilised the exemption afforded to not-for-profits organisations to recognise below-market leases at cost, being the value of the expected repayments under the terms of the lease agreement. This exemption has been applied to the Consolidated entity's lease of Crown land adjoining the Timbertop campus.

**Note 18. Provisions**

	<b>Consolidated</b>		<b>Parent</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<i>Current liabilities</i>				
Employee benefits	6,859	5,794	6,859	5,794
Other provisions	6,297	8,358	6,297	8,358
	13,156	14,152	13,156	14,152
<i>Non-current liabilities</i>				
Employee benefits	1,229	1,535	1,229	1,535
	14,385	15,687	14,385	15,687

*Accounting policy for provisions*

Provisions are recognised when the Consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the Consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

*Accounting policy for employee benefits*

*Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

*Other long-term employee benefits*

The liability for long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

**Geelong Grammar School**  
**Notes to the financial statements**  
**31 December 2025**

**Note 18. Provisions (continued)**

*Defined contribution superannuation expense*

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

**Note 19. Retained surpluses**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Retained surpluses at the beginning of the financial year	187,753	189,037	102,398	110,242
Surplus/(deficit) for the year	12,739	(1,358)	14,759	(7,918)
Actuarial gain on defined benefit plans, net of tax	85	74	85	74
Retained surpluses at the end of the financial year	<u>200,577</u>	<u>187,753</u>	<u>117,242</u>	<u>102,398</u>

**Note 20. Borrowings**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Non-current liabilities</i>				
Bank loans – Operating facility	-	10,500	-	10,500
Bank loans – Capital	13,576	-	13,576	-
	<u>13,576</u>	<u>10,500</u>	<u>13,576</u>	<u>10,500</u>

*Assets pledged as security*

The carrying amounts of assets pledged as security for borrowings are:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Land and buildings	<u>35,164</u>	<u>35,653</u>	<u>35,164</u>	<u>35,653</u>

*Financing arrangements*

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

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Total facilities				
Bank loans	36,000	36,000	36,000	36,000
Bank credit facilities	250	250	250	250
	<u>36,250</u>	<u>36,250</u>	<u>36,250</u>	<u>36,250</u>
Used at the reporting date				
Bank loans	13,576	10,500	13,576	10,500
Bank credit facilities	35	35	35	35
	<u>13,611</u>	<u>10,535</u>	<u>13,611</u>	<u>10,535</u>
Unused at the reporting date				
Bank loans	22,424	25,500	22,424	25,500
Bank credit facilities	215	215	215	215
	<u>22,639</u>	<u>25,715</u>	<u>22,639</u>	<u>25,715</u>

**Geelong Grammar School**  
**Notes to the financial statements**  
**31 December 2025**

**Note 20. Borrowings (continued)**

*Accounting policy for borrowings*

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Note 21. Key management personnel disclosures**

No income was paid or made payable, or otherwise made available to Directors of the Consolidated entity and related parties in connection with the management of affairs of the parent entity or its controlled entities in the current or previous financial years, except for Rebecca Cody who received remuneration in her capacity as Principal of the School.

*Compensation*

The aggregate compensation made to members of key management personnel of the Consolidated entity is set out below:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Aggregate compensation	4,799	4,390	4,799	4,390

**Note 22. Related party transactions**

This financial report covers both Geelong Grammar School as an individual entity and the consolidated entity consisting of GGS Nominees Pty Ltd, Geelong Grammar Foundation Limited, Geelong Grammar School Endowment Trust, Geelong Grammar School Building Fund, Geelong Grammar School Library Fund and Geelong Grammar School Scholarship Fund.

*Parent entity*

Geelong Grammar School is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 26.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 21.

*Transactions with related parties*

The following transactions occurred with related parties:

	Parent	
	2025 \$'000	2024 \$'000
Other revenue:		
Endowments received from Geelong Grammar School Building Fund	225	120
Endowments received from Geelong Grammar School Endowment Trust	8,148	2,645
Endowments received from Geelong Grammar School Scholarship Fund	2,151	1,470
Endowments received from Geelong Grammar School Library Fund	-	48

**Geelong Grammar School**  
**Notes to the financial statements**  
**31 December 2025**

**Note 22. Related party transactions (continued)**

*Receivable from and payable to related parties*

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

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current receivables (note 8):				
Receivables from Geelong Grammar School Building Fund	-	-	181	122
Receivables from Geelong Grammar School Endowment Trust	-	-	100	150
Receivables from Geelong Grammar School Scholarship Fund	-	-	22	19
Receivables from Geelong Grammar School Library Fund	-	-	-	48
Receivables from The Old Geelong Grammarians	7	-	7	-
Current payables:				
Payables to The Old Geelong Grammarians Incorporated	-	85	-	85

*Loans to/from related parties*

There were no loans to or from related parties at the current and previous reporting date.

*Terms and conditions*

Related party balances are non-interest bearing and payable on demand.

**Note 23. Remuneration of auditors**

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd and its related parties:

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Audit services - Grant Thornton Audit Pty Ltd</i>				
Audit of the financial statements	93	92	79	80
<i>Other services - Grant Thornton Australia Limited</i>				
Compilation of the special purpose financial report	9	13	5	7
<i>Other services - Grant Thornton Audit Pty Ltd related parties</i>				
Advisory services	20	20	20	20
	29	33	25	27
	122	125	104	107

**Note 24. Contingent assets**

The Consolidated entity has no contingent assets as at 31 December 2025 (2024: \$nil).

**Geelong Grammar School**  
**Notes to the financial statements**  
**31 December 2025**

**Note 25. Commitments and contingencies**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Commitments</i>				
Committed at the reporting date but not recognised as liabilities, payable:				
Repairs and maintenance	228	386	228	386
Property, plant and equipment	9,238	13,130	9,238	13,130
<i>Lease commitments</i>				
Committed at the reporting date and recognised as liabilities, payable:				
Within one year	8	9	8	9
One to five years	44	42	44	42
More than five years	76	86	76	86
Total commitment	128	137	128	137
Less: Future finance charges	(21)	(24)	(21)	(24)
Net commitment recognised as liabilities	107	113	107	113

*Contingencies*

The Consolidated entity is part of the national redress scheme and has potential claims for redress resulting from historical child abuse. The Consolidated entity may have financial exposure to claims in the future, by their nature at the date of this report it is not possible to reliably estimate the quantum (if any) of additional claims of this nature which may emerge. The Consolidated entity continues to closely monitor these legal matters and the impact on the Consolidated entity.

**Note 26. Interests in subsidiaries**

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025 %	2024 %
GGS Nominees Pty Ltd	Australia	100%	100%
Geelong Grammar Foundation Limited	Australia	100%	100%
Geelong Grammar School Endowment Trust	Australia	100%	100%
Geelong Grammar School Building Fund	Australia	100%	100%
Geelong Grammar School Library Fund	Australia	100%	100%
Geelong Grammar School Scholarship Fund	Australia	100%	100%

**Note 27. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Consolidated entity's operations, the results of those operations, or the Consolidated entity's state of affairs in future financial years.

**Geelong Grammar School**  
**Notes to the financial statements**  
**31 December 2025**

**Note 28. Reconciliation of surplus/(deficit) to net cash from/(used in) operating activities**

	Consolidated		Parent	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Surplus/(deficit) for the year	12,739	(1,358)	14,759	(7,918)
Adjustments for:				
Depreciation and amortisation	5,703	5,516	5,702	5,516
Net gain on disposal of investments and financial assets	(403)	(1,068)	-	-
Net gain on disposal of property, plant and equipment	(859)	(79)	(859)	(79)
Net fair value loss/(gain) on investments and financial assets	896	(2,526)	-	-
Change in operating assets and liabilities:				
Decrease/(increase) in trade and other receivables	226	(22)	226	(22)
Decrease/(increase) in inventories	251	(249)	252	(249)
Increase in defined benefit obligations (net of actuarial gain/(loss))	84	75	84	75
Decrease in other assets	978	587	749	302
(Increase) in Prepayments	(112)	(44)	(112)	(44)
Increase/(decrease) in trade and other payables	1,998	(4,100)	1,997	(4,064)
Increase in contract liabilities	1,537	2,293	1,537	2,293
Decrease in provisions	(1,303)	(1,987)	(1,303)	(1,987)
Net cash from/(used in) operating activities	<u>21,735</u>	<u>(2,962)</u>	<u>23,032</u>	<u>(6,177)</u>

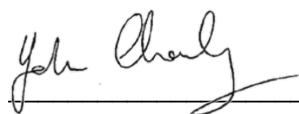
**Geelong Grammar School**  
**Directors' declaration**  
**31 December 2025**

In the Directors' opinion:

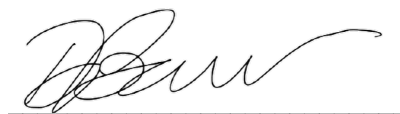
- the Company and Consolidated entity are not reporting entities because there are no users dependent on general purpose financial statements. Accordingly, as described in note 2 to the financial statements, the attached special purpose financial statements have been prepared for the purposes of complying with the *Australian Charities and Not-for-profits Commission Act 2012* requirements to prepare and distribute financial statements to the members of Geelong Grammar School;
- the attached financial statements and notes comply with the Accounting Standards as described in note 2 to the financial statements, the *Australian Charities and Not-for-profits Commission Regulation 2022* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's and Consolidated entity's financial position as at 31 December 2025 and of their performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company and Consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors.

On behalf of the Directors



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1 April 2026

## Independent Auditor's Report

To the Members of Geelong Grammar School and its controlled entities

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of Geelong Grammar School (the Company) and its controlled entities (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and the Directors' declaration.

In our opinion, the financial report of Geelong Grammar School has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- a giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the year then ended; and
- b complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2022*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of matter – basis of accounting**

We draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purposes of fulfilling the Director's financial reporting responsibilities under the ACNC Act. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

### **Responsibilities of the Directors for the financial report**

The Directors of the Group are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for overseeing the Group's financial reporting process.

### **Auditor's responsibilities for the audit of the financial report**

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

*Grant Thornton*

Grant Thornton Audit Pty Ltd  
Chartered Accountants

*egangemi*

C S Gangemi  
Partner – Audit & Assurance

Melbourne, 1 April 2026