Hunter Medical Research Institute

Financial Statements

For the Year Ended 31 December 2025

Hunter Medical Research Institute

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For the Year Ended 31 December 2025

Hunter Medical Research Institute

Directors' Report
31 December 2025

The directors present their report on Hunter Medical Research Institute for the financial year ended 31 December 2025.

General information

Directors

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

Names	Position	Appointed/Resigned
F Kay	Institute Director	
K Loades	Chairman	Resigned 31 December 2025
D Turner	Chairman	Appointed Chair 1 January 2026
K Atkins	Deputy Chair	Appointed Deputy Chair 1 January 2026
A Zelinsky	Director	
C Levi	Director	
T McCosker	Director	
C Robbs	Director	
D Vinci	Director	
L Wood	Director	Appointed 28 February 2025
S Heyman	Director	Appointed 7 August 2025
J Todd	Director	Appointed 6 January 2026
E Sullivan	Director	Resigned 28 February 2025
Z Upton	Director	Resigned 28 November 2025
R Gordon	Director	Resigned 4 April 2025

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

Directors' Report
31 December 2025

Directors

F Kay	Institute Director - HMRI
Experience	Professor Frances Kay-Lambkin is the current Institute Director and CEO of the Hunter Medical Research Institute, Australia’s largest regionally located Health and Medical Research Institute that comprises 1600 affiliated researchers across 19 research programs and 90 staff. Frances is a registered psychologist with 25 years of experience as an HMRI researcher in mental health. She leads an international team of researchers, clinicians, and industry partners resulting in an innovative program of research that has attracted international collaborators across 5 disciplines and earned >$30M in funded research projects. In addition to her international research credentials, Frances has over 10 years research leadership experience, most recently holding the positions of interim Pro-Vice Chancellor, Research and Innovation and Head of School of Medicine and Public Health at the University of Newcastle. She is also a member of the National Health and Medical Research Council (NHMRC) and is a member of the NHMRC Research Committee.
Service as a Director	Appointed to HMRI Board 20 May 2022
Special Responsibilities	Ex-Officio Member – Audit & Risk Committee
Other current directorships in public and significant companies and institutions	Director: • Orygen: The National Centre for Excellence in Youth Mental Health Chair: • AAMRI NSW Chapter (Co-Chair) Member: • Research Committee, NHMRC

Directors' Report
31 December 2025

K Loades	Chair, HMRI Board and Non-Executive Director – Community
Experience	Kyle is Chairman of Active Super, a non-executive Director of Great Southern Bank, a non-executive Director of AMA Group, an Advisory Board member of The Melt, and a Corporate advisor. Kyle successfully established, grew, and ran Auto Advantage, an independent car broking business that disrupted the motor vehicle retail industry. After almost 15 years of successful growth, the business was purchased in August 2015 by a listed company and integrated into its more extensive operations. Kyle is a former Chairman of the HMRI Foundation, NRMA, the Australian Transformation and Turnaround Association and Hunter Business Chamber. Kyle is a former Board Member of Hunter Tourism and a Life Member, past President of Nobbys Surf Life Saving Club, and former director of the Hunter Region SLSA Helicopter Rescue Service Limited.
Service as a Director	Appointed to HMRI Board 20 February 2014 Appointed Chair, HMRI Board, 8 December 2016 Resigned 31 December 2025
Special responsibilities	Member – Board Audit & Risk Committee
Other current directorships in public and significant companies and institutions	Director: • Great Southern Bank • AMA Group • Convergence 1440 Pty Limited Chair: • Active Super Other: • University of Newcastle - Professor of Practice

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A Zelinsky	Non-Executive Director - University of Newcastle
Experience	Professor Alex Zelinsky AO is Vice-Chancellor and President of the University of Newcastle. Prior to joining the University in 2018, he was Australia's Chief Defence Scientist and leader of Defence Science and Technology within the Department of Defence. Alex's previous roles include Group Executive for Information Sciences at CSIRO, and Chief Executive Officer and co-founder of Seeing Machines, a computer vision technology company now listed on the London Stock Exchange. The company was a start-up from the Australian National University, where he was a Professor of Systems Engineering. Alex holds a Bachelor of Mathematical Sciences (Honours), a Doctor of Philosophy and an Honorary Doctor of Science from the University of Wollongong. He is an Officer in the Order of Australia, and a Fellow of the Australian Academy of Science, the Australian Academy of Technology and Engineering, Institute of Electrical and Electronics Engineers, the Institute of Engineers Australia and the Australian Institute of Company Directors.
Service as a Director	Appointed to HMRI Board 19th November 2018
Special responsibilities	Member – Nominations Committee
Other current directorships in public and significant companies and institutions	Director and Chair: • NUservices Pty Ltd • UniProjects (New South Wales Vice-Chancellor's Committee) Member: • AHEIA (Australian Higher Education Industrial Association) • AKBC Australian Korean Business Council • AARNet • CCLHD Central Coast Clinical School • City of Newcastle Strategy and Innovation Advisory Committee • Committee for the Hunter • EAL (Education Australia Limited) • International Education Board (Study NSW) • JSB UNCIE Joint Strategic Board • NSW Regional Health Partners Governing Board • NSW Innovation and Productivity Council • NUW Alliance Board • UFIT Steering Group • Unisuper • NSW Vice-Chancellor's Committee - Convenor

Directors' Report
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C Levi	Non-Executive Director - Hunter New England Local Health District
Experience	Christopher Levi is an academic stroke neurologist, Fellow of the Australian Academy of Health and Medical Science, the Director of the John Hunter Hospital Health and Innovation Precinct (JHHIP), Conjoint Professor of Medicine University of Newcastle and between 2017-2021 and Professor of Neurology at University New South Wales. An experienced partnership leader in applied research and research translation he is currently establishing key elements of a learning health system in the Local Health District. In prior roles he established Hunter New England Health’s Acute Stroke Services and Stroke Research Group, pioneered telestroke care in NSW, led the roll out of acute stroke units across NSW, established the HNE Research and Translation Directorate and NSW Regional Health Partners Centre for Innovation in Regional Health. He continues a research career in stroke and concussion with clinical academic appointments at John Hunter Hospital/University Newcastle focusing on investigating new avenues for stroke reperfusion therapy, novel therapies in stroke recovery, and implementation of best evidence practice in stroke and concussion care.
Service as a Director	Appointed to HMRI Board 1 April 2021
Other current directorships in public and significant companies and institutions	Director: • Newcastle Brain Centre, Lake Macquarie Private Hospital

Directors' Report
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Z Upton	Non-Executive Director - University of Newcastle
Experience	Professor Zee Upton, a biochemist by training, is the Deputy Vice-Chancellor (Research and Innovation) at the University of Newcastle. She has a significant record of research in skin, wounds, and tissue repair, spanning many disciplinary boundaries. Prior to joining the University, she spent six years in Singapore where she was Executive Director of the Skin Research Institute of Singapore (SRIS), a tripartite research institute between Nanyang Technological University, the National Health Group and the Agency for Science, technology, and Research (A*STAR), as well as the Executive Director of A*STAR Institute of Medical Biology. In these roles, she facilitated extensive collaboration with industry, many via the World Care Innovation for the Tropics Industry Alignment Pre-Positioning Program that she also established and led. Preceding this, Professor Upon spent 15 years at the Queensland University of Technology where she held senior management and leadership positions, as well as established the Wound Management Innovation Cooperative Research Centre, plus formed a start-up that ultimately listed on the Australian Stock Exchange.
Service as a director	Appointed to HMRI Board 3 June 2021 Resigned 28 November 2025
Other current directorships in public and significant companies and institutions	Director: • DANTIA • ResTech Board Chair: • TUNRA Board UON Member: • Central Coast Research Institute Board • Skin Research Institute of Singapore, A*STAR, Singapore

Directors' Report
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D Turner	Non-Executive Director – Community
Experience	Darren Turner is a retired Partner of PwC with four decades in accounting, business and corporate advisory, assurance, and risk management to organisations across the Hunter region. Darren provides his experience as a Board and Committee member to private and public entities. Darren holds a Bachelor of Commerce from University of Newcastle, is a Fellow of Chartered Accountants ANZ and AICD Graduate. Darren maintains a trusted network across the Hunter business community and has a passion to support HMRI's outcomes which significantly benefit our society.
Service as a director	Appointed to HMRI Board 1 July 2021 Appointed Chair, HMRI Board, 1 January 2026
Special Responsibilities	Appointed Chair, Audit and Risk Committee 1 July 2021
Other current directorships in public and significant companies and institutions	Director: • Varley Group • Quarry Mining and Construction Equipment • The Newcastle Club • Amplify Music Education • Landlink Projects Group • Phoenix Health Fund Limited • NGM Group Limited Chair: • McDonald Jones Homes - Governance & Risk Committee

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K Atkins	Non-Executive Director - Community
Experience	Kristie is Managing Director of international award-winning customer acquisition and retention marketing business, Wink. She previously served as divisional Managing Director for Village Roadshow, Chief Operating Officer of Waivpay, Chief Commercial Officer for former marketing services giant Ovato and Director of Sales for Event Hospitality & Entertainment. She has been named Entrepreneur of the Year (B&T Women In Media) and Australian Marketing Institute (AMI) Life Member and Fellow. She was appointed to HMRI Foundation in 1999 and founded the HMRI Sydney Foundation in 2015 Kristie is a dynamic business growth and commercial leader. She is a Fellow and Chartered Marketer of peak global body, Chartered Institute of Marketing, has been recognised as Australasia's Certified Practising Marketer of the Year, is an awards judge for Australian Loyalty Association, B&T Women in Media and 30 under 30 and an International Jury Member for the Dragons of Asia. She is a national commercial radio and marketing award winner and a member of AICD.
Service as a director	Appointed to HMRI Board December 2022 Appointed Deputy Chair 1 January 2026
Special responsibilities	Appointed Chair, HMRI Foundation December 2022
Other current directorships in public and significant companies and institutions	Director: • Think Wink (Wink) Chair: • Australian Marketing Institute Member: • Azura Fashion Group - Advisory board • Vennu - Advisory board

Directors' Report
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T McCosker	Non-Executive Director - Hunter New England Local Health District
Experience	Tracey McCosker (PSM) is the Chief Executive of Hunter New England Local Health District. Tracey has worked in the NSW public health system for over 30 years and held the positions of Chief Executive, NSW Health Pathology, as well as Director of Finance, Director of Corporate Services and Director of Clinical Services for the Hunter New England Local Health District. Tracey started her health career as Business Manager for the Hunter Area Pathology Service, now part of NSW Health Pathology. In 2018 Tracey was awarded an Australian Public Service Medal for her outstanding service to public health in NSW. She has a Bachelor of Commerce (Newcastle University) and a Master of Business Administration (University of Southern Queensland). She is a Member of the Australian Institute of Company Directors. Tracey is committed to leading an organisation that consistently models its CORE (Collaboration, Openness, Respect and Empowerment) values. She is passionate about leading and partnering with organisations that make a positive difference in the lives of staff and the community they care for.
Service as a director	Appointed to HMRI Board 13 April 2023
Special responsibilities	Member – Nominations Committee
Other current directorships in public and significant companies and institutions	Board Member: • Hunter New England Central Coast Primary Health Network (HNECC PHN) • Health Infrastructure • HealthShare NSW • NSW Regional Health Partners • Newcastle Business School – Advisory Board • Single Digital Patient Records Implementation Authority (SDPRIA) Board
C Robbs	Non-Executive Director - Community
Experience	Claire is Chief Executive of Life Without Barriers, one of Australia's most trusted not-for-profit organisations with services across Australia. Life Without Barriers supports over 25,000 people annually with disability support, aged care, mental health, as well as support for people seeking asylum. Life Without Barriers is the only organisation providing care nationally for children, young people and families in child protection. Claire leads more than 11,000 staff and carers with a strong commitment to values, where relationships, respect, responsiveness, imagination and courage are the compass for her decision making. Claire is a skilled strategist, with over 25 years' experience in the human services sector with a career that began in frontline services. This direct hands-on experience honed Claire's ability to make critical decisions with a sharp relevance for practical, human centred implementation. With a strong reputation in the social services sector and with government at state and federal levels, Claire is revered for her ability to collaborate and is a reliable voice and trusted expert. Claire holds a Bachelors Degree in Arts, Sociology and Social policy, a Graduate Diploma in Psychology, an Executive Master of Business Administration and is a Board member with the Community Council of Australia.
Service as a director	Appointed to HMRI Board1 January 2024
Other directorships in listed entities held in the previous three years	Deputy Chair: • Community Council for Australia (CCA) Non-Executive Director: • Association of Children's Welfare Agencies Board (ACWA)

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D Vinci	Non-Executive Director - Community
Experience	With a wealth of experience in board governance and a distinguished executive career in global CxO positions, Donna's expertise spans crucial areas such as strategy, data management, digital transformation, technology, operational efficiency, risk oversight, and corporate governance and a track record in delivering digital disruptions and transformative initiatives within major financial institutions on a global scale. Donna has used her experience to elevate businesses to be connected with the needs and expectations of their customer's, staff and stakeholders and adapt the business to be relevant, sustainable and competitive in the fast pace of change. Donna is a graduate of the Australian Institute of Company Directors (GAICD), is certified as a Fellow of the Governance Institute of Australia (FGIA), and holds certifications in Applied Artificial Intelligence, Sustainability, Climate Change, and ESG Leadership from renowned global institutions including Competent Boards, Cambridge Institute for Sustainability Leadership (CISL), UNSW Institute for Climate Risk and Response (ICRR), and the MIT Sloan School of Management. In 2019, she was recognised nationally as Cisco's 2019 Women CIO of the Year.
Service as a director	Appointed to HMRI Board 1 January 2024
Special responsibilities	Chair – Nominations Committee
Other current directorships in public and significant companies and institutions	Board Member: • NGM Group • Hunter Water • Capricorn Society • MS Plus • Western Sydney International Airport • Oakhill College

R Gordon	Non-Executive Director - Hunter New England Local Health District
Experience	Ms Raylene Gordon, Executive Director, Aboriginal Health, is responsible for the strategic direction, advocacy and planning of Aboriginal health and well-being in the District. A descendant of the Kamilaroi people and now living in Awabakal country, Ms Gordon has a strong focus to deliver on the District's commitment to make meaningful gains for the more than 90,0000 Aboriginal people living and working across the Hunter New England region. The Executive Director of Aboriginal Health will help to improve equity of access to health services by working in partnership with Aboriginal people, creating genuine opportunities and improved outcomes for First Nations communities.
Service as a director	Appointed to HMRI Board 6 March 2024

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L Wood	Non-Executive Dirctor - University of Newcastle
Experience	Professor Wood is Pro Vice Chancellor of the College of Health, Medicine and Wellbeing at the University of Newcastle. Prof Wood undertook her undergraduate science degree at University of Sydney, then following a 6 year term working in the food industry, she completed her PhD in Nutritional Biochemistry at the University of Newcastle. She undertook an NHMRC Postdoctoral Fellowship in respiratory research at HMRI, Newcastle. In 2010, Prof Wood took up an academic position in biomedical sciences at the University of Newcastle. She was subsequently promoted to full professor and has held a variety of leadership roles at the University of Newcastle including Head of School of Biomedical Sciences, interim Pro Vice Chancellor Student Engagement, interim Deputy Vice Chancellor (Academic) and currently Pro Vice Chancellor College of Health, Medicine and Wellbeing. She has also held various leadership roles in professional organisations in nutrition and respiratory medicine. Of particular note, she served as President of the Nutrition Society of Australia from 2018-19 and Australian Nutrition Trust Director from 2012-21. Prof Wood is a Fellow of the Nutrition Society of Australia, Fellow of the Thoracic Society of Australia and New Zealand and Fellow of the Royal Society of NSW.
Service as a director	Appointed to HMRI Board 28 February 2025
Other current directorships in public and significant companies and institutions	Chair/Board Member: •Asthma Australia Research Advisory Committee •Mark Hughes Foundation Brain Cancer Centre Research Advisory Committee Board Member: •Central Coast Research and Innovation Centre
S Heyman	Non-executive Director - Hunter New England Loacal Health District
Experience	Susan Heyman is the Executive Director of Operations for Hunter New England Local Health District (HNELHD), responsible for the strategic and operational leadership of integrated rural, regional, and metropolitan health services across on of the largest and most diverse health districts in New South Wales. Her portfolio encompasses oversight of acute, subacute, and community services, including the John Hunter Tertiary service, major referral hospitals, district and community facilities, Multi-Purpose Services (MPS), and a wide range of Integrated Care and Virtual Care services. Susan oversees the Clinical Networks and Streams for the District ensuring consistency, innovation, and equity of care across the region. With qualifications in Social Work, a Master’s in Social Policy from the University of New South Wales, and a Law degree, Susan has held clinical, managerial, and policy roles across health services. She is deeply committed to equitable, efficient, and high-quality healthcare, with a leadership approach grounded in social justice consumer participation, cross-sector collaboration, and the responsible use of public resources.
Service as a director	Appointed to HMRI Board 7 August 2025

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J Todd	Non-Executive Director - University of Newcastle
Experience	Professor Juanita Todd was appointed Interim Deputy Vice-Chancellor at the University of Newcastle in January 2026. Previous leadership roles at the University of Newcastle include: the Pro Vice-Chancellor Research from (2023); Deputy Head of the Faculty of Science for Research, Innovation and Engagement (2020); Deputy Head of the College of Engineering, Science and Environment (2016-2019); and Professor in the School of Psychology (ongoing). Juanita's research expertise lies in the intersection of clinical, neuropsychological, psychophysical, pharmacological, and neuroimaging methodologies to investigate cognition, perception, and mental illness – particularly schizophrenia. Juantia is a co-founder of HunterWiSE, a group dedicated to promoting and supporting girls and women in STEM.
Service as a director	Appointed to HMRI Board 6 January 2026
Other current directorships in public and significant companies and institutions	Board Member: •Secretary, Elected Board Member, International Organisation of Psychophysiology

Company secretary

The following person held the position of Institute secretary at the end of the financial year:

A Filipcevic has been the company secretary since March 2024.

Directors' Report
31 December 2025

Principal activities

The principal activities of the Institute during the financial year were to act as a charitable institution that raises funds for, and co-ordinates the activities of, health and medical research with the Hunter New England Local Health District and the University of Newcastle.

No significant changes in the nature of the Institute's activity occurred during the financial year.

Members' guarantee

The Institute is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Institute is wound up, the Constitution states that each member is required to contribute to a maximum of $20 each towards meeting any outstandings and obligations of the Institute . At 31 December 2025 the number of members was 10.

At 31 December 2025 the collective liability of members was $ 200 (2024: $240).

Operating results and review of operations for the year

Review of operations

The Institute continued to engage in its principal activity, being the results of which are disclosed in the attached Financial Statements.

Other items

Events 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 Institute, the results of those operations or the state of affairs of the Institute in future financial years.

Future developments and results

The Institute expects to maintain the present status and level of operations.

Directors' Report
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Meetings of directors

During the financial year, 11 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Board Meetings		Audit and Risk Committee		Nominations Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
F Kay	6	6	5	5	-	-
K Loades	6	6	5	4	-	-
A Zelinsky	6	4	-	-	2	2
C Levi	6	6	-	-	-	-
Z Upton	5	5	-	-	-	-
D Turner	6	6	5	5	-	-
K Atkins	6	5	-	-	-	-
T McCosker	6	6	-	-	2	2
C Robbs	6	5	-	-	-	-
D Vinci	6	6	-	-	2	2
R Gordon	2	1	-	-	-	-
L Wood	5	4	-	-	-	-
S Heyman	3	2	-	-	-	-
J Todd	-	-	-	-	-	-

Insurance of Officers

During the financial period, the Institute paid a premium to insure any Director, Secretary, Executive Officer or Employee of the Company. In accordance with usual commercial practice, the insurance contract prohibits disclosure of details of the nature of liabilities covered by the insurance, the limit of indemnity and the amount of the premium paid under the policy.

Proceedings on behalf of the Institute

No person has applied for leave of court under Section 237 of the *Corporations Act 2001* to bring proceedings on behalf of the Institute or intervene in any proceedings to which the Institute is a party for the purpose of taking responsibility on behalf of the Institute for all or any part of those proceedings.

Auditor's independence declaration

The lead auditor's independence declaration as required under section 60-40 of the Australian Charities and Not-for-Profit Commission (ACNC) Act 2012, for the year ended 31 December 2025 has been received and can be found on page 15 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director: .... Director: Darren Turner ....

Dated: 31|03|2026

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Auditors' Independence Declaration under Section 60-40 of the Charities and Not-for-profits Commission Act 2012 to the Directors of Hunter Medical Research Institute

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2025, there have been:

(i) no contraventions of the auditor independence requirements as set out in Section 60-40 of the Charities and Not-for-profits Commission Act 2012 in relation to the audit; and

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

PKF

PKF

K Helmers

KEVIN HELMERS
PARTNER

31 MARCH 2026
NEWCASTLE, NSW

Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2025

	Note	2025 $	(restated) 2024 $
Sales	4	**26,672,288**	30,460,187
Finance income	5	**2,556,303**	3,941,203
Fundraising expenses		**(2,058,193)**	(1,910,358)
Research grant expenses		**(11,734,162)**	(14,856,451)
Operations expenses		**(13,237,396)**	(13,500,653)
Facility expenses		**(8,359,347)**	(8,694,888)
Deficit before income tax		**(6,160,507)**	(4,560,960)
Income tax expense		**-**	-
Deficit for the year		**(6,160,507)**	(4,560,960)
Fair value movements on investments held at FVOCI		**12,128**	7,639
Other comprehensive income for the year, net of tax		**12,128**	7,639
Total comprehensive income for the year		**(6,148,379)**	(4,553,321)

The accompanying notes form part of these financial statements.

Hunter Medical Research Institute

Statement of Financial Position

As At 31 December 2025

	Note	2025 $	(restated) 2024 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	**8,745,771**	14,996,957
Trade and other receivables	7	**285,668**	1,153,491
Inventories		**4,517**	4,517
Other financial assets	8	**5,328,186**	7,085,651
Other assets	9	**3,209,629**	3,115,250
TOTAL CURRENT ASSETS		**17,573,771**	26,355,866
NON-CURRENT ASSETS			
Other financial assets	8	**30,401,853**	28,587,806
Property, plant and equipment	10	**59,956,163**	61,896,976
TOTAL NON-CURRENT ASSETS		**90,358,016**	90,484,782
TOTAL ASSETS		**107,931,787**	116,840,648
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	**1,405,735**	1,833,783
Short-term provisions	12	**3,863,780**	4,455,128
Employee benefits	13	**1,585,163**	1,367,080
Other financial liabilities	14	**2,889,696**	3,820,883
TOTAL CURRENT LIABILITIES		**9,744,374**	11,476,874
NON-CURRENT LIABILITIES			
Long-term provisions	12	**37,500**	1,010,542
Employee benefits	13	**198,646**	253,586
TOTAL NON-CURRENT LIABILITIES		**236,146**	1,264,128
TOTAL LIABILITIES		**9,980,520**	12,741,002
NET ASSETS		**97,951,267**	104,099,646
EQUITY			
Reserves		**65,718**	53,590
Retained earnings		**97,885,549**	104,046,056
TOTAL EQUITY		**97,951,267**	104,099,646

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the Year Ended 31 December 2025

	Reserves	Retained Earnings	Total
	$	$	$
Balance at 1 January 2025 restated	**53,590**	**104,046,056**	**104,099,646**
Deficit for the year	**-**	**(6,160,507)**	**(6,160,507)**
Other comprehensive profit for the year	**12,128**	**-**	**12,128**
Balance at 31 December 2025	**65,718**	**97,885,549**	**97,951,267**
Balance at 1 January 2024 restated	45,951	108,607,016	108,652,967
Deficit for the year	-	(4,560,960)	(4,560,960)
Other comprehensive profit for the year	7,639	-	7,639
Balance at 31 December 2024 restated	53,590	104,046,056	104,099,646

Statement of Cash Flows

For the Year Ended 31 December 2025

	Note	2025 $	2024 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from grants, bequests, donations and other sources		**30,869,445**	32,881,858
Payments to affiliated researchers, partners, suppliers and employees		**(37,315,181)**	(36,138,868)
Dividends received		**702,845**	1,735,310
Interest received		**246,181**	333,688
Net cash used in by operating activities		**(5,496,710)**	(1,188,012)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payment for property, plant and equipment		**(995,168)**	(959,294)
Net cash flow from purchase and sale of investments		**240,692**	9,050,890
Net cash used in investing activities		**(754,476)**	8,091,596
Net (decrease)/increase in cash and cash equivalents held		**(6,251,186)**	6,903,584
Cash and cash equivalents at beginning of year		**14,996,957**	8,093,373
Cash and cash equivalents at end of financial year	6	**8,745,771**	14,996,957

The accompanying notes form part of these financial statements.

The financial report covers Hunter Medical Research Institute as an individual entity. Hunter Medical Research Institute is a not-for-profit Institute limited by shares, incorporated and domiciled in Australia.

The principal activities of the Institute for the year ended 31 December 2025 were to act as a charitable institution that raises funds for, and co-ordinates the activities of, health and medical research with the Hunter New England Local Health District and the University of Newcastle.

The functional and presentation currency of Hunter Medical Research Institute is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards - Simplified Disclosures and the *Australian Charities and Not-for-profits Commission Act 2012.*

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Material Accounting Policy Information

(a) Revenue from contracts with customers

The revenue recognition policies for the principal revenue streams of the Institute are:

Provision of services

The Institute provides various services to customers in respect of statistical research and facilities occupation. Revenue from the provision of services is recognised over time, as the services are provided to the customer. Customers are generally invoiced as services are rendered, and outstanding invoices are due for payment within 30 days of the invoice.

Revenue from sale of goods

The Institute operates a cafe in the Clinical Research Centre building. Revenue is recognised at the time the goods are purchased by customers from the cafe. Customers are required to pay in full for all goods purchased at the time of purchase.

Grant and fundraising revenue

Revenue from government and private sector grants, donations, bequests, fundraising events and other fundraising revenue is recognised upon receipt and at the amount that is received. All revenue is measured net of the amount of goods and services tax (GST).

Occupancy Income

Occupancy income represents income earned from the use of the entity's premises by third parties, including arrangements commonly referred to as occupacy or rental agreement. Occupancy income is recognised over time on a straight-line basis, as access to the premises is provided over the period of use, reflecting the pattern in which the benefits are provided to the users of the premises.

(b) Income tax

The Institute is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997.*

(c) 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 payable are stated inclusive of GST.

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.

(d) Volunteer services

No amounts are included in the financial statements for services donated by volunteers.

(e) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(f) Employee benefits

Provision is made for the Institute's liability for employee benefits, those benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cashflows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in profit or loss.

(g) Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Institute, commencing when the asset is ready for use.

2 Material Accounting Policy Information (cont'd)

Leased assets and leasehold improvements are amortised over the shorter of either the unexpired period of the lease or their estimated useful life.

The estimated useful lives used for each class of depreciable asset are shown below:

Fixed asset class	**Useful life**
Buildings	40 years
Plant and Equipment	2 to 40 years
Office Equipment	2 to 20 years
Computer Equipment	3 to 10 years
Improvements	4 to 40 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate.

(h) Leases

Exceptions to lease accounting

The Institute has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Institute recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Hunter Medical Research Institution as a lessee

The Institute is lessee to a lease with significantly below-market terms and conditions with Hunter New England Local Health District. The terms of the lease are:

Term: 40 Years

Lease Payments: $572,000 per annum

As part of the lease agreement Hunter New England Local Health District provides the company with a Market Rental Assistance Grant equal to the lease payments, reducing the Institute's lease/rental payment to nil.

The Institute elected to measure the right-of-use asset under the lease with significantly below market terms and conditions at cost rather than fair value in accordance with amending standard AASB 2018-8. As the cost of the lease is nil no right-of-use asset or corresponding lease liability has been recognised.

Lease assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

(i) Research grant provision

Research grant provisions represent research grants payable once a constructive obligation exists, usually in the form of a commitment to a research project for the funding. These are not recognised as a payable as the timing of the amount is often uncertain as it is dependent on milestones being met which are not wholly controlled by the Institute.

2 Material Accounting Policy Information (cont'd)

(j) Current and non-current classification

Assets and liabilities 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 company'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 equivalents 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 either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading, it is due to be settled within 12 months after the reporing 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.

(k) New accounting standards and interpretations adopted in the current period

The Institute 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. These standards and Interpretations did not have any material impact on these financial statements.

3 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Key judgments - Statistical Research income

For much of the statistical research income received, the determination of whether the contract includes sufficiently specific performance obligations was a significant judgement involving discussions with a number of parties at the Institute, review of the proposal documents prepared during the grant application phase and consideration of the terms and conditions.

Statistical research income received by the Institute have been accounted for under both AASB 15 and AASB 1058 depending on the terms and conditions and decisions made.

If this determination was changed then the revenue recognition pattern would be different from that recognised in these financial statements.

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

4 Revenue and Other Income

Revenue from continuing operations

	2025	(restated) 2024
	$	$
Revenue from contracts with customers		
- Building occupancy	**5,513,596**	4,892,282
- Cafe	**470,448**	380,842
- Parking	**145,131**	161,404
- Statistical research	**3,715,243**	3,230,928
- Laboratory services	**632,260**	475,183
- Other	**-**	18,614
	10,476,678	9,159,253
Grant and fundraising revenue		
- Government grants	**7,846,311**	8,346,311
- Donations	**6,918,794**	9,336,825
- Bequests	**537,536**	2,679,779
- Events	**892,969**	938,019
	16,195,610	21,300,934
Total Revenue	**26,672,288**	30,460,187

Disaggregation of revenue from contracts with customers

	2025	2024
Timing of revenue recognition		
- At a point in time	**470,448**	380,842
- Over time	**10,006,230**	8,778,411
	10,476,678	9,159,253

5 Finance Income

	2025	2024
Interest income		
- Assets measured at amortised cost	**126,290**	333,688
Dividend income		
- Dividends	**702,845**	1,735,310
- Franking credits refund	**271,182**	452,574
Other finance income		
- Realised fair value gains on investment portfolio	**1,390,136**	216,359
- Unrealised fair value gains on investment portfolio	**65,850**	1,203,272
Total finance income	**2,556,303**	3,941,203

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

6 Cash and Cash Equivalents

	2025	(restated) 2024
	$	$
Cash at bank and in hand	**7,320,944**	13,600,326
Deposits at call	**1,424,827**	1,396,631
	8,745,771	14,996,957

7 Trade and Other Receivables

CURRENT		
Trade receivables	**283,508**	893,947
Other receivables	**2,160**	259,544
	285,668	1,153,491

8 Other Financial Assets

Financial assets at fair value through profit or loss

CURRENT		
Financial assets at amortised cost	**5,328,186**	7,085,651
NON-CURRENT		
Financial assets at fair value through other comprehensive income	**65,718**	53,590
Financial assets at fair value through profit or loss	**30,336,135**	28,534,216
	30,401,853	28,587,806
	35,730,039	35,673,457

9 Other assets

CURRENT		
Prepayments	**738,441**	704,373
Accrued income	**397,551**	608,422
Franking credit accrued income	**2,073,637**	1,802,455
	3,209,629	3,115,250

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

10 Property, Plant and Equipment

	2025	2024
	$	$
Buildings		
At cost	**81,032,881**	81,032,881
Accumulated depreciation	**(26,998,363)**	(24,972,823)
Total buildings	**54,034,518**	56,060,058
PLANT AND EQUIPMENT		
Plant and equipment		
At cost	**17,448,101**	16,679,774
Accumulated depreciation	**(13,583,242)**	(13,044,963)
Total plant and equipment	**3,864,859**	3,634,811
Office equipment		
At cost	**2,993,729**	2,991,639
Accumulated depreciation	**(2,347,059)**	(2,222,988)
Total office equipment	**646,670**	768,651
Computer equipment		
At cost	**1,447,256**	1,288,594
Accumulated depreciation	**(961,182)**	(761,536)
Total computer equipment	**486,074**	527,058
Leasehold Improvements		
At cost	**1,266,627**	1,206,509
Accumulated depreciation	**(342,585)**	(300,111)
Total leasehold improvements	**924,042**	906,398
Total plant and equipment	**5,921,645**	5,836,918
Total property, plant and equipment	**59,956,163**	61,896,976

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Buildings	Plant and Equipment	Office Equipment	Computer Equipment	Leasehold Improvements	Total
	$	$	$	$	$	$
Year ended 31 December 2025						
Balance at the beginning of year	56,060,058	3,634,811	768,651	527,058	906,398	61,896,976
Additions	-	768,898	2,090	164,062	60,118	995,168
Depreciation expense	(2,025,540)	(538,850)	(124,071)	(205,046)	(42,474)	(2,935,981)
Balance at the end of the year	**54,034,518**	**3,864,859**	**646,670**	**486,074**	**924,042**	**59,956,163**

Notes to the Financial Statements

For the Year Ended 31 December 2025

11 Trade and Other Payables

	2025	2024
	$	$
CURRENT		
Trade payables	**4,379**	634,516
Sundry creditors and accruals	**1,401,356**	1,199,267
	1,405,735	1,833,783

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

12 Provisions

CURRENT		
Provisions for Research Grants	**3,863,780**	4,455,128
NON-CURRENT		
Provisions for Research Grants	**37,500**	1,010,542

13 Employee Benefits

CURRENT		
Employee benefits	**1,585,163**	1,367,080
NON-CURRENT		
Employee benefits	**198,646**	253,586

14 Other Financial Liabilities

CURRENT		
Deferred income	**2,889,696**	3,820,883

15 Financial Risk Management

Financial assets		
Held at amortised cost		
Cash and cash equivalents	**8,745,771**	14,996,957
Trade and other receivables	**285,668**	1,153,491
Other financial assets	**5,328,186**	7,085,651
Fair value through profit or loss (FVTPL)		
Fair value through profit or loss (held for trading)	**30,336,135**	28,534,216
Fair value through Other Comprehensive Income (OCI)		
Fair value through other comprehensive income	**65,718**	53,590
Total financial assets	**44,761,478**	51,823,905
Financial liabilities		
Held at amortised cost		
Trade and other payables	**1,405,735**	1,833,783

16 Key Management Personnel Disclosures

The remuneration paid to key management personnel of the Institute is $ 1,626,414 (2024: $ 1,565,440).

17 Related Parties

(a) The Institute's main related parties are as follows:

Key management personnel - refer to Note 16.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with director 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.

	2025 $	2024 $
Donations	**4,420**	2,250
Income from University of Newcastle from occupancy and professional services	**7,774,104**	6,372,760
Income from Hunter New England Local Health District from research grants, occupancy and professional services	**956,488**	583,481
Payments to University of Newcastle for research grants and awards and medical infrastructure funds	**(10,229,308)**	(9,345,160)
Payments to Hunter New England Local Health District for utilities, research grants and awards and medical infrastructure funds	**(3,063,816)**	(3,232,435)

(c) Amounts owing by Director related parties at the end of the financial year are as follows:

University of Newcastle	**198,572**	4,511
Hunter New England Local Health District	**155,166**	355,450

(d) Amounts owing to Director related parties at the end of the financial year are as follows:

University of Newcastle	**(5,100,145)**	(6,526,048)
Hunter New England Local Health District	**(999,462)**	(2,099,219)

18 Research Grant Commitments

The Institute has committed funds to research projects. As at 31 December 2025, $9,140,683 (2024: $14,214,296) has been committed for research. The timing of this commitment is unknown as it is dependent on milestones being met on research projects, which are not wholly controlled by the Institute. Of this, $5,239,392 (2024: $8,748,625) is still receivable and is disclosed as a contingent asset (see Note 19).

Notes to the Financial Statements

For the Year Ended 31 December 2025

19 Contingencies

Contingent Assets

The Institute has multiple year funding agreements in place for grant funding for research, which has been committed to by various foundations and institutions. As at 31 December 2025, $5,239,392 (2024: $8,748,625) is committed to the organisation for receipt in future periods. The amount has not been recognised as a receivable at financial year end as receipt of the amount is dependent on key milestones being met on the research projects funded by the grants. The achievement of these milestones is not wholly within the control of the Institute.

Contingent Liabilities

In the opinion of the Directors, the Institute did not have any contingent liabilities as at 31 December 2025 (2024: Nil).

20 Members' Guarantee

The Institute is registered with the *Australian Charities and Not-for-profits Commission Act 2012* and is a Institute limited by guarantee. If the Institute is wound up, the constitution states that each member is required to contribute a maximum of $20 each towards meeting any outstanding obligations of the Institute. At 31 December 2025 the number of members was 10 (2024: 12).

21 Retrospective restatement

During the year ended 31 December 2025, the institute identified refundable franking credits amounting to $1,802,455 associated with the investment income from long- and medium-term financial assets dating back to 2016. Claims for the franking credit refunds have subsequently submitted to the Australian Taxation Office and received during the 2026 financial year. The comparative information has been retrospectively restated to reflect the recognition of these franking credit refunds, ensuring the financial statements present relevant and comparable information for users.

The aggregate effect of the restatement on the annual financial statements for the year ended 31 December 2024 is as follows:

	31 December 2024		
	Previously stated	**Adjustments**	**Restated**
	$	**$**	**$**
Statement of Profit or Loss and Other Comprehensive Income			
Finance income	(3,488,629)	(452,574)	(3,941,203)
Statement of Financial Position			
Accrued Income	1,312,795	1,802,455	3,115,250
Retained earnings	(102,243,601)	(1,802,455)	(104,046,056)

22 Auditors' Remuneration

	2025	2024
	$	$
Remuneration of the auditor PKF, for:		
- auditing or reviewing the financial statements	**25,750**	25,000

Notes to the Financial Statements

For the Year Ended 31 December 2025

23 Events After the End of the Reporting Period

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

24 Statutory Information

The registered office and principal place of business of the company is:

Hunter Medical Research Institute
Lot 1 Kookaburra Cct
New Lambton NSW 2305

25 Additional disclosures required by the Charitable Fundraising Act 1991 and the Charitable Fundraising Regulations 2015

(a) Details of aggregate gross income and total expenses of fundraising appeals

Gross proceeds from fundraising appeals	**2025**	**2024**
	$	**$**
Donations (including bequests)	**7,456,330**	12,016,604
Event income	**892,969**	938,019
Investment income (earned on fundraising investments)	**5,179**	6,899
Gross proceeds from fundraising appeals	**8,354,478**	12,961,522
Less: Total cost of fundraising HMRI fundraising		
Event expenses	**(214,029)**	(242,323)
Fundraising salaries & superannuation	**(925,264)**	(897,697)
Other expenses	**(983,937)**	(827,410)
Total cost of fundraising	**(2,123,230)**	(1,967,430)
Net surplus obtained from fundraising appeals	**6,231,248**	10,994,092

(b) Statement showing how funds received were applied to charitable purposes

Net surplus from fundraising appeals	**6,231,248**	10,994,092
Expenditure on direct services (grants to researchers)	**(7,144,404)**	(7,902,000)
Net surplus after grants to researchers	**(913,156)**	3,092,092

The deficit from fundraising appeals has been drawn from prior year surplus' retained to be used for grants to researchers.

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

(c) Comparison by monetary figures and percentages

	$
31 December 2025	
Total cost of fundraising / gross income from fundraising	**2,123,230/8,354,478**
Net surplus from fundraising / gross income from fundraising	**6,231,248/8,354,478**
Total cost of direct services / total expenditure	**7,144,404/9,267,634**
Total cost of direct services / gross income from fundraising	**7,144,404/8,354,478**
31 December 2024	
Total cost of fundraising / gross income from fundraising	1,967,429/12,961,522
Net surplus from fundraising / gross income from fundraising	10,944,093/12,961,522
Total cost of direct services / total expenditure	7,902,000/9,869,429
Total cost of direct services / gross income from fundraising	7,902,000/12,961,522

	%
31 December 2025	
Total cost of fundraising / gross income from fundraising	**25.4**
Net surplus from fundraising / gross income from fundraising	**74.6**
Total cost of direct services / total expenditure	**77.1**
Total cost of direct services / gross income from fundraising	**85.5**
31 December 2024	
Total cost of fundraising / gross income from fundraising	15.2
Net surplus from fundraising / gross income from fundraising	84.8
Total cost of direct services / total expenditure	80.1
Total cost of direct services / gross income from fundraising	60.9

(d) Reconciliation between Total revenue to Gross proceeds from fundraising

	2025 $	2024 $
Total revenue and other income	**29,228,591**	33,948,816
Less: revenue from contracts with customers	**(10,476,678)**	(9,159,253)
Less: grant revenue not obtained from fundraising	**(7,846,311)**	(8,346,311)
Less: investment income not obtained from fundraising	**(2,551,124)**	(3,481,730)
Gross proceeds from fundraising	**8,354,478**	12,961,522

Directors' Declaration

The directors of the Institute declare that:

1. The financial statements and notes, as set out on pages 16 to 31, are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* and:

    a. comply with Australian Accounting Standards - Simplified Disclosure Standard;

    b. give a true and fair view of the financial position as at 31 December 2025 and of the performance for the year ended on that date of the Institute;

    c. note 25 gives a true and fair view of all income and expenses of the Institute with respect to fundraising appeals for the year ended 31 December 2025;

    d. the provisions of the Charitable Fundraising Act 1991, the Charitable Fundraising Regulation 2015 under the Act and the conditions attached to the authority have been complied with by the Institute; and

    e. the internal controls exercised by the Institute are appropriate and effective in accounting for all income received and applied by the Institute from any of its fundraising appeals.

2. In the directors' opinion, there are reasonable grounds to believe that the Institute will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with sub section 60.15(2) of the *Australian Charities and Not-for-profits Commission Regulation 2012*.

Director ....   Director Darren Turner ....

Dated: 31/03/2026

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HUNTER MEDICAL RESEARCH INSTITUTE

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Hunter Medical Research Institute (the Company), which comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion the financial report of Hunter Medical Research Institute, 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 Company'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 2013*.

On the requirements of the of the Charitable Fundraising Act 1991 (NSW) and the Charitable Fundraising Regulation 2015 (NSW)

a) the financial report of Hunter Medical Research Institute shows a true and fair view of the financial result of fundraising appeals for the year ended 31 December 2024, and

b) the accounting and associated records have been properly kept during that year in accordance with the Charitable Fundraising Act 1991 (NSW) and Charitable Fundraising Regulation 2015 (NSW), and

c) money received as a result of the fundraising appeals conducted during that year has been properly accounted for and applied in accordance with the Charitable Fundraising Act 1991 (NSW) and the Charitable Fundraising Regulation 2015 (NSW), and

d) the Company will be able to pay its debts as and when they become due and payable.

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

Independence

We are independent of the Company 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.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 December 2025 but does not include the financial report and our auditor's report thereon.

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

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

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

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, 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 unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company'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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, 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

Auditor's Responsibilities for the Audit of the Financial Report (cont'd)

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 Company'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 Company'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 Company 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.

We communicate with the directors 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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of section 60-45(3) (b) of the *Australian Charities and Not-for-profits Commission Act 2012*, we are required to describe any deficiency, failure or shortcoming in respect of the matters referred to in paragraph 60-30(3)(b), (c) or (d) of the *Australian Charities and Not-for-profits Commission Act 2012*. Our opinion on the financial report is not modified in respect of the following matter(s) because, in our opinion, they have been appropriately addressed by Hunter Medical Research Institute and are not considered material in the context of the audit of the financial report as a whole.

PKF

PKF

KEVIN HELMERS
PARTNER

31 MARCH 2026
NEWCASTLE, NSW

Consolidated Entity Disclosure Statement
For the Year Ended 31 December 2025

Hunter Medical Research Institute does not have any controlled entities and therefore the financial statements presented are for a standalone entity. Consequently the Consolidated Entity disclosure required by s295(3A)(a) of the *Corporations Act* is not required.