



Australian Government
Department of Education

Finance 2021: Financial Reports of Higher Education Providers

Summary Information

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The document must be attributed as Finance 2021: Financial Reports of Higher Education Providers.

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Introduction

The Finance 2021 publication contains the results of the 42 higher education providers listed in Table A and Table B of the *Higher Education Support Act 2003* (the Act) for the 2021 reporting period.

The data was extracted from the audited financial statements of these 42 HEPs as provided to the Department of Education. The adjusted financial statements are presented in a format similar to that outlined in the department's *Financial Statement Guidelines for Australian Higher Education Providers for the 2021 Reporting Period* (Guidelines).

The Finance 2021 publication is available in table format on the department's website. A data dashboard has also been developed as an interactive visualisation tool to provide an additional option for viewing the data. The dashboard includes charts and graphs with historical data dating back to 2011. Both the tables and the dashboard are available at <https://www.dese.gov.au/higher-education-publications/finance-publication>.

Changes from previous publications

Previous versions of this report contained the results of the 39 Table A institutions only. Table B institutions have been added to the publication in 2021 in order to provide a more comprehensive overview of the financial performance and position of the higher education sector. This should be considered when comparing sector total results from one year to the next. Comparatives used in this summary report refer to 42 institutions wherever possible.

All prior period comparative figures contained in this summary report relate to those published in previous versions of the Finance publication. These may in some cases be different from the comparative figures published in each university's audited financial statements due to changes in presentation.

2021 Summary Results



\$5.3 billion

net result across
the sector



14% average margin
across the sector

39

universities reported a surplus

3

universities reported a deficit



\$38.9 billion

total revenue



\$20.2 billion

Australian Government
financial assistance

52% of total



\$8.7 billion

international student fees

22% of total



\$33.6 billion

total expenses



\$19.4 billion

employee expenses

58% of total



\$70.1 billion

net assets



\$59.9 billion

property, plant
and equipment



\$30.9 billion

cash and
investments

- Universities continued to demonstrate their financial resilience in 2021, with most reporting an improvement in results when compared to the 2020 reporting period. This was driven by a combination of increased government funding, improved investment performance, and the continued effects of cost containment measures implemented by most universities as a result of the impact of the COVID-19 pandemic.
- The net operating result across the sector was a surplus of \$5.3 billion, up from a surplus of \$706.9 million in 2020.
- 39 universities recorded a net surplus and 3 reported a net deficit. This is a substantial improvement from 2020 when 17 universities reported a deficit.
- The average net operating margin across the university sector for 2021 was 13.6 per cent, up from 2.0 per cent in 2020 and above the margin of 6.2 per cent reported prior to the onset of the pandemic in 2019.
- The highest net operating margin reported across the sector was a surplus of 29.7 per cent and the lowest was a deficit of 7.6 per cent.
- Overall revenue increased by 10.5 per cent to \$38.9 billion in 2021.
- Australian Government financial assistance represented the largest component of revenue at \$20.2 billion, up 10.1 per cent or \$1.9 billion from \$18.4 billion in 2020.
- International student fees contributed \$8.7 billion or 22.4 per cent of total revenue, down from \$9.5 billion in 2020. The ongoing closure of international borders throughout most of 2021 continued to impact universities, with declines in international student fees reported by 38 of the 42 institutions. However, increases in Australian Government funding more than made up for these declines at many universities.
- Increased investment income was a key driver of the improved financial performance across the sector in 2021, with total investment income of \$3.2 billion reported, up \$2.3 billion from \$0.9 billion in 2020. Given the volatile nature of investment markets and the current economic uncertainty, the strong market conditions under which financial assets were valued at 31 December 2021 cannot be relied upon to continue on a consistent basis going forward. Further fluctuations in investment income are to be expected going forward, and these strong returns won't necessarily be repeated in future years.
- Expenses declined by 2.5 per cent to \$33.6 billion in 2021 as universities continued to carefully manage their operating costs. The largest expense for universities was employee benefits at \$19.4 billion, down 5.1 per cent from \$20.4 billion in 2020 following staff reductions at a number of institutions.
- Net assets across the sector increased by 11.2 per cent to \$70.1 billion in 2021, up from \$63.1 billion in 2020.
- University cash and investments now stand at \$30.9 billion, increasing by 24.1 per cent from \$24.9 billion in 2020. The strong market conditions under which financial assets were valued at 31 December 2021 contributed to this large increase.

Figure 1: 2021 Net Operating Margin across the university sector

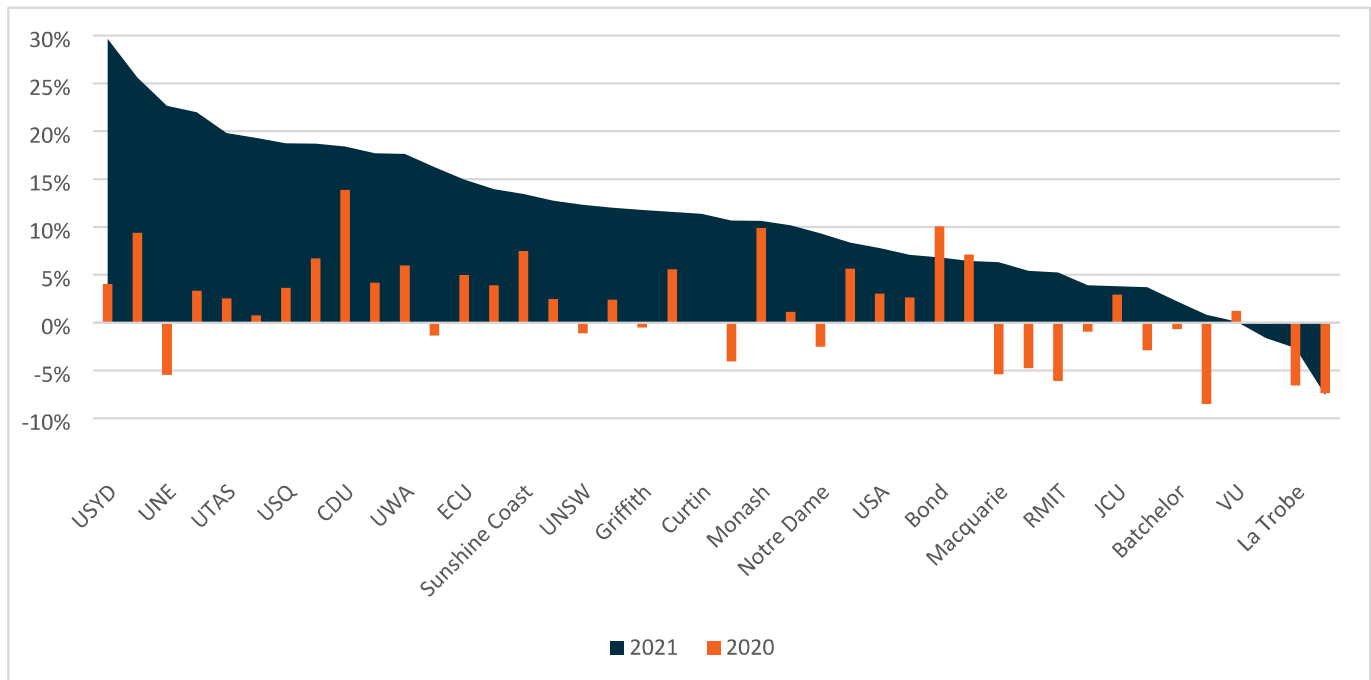
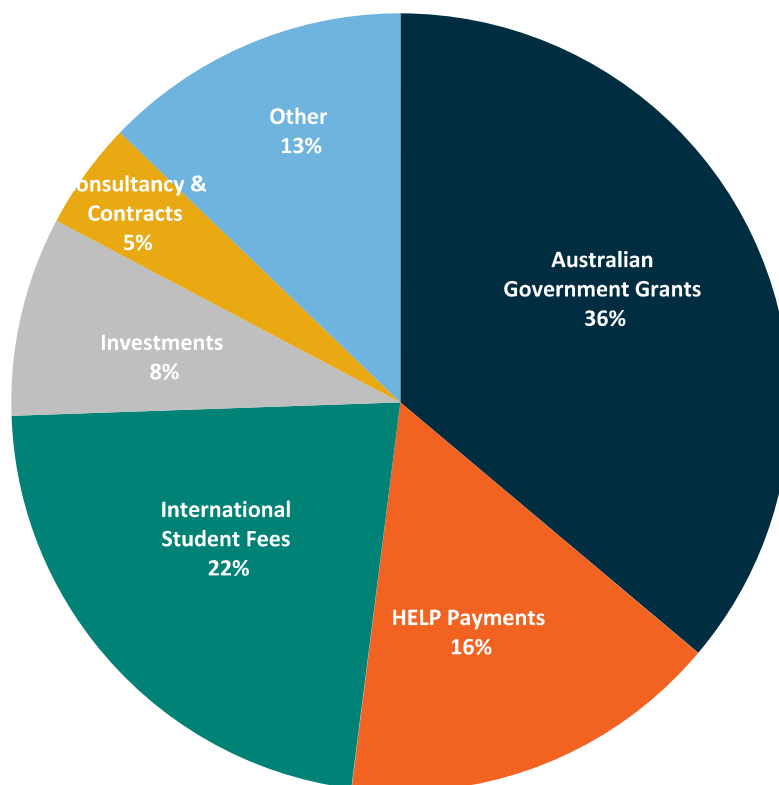


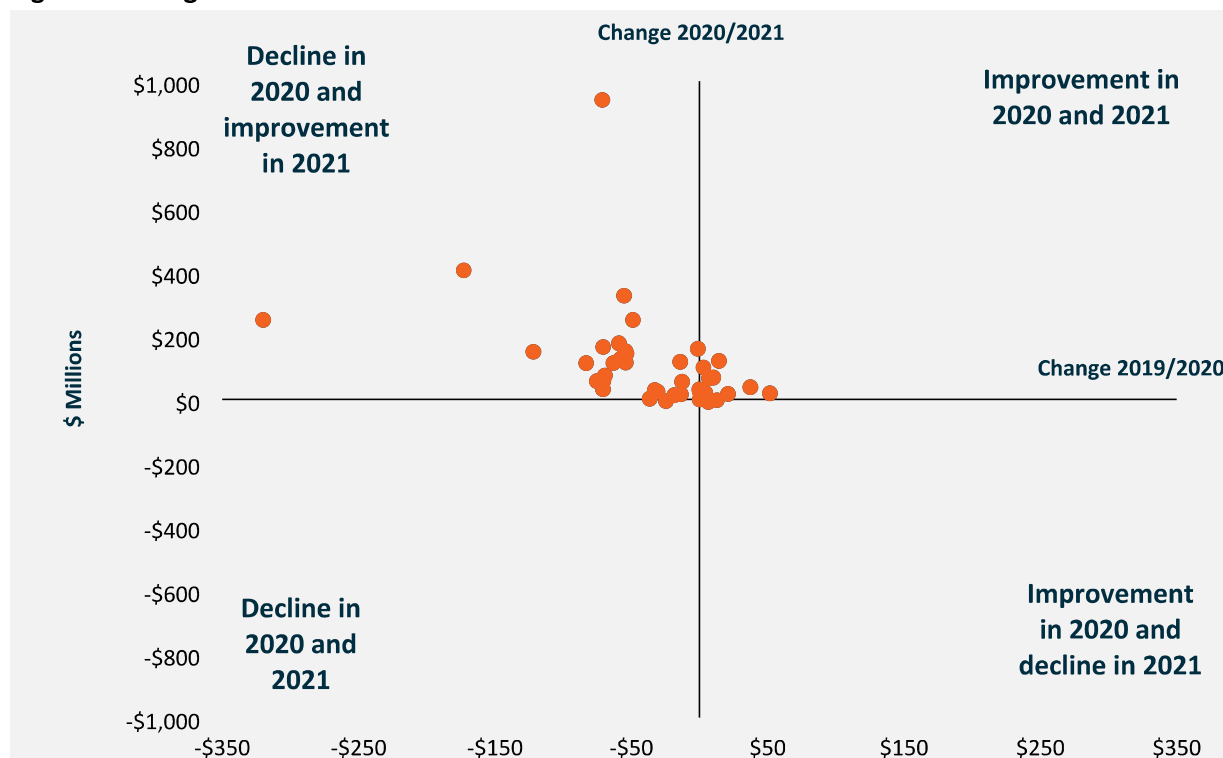
Figure 2: Revenue by source 2021



Ongoing Impact of the COVID-19 Pandemic

- 2021 financial results from across the sector continue to show that the impact of the COVID-19 pandemic has been mixed, however the majority of universities have been able to minimise the effects and navigate their way through the turbulence of the past 2 years with careful management of operating costs.
- Most universities have reported positive results and an improvement in performance when compared to 2020, with 2021 outcomes across the sector significantly better than those reported in 2020 in most instances.
- At the individual institution level, 38 of the 42 universities reported an improvement in net result when compared to 2020. Further to this, 31 of these universities reported a larger net result in 2021 than prior to the onset of the pandemic 2019.
- Increases in Australian Government funding helped to offset the effects of border closures and reduced international student numbers, with total funding increasing to a record \$20.2 billion in 2021, up \$1.9 billion or 10.1 per cent from 2020. A total of 23 of the 42 universities reported a larger increase in Australian Government funding than decline in international student fees.
- In response to the pandemic, most universities implemented cost containment measures to reduce discretionary expenditure and ensure sufficient working capital to weather the effects of a reduction in revenue. This resulted in a decline in total operating expenses to \$33.6 billion in 2021, down from \$34.5 billion in 2020 and \$34.7 billion in 2019. This represents an overall decrease of \$1.1 billion or 3.1 per cent over the 2019-2021 period.

Figure 3: Changes in Net result 2019-2021



Financial Performance

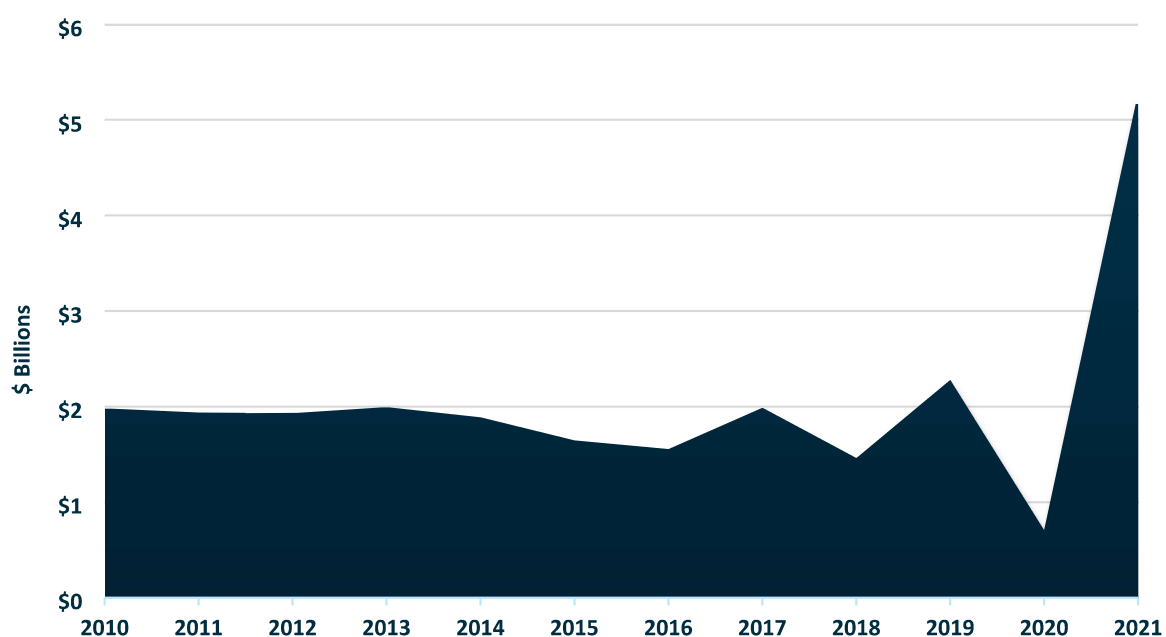
- The net result reported across the sector in 2021 was a surplus of \$5.3 billion, up from a surplus of \$706.9 million in 2020, and the largest ever reported.
- At the individual institution level, 39 universities reported a net surplus, up from 25 in 2020. Three universities reported a net deficit, down from 17 in 2020.

Table 1: Net result by university

	Net Result (\$'000)		Increase / Decrease	
	2021	2020	\$'000	%
The University of Sydney	1,048,062	106,563	941,499	883.5%
The University of Melbourne	584,078	178,222	405,856	227.7%
The University of Queensland	332,899	82,928	249,971	301.4%
Monash University	305,738	267,277	38,461	14.4%
The University of New South Wales	302,170	-24,167	326,337	1350.3%
Australian National University	232,429	-17,699	250,128	1413.2%
The University of Western Australia	202,548	58,089	144,459	248.7%
University of Adelaide	200,034	40,816	159,218	390.1%
The University of Newcastle	182,261	5,861	176,400	3009.7%
University of Tasmania	170,002	18,019	151,983	843.5%
Charles Sturt University	140,463	18,986	121,477	639.8%
Queensland University of Technology	139,875	25,218	114,657	454.7%
Griffith University	122,742	-5,057	127,799	2527.2%
Western Sydney University	122,638	21,979	100,659	458.0%
University of Technology, Sydney	121,954	-43,075	165,029	383.1%
Curtin University of Technology	113,311	-1,098	114,409	10419.8%
The University of New England	99,419	-18,995	118,414	623.4%
University of Canberra	98,361	29,363	68,998	235.0%
Deakin University	89,757	32,112	57,645	179.5%
University of Southern Queensland	79,388	12,580	66,808	531.1%
Edith Cowan University	79,316	23,662	55,654	235.2%
RMIT University	71,305	-78,773	150,078	190.5%
Macquarie University	63,291	-52,723	116,014	220.0%
Charles Darwin University	62,185	42,806	19,379	45.3%
University of South Australia	52,849	21,085	31,764	150.6%
Australian Catholic University	47,315	31,374	15,941	50.8%
University of the Sunshine Coast	45,005	24,085	20,920	86.9%
Swinburne University of Technology	39,858	-35,666	75,524	211.8%
Flinders University	35,627	37,795	-2,168	-5.7%
Torrens University	34,731	17,409	17,322	99.5%
Federation University Australia	33,148	3,871	29,277	756.3%
The University of Notre Dame Australia	20,222	-4,995	25,217	504.8%
James Cook University	18,609	13,953	4,656	33.4%
Murdoch University	14,046	-10,961	25,007	228.1%
Bond University	13,335	20,780	-7,445	-35.8%
Southern Cross University	10,613	-2,780	13,393	481.8%
University of Wollongong	5,360	-52,780	58,140	110.2%
Batchelor Institute of Indigenous Tertiary Education	757	-214	971	453.7%
Victoria University	493	5,724	-5,231	-91.4%
University of Divinity	-256	-22	-234	-1063.6%
La Trobe University	-19,494	-51,450	31,956	62.1%
Central Queensland University	-30,632	-33,172	2,540	7.7%
TOTAL – All Institutions	5,285,812	706,930	4,578,882	647.7%

- Looking at the performance across the sector in recent years it is evident that prior to the onset of the pandemic, overall results were relatively consistent from one year to the next, fluctuating around the \$2.0 billion mark.
- The 2020 reporting period saw a significant decline in results, driven by reductions in investment income and international student fees. This has been followed by a strong rebound in 2021, fuelled by increases in Australian Government funding and the recovery of investment markets, as well as continued cost savings.
- While it may take some time for universities to fully recover from the impact of the pandemic, particularly with respect to international student fees, this strong rebound indicates that universities have effectively managed their resources to minimise the financial effects, and overall are in a good position to continue their recovery going forward.

Figure 4: Net Result 2010-2021



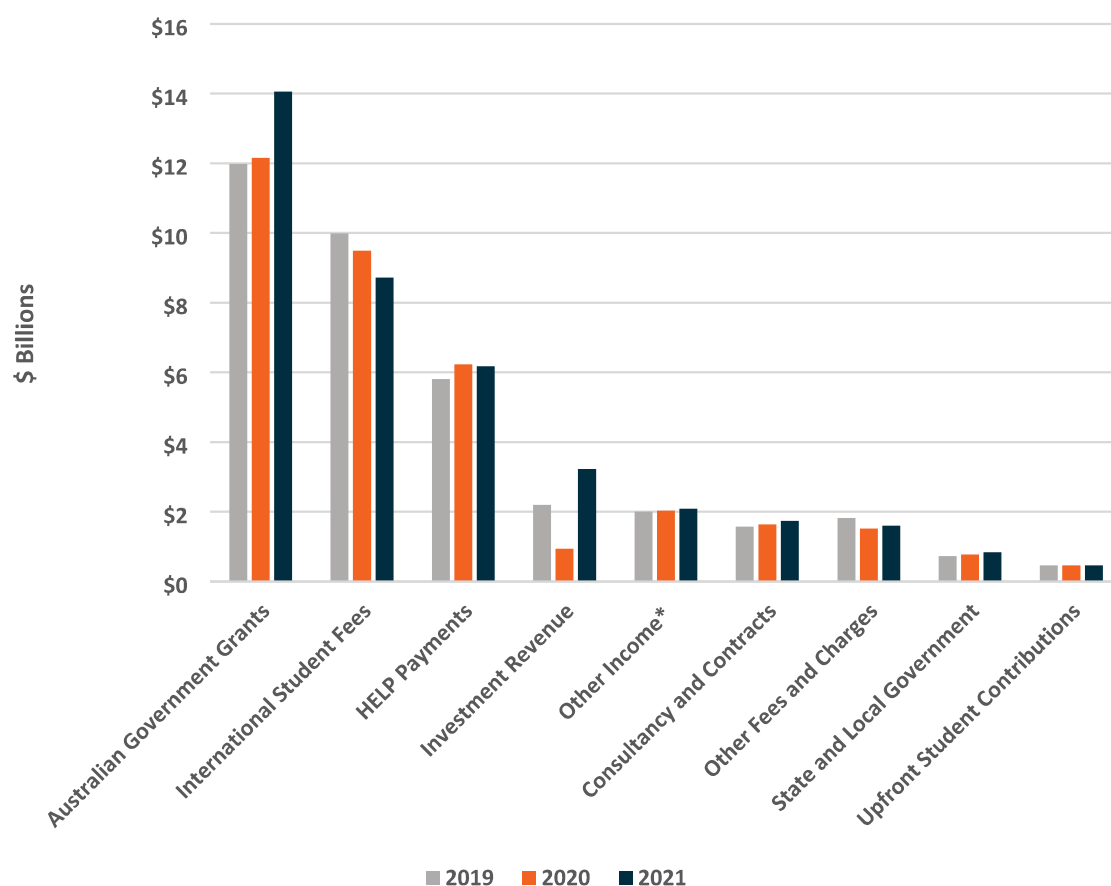
Revenue

Table 2: Summary of 2020 and 2021 Revenue

Operating Revenue	2021	2020	Change	
	\$'000	\$'000	\$'000	%
Australian Government Grants	14,054,602	12,150,696	1,903,906	15.7%
HELP Payments	6,177,235	6,228,873	-51,638	-0.8%
Australian Government Financial Assistance	20,231,837	18,379,569	1,852,268	10.1%
State and Local Government	836,014	764,136	71,878	9.4%
Upfront Student Contributions	459,142	455,532	3,610	0.8%
International Student Fees	8,724,947	9,481,913	-756,966	-8.0%
Other Fees and Charges	1,598,765	1,509,211	89,554	5.9%
Investment Revenue	3,222,463	934,450	2,288,013	244.9%
Consultancy and Contracts	1,734,591	1,630,771	103,820	6.4%
Other Income *	2,085,079	2,028,681	56,398	2.8%
Total Revenues from Continuing Operations	38,892,838	35,184,263	3,708,575	10.5%

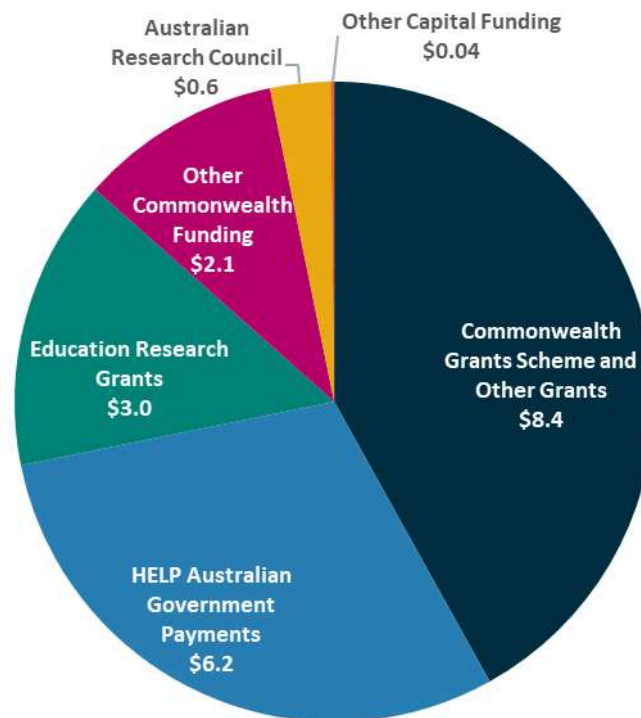
* Other income includes royalties, trademarks and licenses and the share of net result of associates and joint ventures accounted for using the equity method.

Figure 5: 2019-2021 Revenue by Source



- Australian Government financial assistance continued to represent the largest source of income for Australian universities during 2021 at \$20.2 billion, up 10.1 per cent from \$18.4 billion in 2020.
- During 2021 the sector derived 52.0 per cent of total revenue from Australian Government sources, down slightly from 52.2 per cent in 2020 due to the large increase in investment income.
- At the individual institution level, the reliance on Australian Government funding ranged from a high of 86.7 per cent to a low of 31.5 per cent.

Figure 6: 2021 Revenue from Australian Government sources (\$ billions)



- International student fees contributed the second largest proportion of revenue at \$8.7 billion, down from \$9.5 billion in 2020 due to the ongoing closure of international borders throughout 2021. With international borders now open it is expected that international student enrolments will begin to recover going forward, although it may take time for this revenue stream to return to pre-pandemic levels.
- The sector derived 22.4 per cent of its total revenue from international student fees during 2021, down from 26.9 per cent in 2020 and 27.6 per cent in 2019.
- At the individual institution level, the reliance on international student fees ranged from a high of 59.2 per cent to a low of 0.0 per cent.
- A significant increase in investment revenue was reported across the sector in 2021, up from \$0.9 billion in 2020 to \$3.2 billion. Overall, universities derived 8.3 per cent of their total revenue from investment income, up from just 2.7 per cent in 2020. This growth was driven by the strong performance across global equity markets in 2021, and follows a significant decline reported in

2020 as market conditions deteriorated at the onset of the pandemic. Investment income is volatile in nature and fluctuations from year to year are to be expected.

Figure 7: 2021 revenue source by university

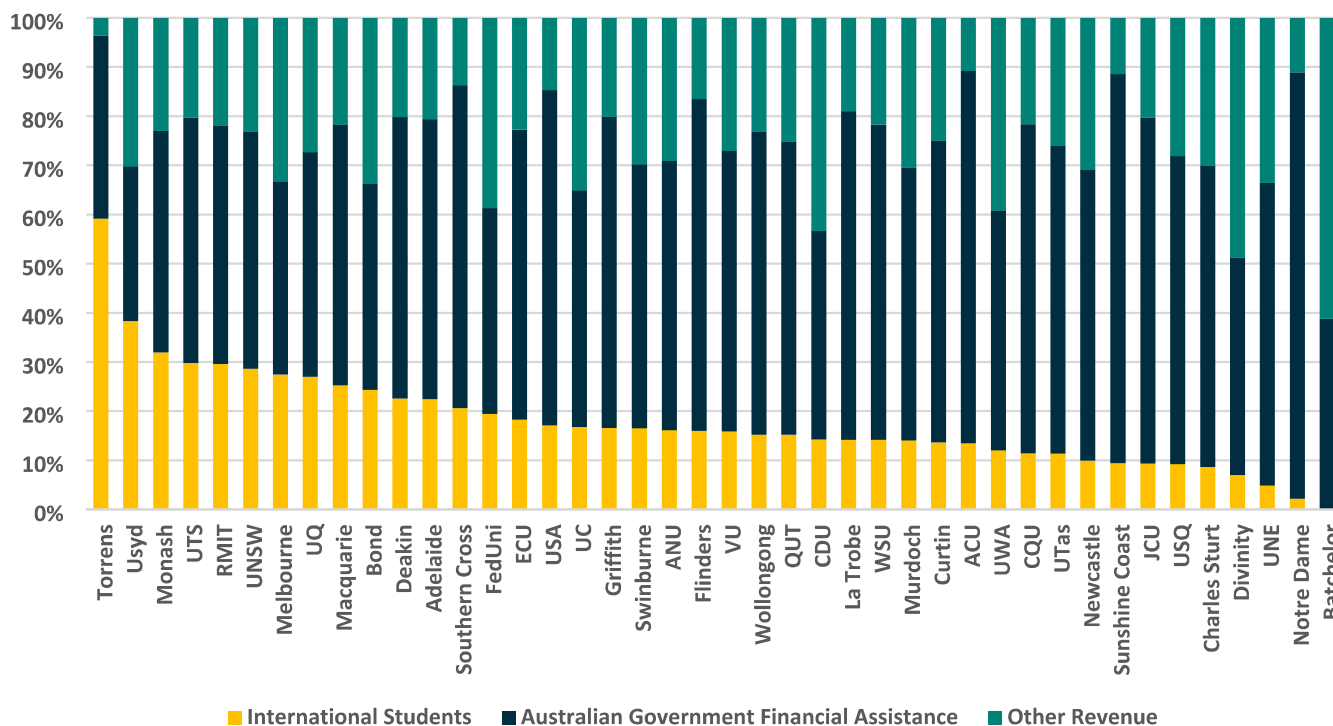
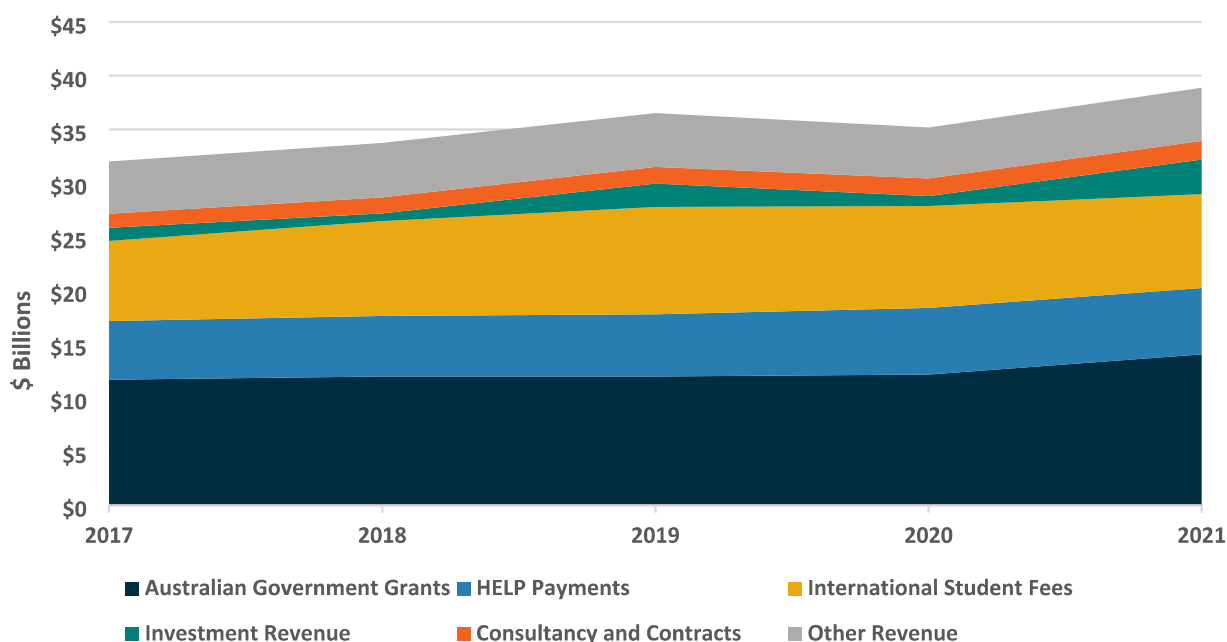


Figure 8: Changes in Revenue over time



- The majority of universities have reported a consistent upward trend in most revenue streams in recent years, with the exception of 2020 which saw a dip due to the impact of the pandemic. Strong growth in Australian Government funding and investment income has helped revenue levels recover to their pre-pandemic levels for the majority of universities across the sector.

Table 3: 2020 and 2021 Revenue by University

University	Total Revenue		Increase / Decrease		International Student Fees		Increase / Decrease	
	2021	2020	\$'000	%	2021	2020	\$'000	%
Sydney	3,531,239	2,644,430	886,809	33.5%	1,354,362	1,105,160	249,202	22.5%
Melbourne	3,119,167	2,657,711	461,456	17.4%	856,370	845,593	10,777	1.3%
Monash	2,870,678	2,697,018	173,660	6.4%	917,527	982,634	-65,107	-6.6%
UNSW	2,451,756	2,162,665	289,091	13.4%	702,625	671,350	31,275	4.7%
UQ	2,385,000	2,119,635	265,365	12.5%	644,454	648,903	-4,449	-0.7%
ANU	1,428,044	1,297,514	130,530	10.1%	230,730	248,071	-17,341	-7.0%
RMIT	1,355,620	1,291,816	63,804	4.9%	401,633	454,396	-52,763	-11.6%
Deakin	1,267,647	1,224,003	43,644	3.6%	286,189	395,830	-109,641	-27.7%
QUT	1,163,401	1,054,164	109,237	10.4%	176,718	221,204	-44,486	-20.1%
UWA	1,147,830	968,870	178,960	18.5%	138,483	139,737	-1,254	-0.9%
UTS	1,142,177	1,058,767	83,410	7.9%	340,898	366,814	-25,916	-7.1%
Adelaide	1,129,286	976,906	152,380	15.6%	253,703	254,148	-445	-0.2%
Griffith	1,043,754	967,585	76,169	7.9%	173,118	189,571	-16,453	-8.7%
Macquarie	1,000,600	974,088	26,512	2.7%	252,605	301,880	-49,275	-16.3%
Curtin	996,156	902,715	93,441	10.4%	135,940	160,909	-24,969	-15.5%
WSU	961,308	887,897	73,411	8.3%	136,309	148,785	-12,476	-8.4%
Newcastle	944,431	794,924	149,507	18.8%	93,762	113,709	-19,947	-17.5%
Tasmania	857,770	713,244	144,526	20.3%	97,758	130,101	-32,343	-24.9%
Swinburne	737,381	745,154	-7,773	-1.0%	122,136	150,054	-27,918	-18.6%
La Trobe	734,867	782,487	-47,620	-6.1%	104,282	159,238	-54,956	-34.5%
USA	677,331	696,051	-18,720	-2.7%	115,913	150,019	-34,106	-22.7%
Wollongong	640,646	620,343	20,303	3.3%	97,634	144,558	-46,924	-32.5%
Charles Sturt	638,225	569,210	69,015	12.1%	55,016	113,503	-58,487	-51.5%
ACU	565,904	555,205	10,699	1.9%	76,099	79,098	-2,999	-3.8%
Flinders	552,413	532,198	20,215	3.8%	88,645	102,395	-13,750	-13.4%
ECU	529,911	477,218	52,693	11.0%	96,932	119,767	-22,835	-19.1%
JCU	491,342	476,465	14,877	3.1%	46,089	73,884	-27,795	-37.6%
VU	464,577	474,294	-9,717	-2.0%	73,702	98,973	-25,271	-25.5%
UNE	438,905	347,924	90,981	26.1%	21,278	28,187	-6,909	-24.5%
USQ	423,883	344,972	78,911	22.9%	39,194	48,706	-9,512	-19.5%
CQU	404,041	449,963	-45,922	-10.2%	46,346	122,254	-75,908	-62.1%
UC	383,881	312,402	71,479	22.9%	64,535	69,529	-4,994	-7.2%
Murdoch	379,925	378,662	1,263	0.3%	53,467	80,621	-27,154	-33.7%
CDU	337,598	308,305	29,293	9.5%	48,123	50,619	-2,496	-4.9%
Sunshine Coast	334,746	321,578	13,168	4.1%	31,401	46,306	-14,905	-32.2%
FedUni	325,813	343,309	-17,496	-5.1%	63,440	125,225	-61,785	-49.3%
Torrens	300,129	311,399	-11,270	-3.6%	177,603	198,995	-21,392	-10.8%
Southern Cross	272,970	291,286	-18,316	-6.3%	56,329	74,974	-18,645	-24.9%
Notre Dame	216,485	198,876	17,609	8.9%	4,772	6,278	-1,506	-24.0%
Bond	196,059	206,774	-10,715	-5.2%	47,705	58,477	-10,772	-18.4%
Batchelor	34,036	31,239	2,797	9.0%	0	0	0	0.0%
Divinity	15,906	14,997	909	6.1%	1,122	1,458	-336	-23.0%
All Institutions	38,892,838	35,184,263	3,708,575	10.5%	8,724,947	9,481,913	-756,966	-8.0%

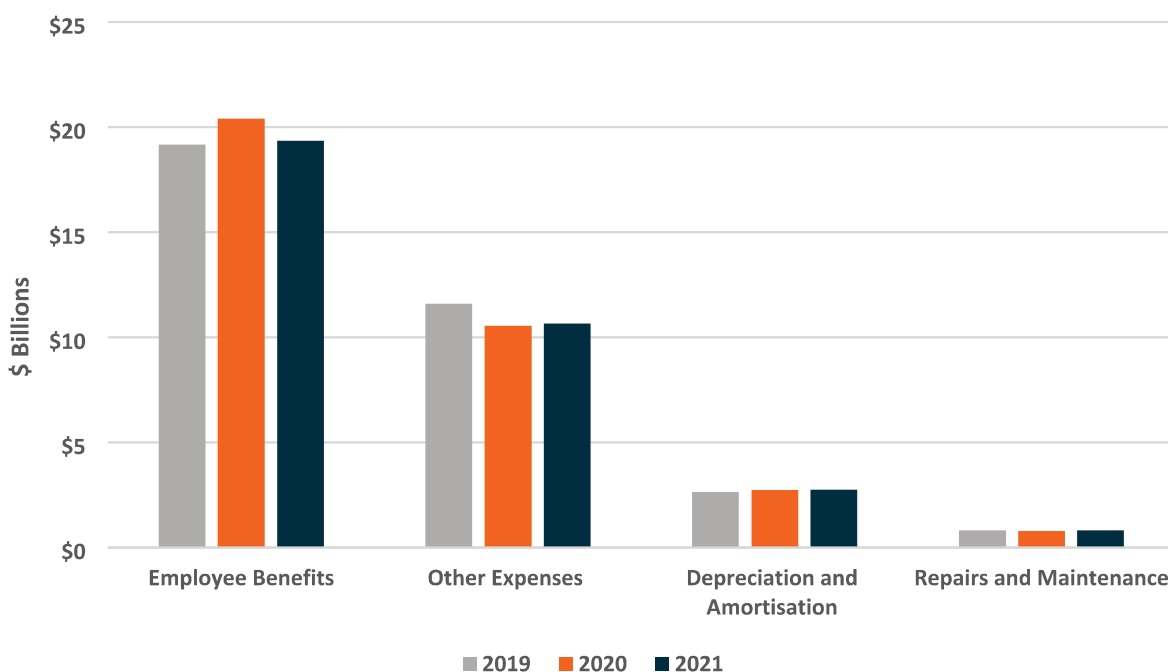
Expenses

Table 4: Summary of 2020 and 2021 Expenses

Operating Expenses	2021	2020	Change	
	\$'000	\$'000	\$'000	%
Academic Employee Benefits	10,195,058	10,684,202	-489,144	-4.6%
Non-Academic Employee Benefits	9,160,572	9,718,205	-557,633	-5.7%
Total Employee Benefits	19,355,630	20,402,407	-1,046,777	-5.1%
Depreciation and Amortisation	2,751,690	2,724,096	27,594	1.0%
Repairs and Maintenance	821,474	791,332	30,142	3.8%
Other Expenses **	10,664,132	10,544,554	119,578	1.1%
Total Expenses from Continuing Operations	33,592,926	34,462,389	-869,463	-2.5%

* Other expenses include defined benefits expense, bad and doubtful debts and borrowing costs.

Figure 9: 2019-2021 Expenses by Source



- Total operating expenses decreased by 2.5 per cent from \$34.5 billion in 2020 to \$33.6 billion in 2021, following the ongoing efforts by universities to constrain costs in response to the effects of the pandemic.
- Employee expenses continue to be the most significant cost for universities with a total of \$19.4 billion reported in 2021, down 5.1 per cent from \$20.4 billion in 2020. This follows staff cuts at a number of universities in 2020 in response to the pandemic.
- Some small increases in repairs and maintenance and other expenses were noted as universities undertook essential works or purchases that were delayed in 2020 at the onset of the pandemic, however overall, the sector continued to constrain discretionary spending, particularly in areas such as travel, marketing and promotional, and consultants and contractors.

Figure 10: Changes in Expenses over time

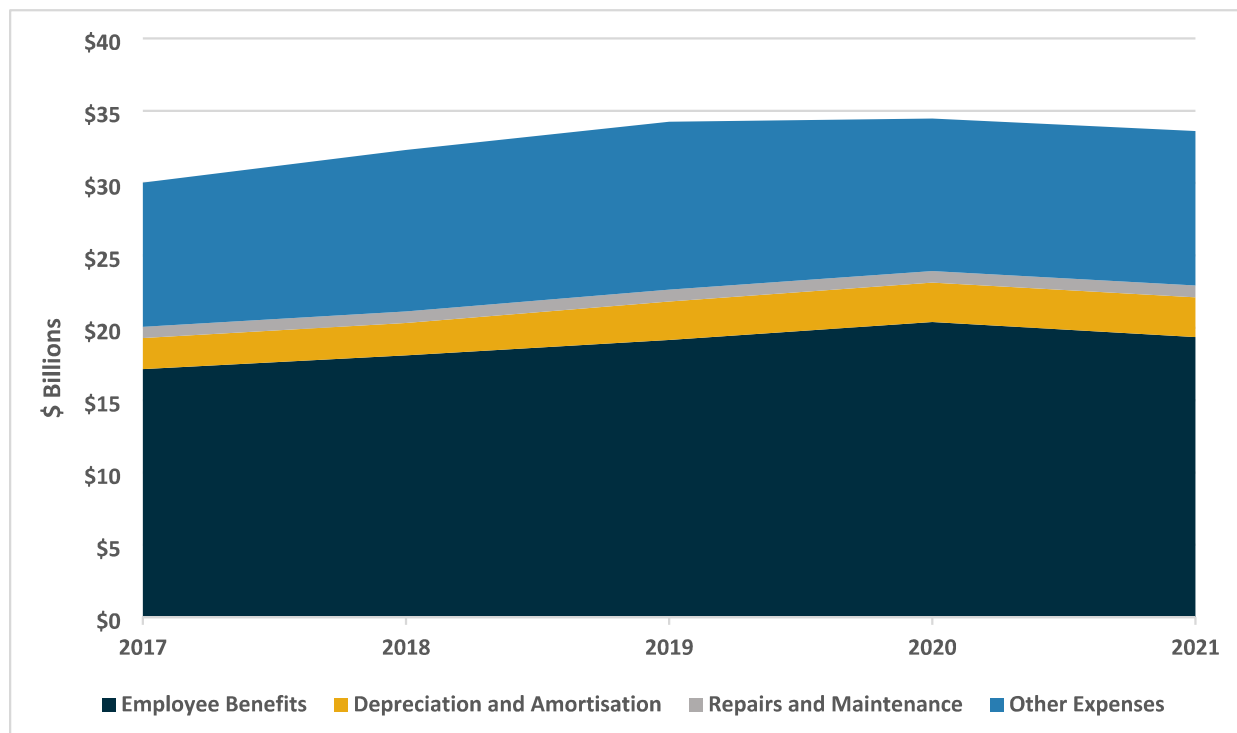


Table 5: 2020 and 2021 Expenses by University

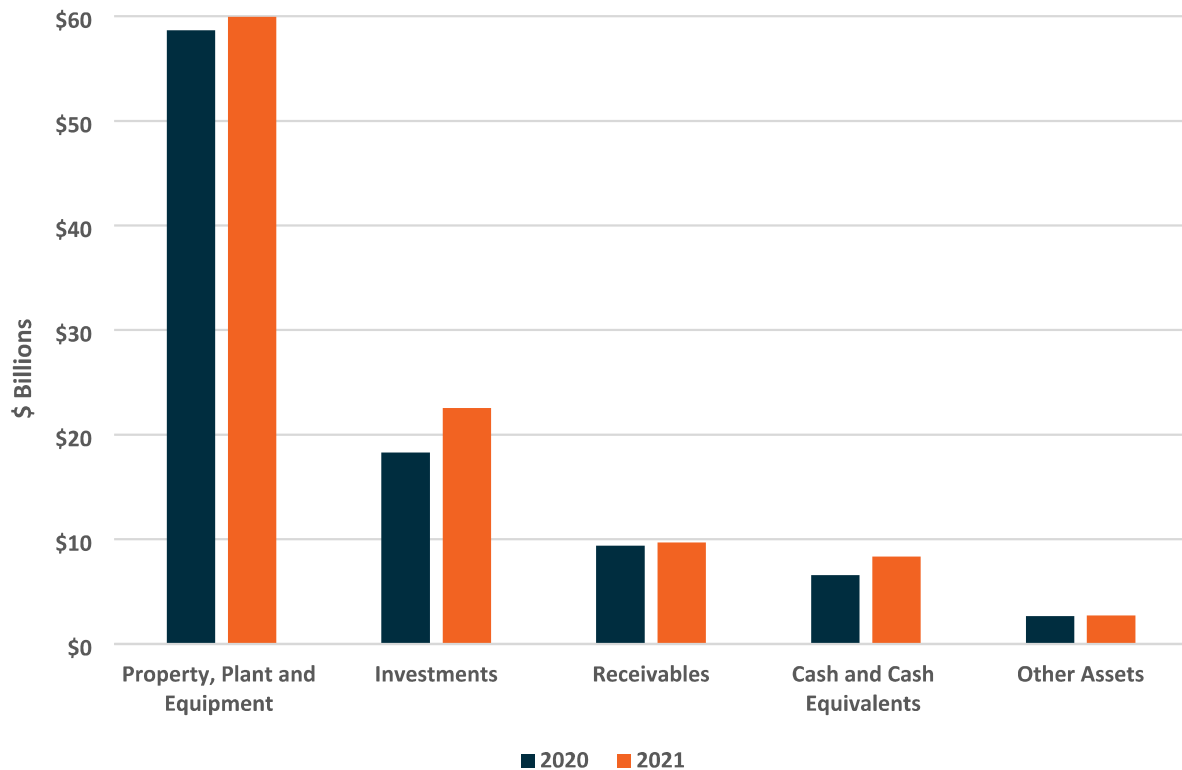
University	Total Expenses		Increase / Decrease		Employee Benefits		Increase / Decrease	
	2021	2020	\$'000	%	2021	2020	\$'000	%
Monash	2,564,940	2,429,741	135,199	5.6%	1,266,542	1,310,305	-43,763	-3.3%
Melbourne	2,535,089	2,479,489	55,600	2.2%	1,492,074	1,488,473	3,601	0.2%
Sydney	2,483,177	2,537,867	-54,690	-2.2%	1,451,006	1,509,630	-58,624	-3.9%
UNSW	2,149,586	2,186,832	-37,246	-1.7%	1,154,321	1,283,224	-128,903	-10.0%
UQ	2,052,101	2,036,707	15,394	0.8%	1,161,437	1,189,293	-27,856	-2.3%
RMIT	1,285,233	1,367,673	-82,440	-6.0%	759,628	854,912	-95,284	-11.1%
ANU	1,195,615	1,315,213	-119,598	-9.1%	664,522	757,859	-93,337	-12.3%
Deakin	1,177,890	1,191,891	-14,001	-1.2%	743,797	733,996	9,801	1.3%
QUT	1,023,526	1,028,946	-5,420	-0.5%	605,299	623,156	-17,857	-2.9%
UTS	1,020,223	1,101,842	-81,619	-7.4%	599,079	670,876	-71,797	-10.7%
UWA	945,282	910,781	34,501	3.8%	542,782	539,140	3,642	0.7%
Macquarie	937,309	1,026,811	-89,502	-8.7%	541,000	606,271	-65,271	-10.8%
Adelaide	929,252	936,090	-6,838	-0.7%	528,497	552,895	-24,398	-4.4%
Griffith	921,012	972,642	-51,630	-5.3%	562,656	604,396	-41,740	-6.9%
Curtin	882,845	903,813	-20,968	-2.3%	531,221	571,747	-40,526	-7.1%
WSU	838,670	865,918	-27,248	-3.1%	439,841	460,703	-20,862	-4.5%
Newcastle	762,119	789,063	-26,944	-3.4%	453,580	472,907	-19,327	-4.1%
La Trobe	754,361	833,937	-79,576	-9.5%	407,522	451,243	-43,721	-9.7%
Swinburne	697,523	780,820	-83,297	-10.7%	349,092	406,394	-57,302	-14.1%
Tasmania	687,768	695,225	-7,457	-1.1%	421,119	420,177	942	0.2%
Wollongong	635,286	673,123	-37,837	-5.6%	367,676	382,677	-15,001	-3.9%
USA	624,419	674,952	-50,533	-7.5%	407,728	432,898	-25,170	-5.8%
ACU	518,589	523,831	-5,242	-1.0%	346,029	347,490	-1,461	-0.4%
Flinders	516,786	494,403	22,383	4.5%	324,413	322,508	1,905	0.6%
Charles Sturt	497,762	550,224	-52,462	-9.5%	297,854	319,680	-21,826	-6.8%
JCU	472,733	462,512	10,221	2.2%	258,453	249,883	8,570	3.4%
VU	464,084	468,570	-4,486	-1.0%	283,944	290,570	-6,626	-2.3%
ECU	450,595	453,556	-2,961	-0.7%	281,587	275,463	6,124	2.2%
CQU	434,673	483,135	-48,462	-10.0%	245,688	292,011	-46,323	-15.9%
Murdoch	365,902	389,623	-23,721	-6.1%	221,691	246,987	-25,296	-10.2%
USQ	344,495	332,392	12,103	3.6%	238,295	229,727	8,568	3.7%
UNE	339,486	366,919	-27,433	-7.5%	183,801	225,877	-42,076	-18.6%
FedUni	292,665	339,438	-46,773	-13.8%	174,384	178,352	-3,968	-2.2%
Sunshine Coast	289,741	297,493	-7,752	-2.6%	176,460	188,940	-12,480	-6.6%
UC	285,520	283,039	2,481	0.9%	174,395	165,620	8,775	5.3%
CDU	275,413	265,499	9,914	3.7%	158,477	160,916	-2,439	-1.5%
Southern Cross	262,357	294,066	-31,709	-10.8%	142,982	166,324	-23,342	-14.0%
Torrens	250,471	281,976	-31,505	-11.2%	128,573	131,686	-3,113	-2.4%
Notre Dame	196,263	203,871	-7,608	-3.7%	124,471	144,335	-19,864	-13.8%
Bond	182,724	185,994	-3,270	-1.8%	119,878	120,225	-347	-0.3%
Batchelor	33,279	31,453	1,826	5.8%	20,733	20,300	433	2.1%
Divinity	16,162	15,019	1,143	7.6%	3,103	2,341	762	32.6%
All Institutions	33,592,926	34,462,389	-869,463	-2.5%	19,355,630	20,402,407	-1,046,777	-5.1%

Financial Position

- The financial position of universities remained strong throughout the 2021 reporting period, with net assets of \$70.1 billion reported across the sector as at 31 December 2021, up 11.2 per cent from \$63.1 billion in 2020.

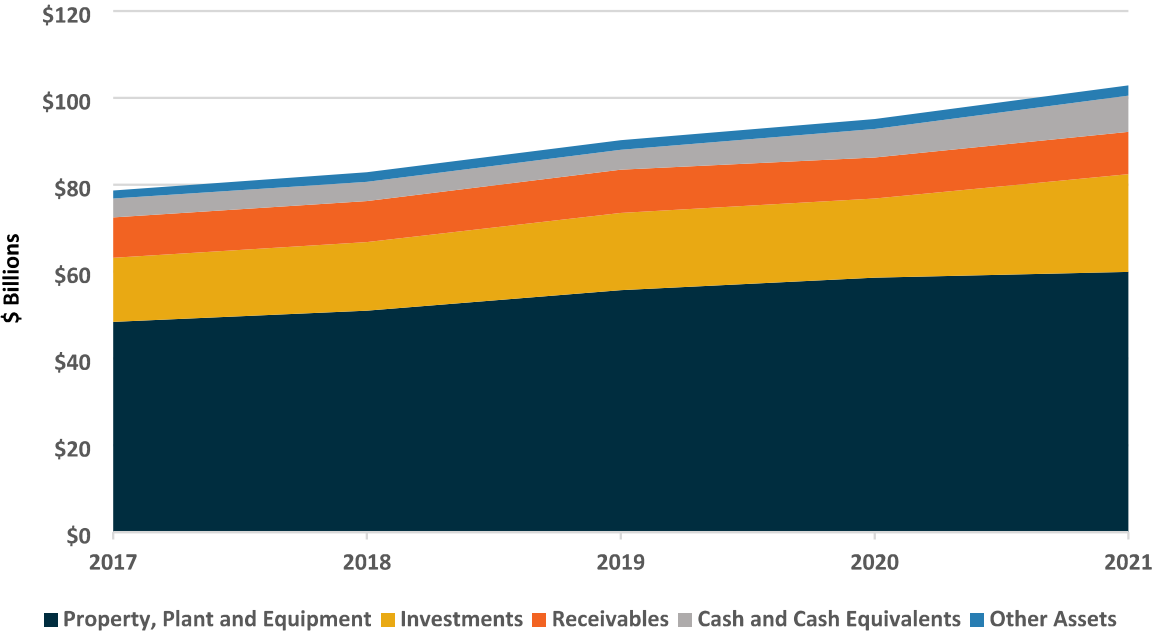
Assets

Figure 11: Breakdown of 2020 and 2021 Assets



- Total assets across the sector were \$103.2 billion as at 31 December 2021, increasing by 8.0 per cent or \$7.7 billion or from \$95.6 billion in 2020.
- Property, plant and equipment represented the largest component at \$59.9 billion followed by investments at \$22.5 billion.
- A 23.1 per cent increase in investments was reported across the sector in 2021. This was primarily driven by growth in the underlying value of investments following the strong performance across global financial markets in 2021.
- Payments for property, plant and equipment were \$2.6 billion in 2021, down 19.6 per cent from \$3.3 billion in 2020 as universities continued to delay non-essential capital works in order to reduce spending in response to the pandemic.

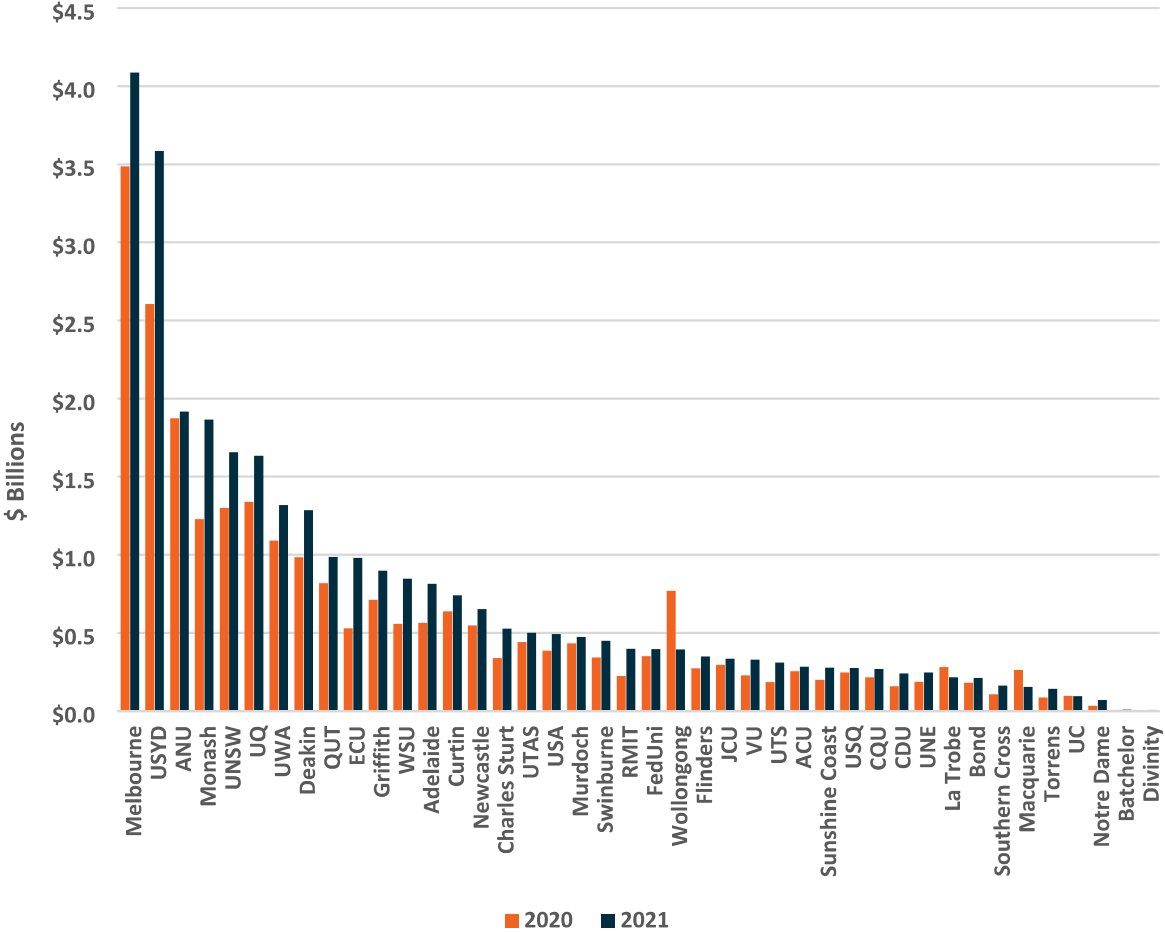
Figure 12: Growth in Assets 2017-2021



Cash and investments

- Liquidity remains strong across the sector, with total cash and investments of \$30.9 billion as at 31 December 2021, up \$6.0 billion or 24.1 per cent from \$24.9 billion in 2020.
- This amount would be sufficient to cover the university operating expenses, on average, for more than 11 months across the sector, with a range of between 2 and 26 months.
- Universities continued to increase their cash reserves in 2021, with total cash and cash equivalents increasing to \$8.3 billion, up \$1.8 billion or 27.0 per cent from \$6.6 billion in 2020. Total cash holdings across the sector have risen nearly 80 per cent during the pandemic from 2019 levels, as universities have implemented strategies to improve working capital and provide a buffer to weather the effects of the pandemic.
- Total investments grew by \$4.2 billion, up 23.1 per cent from \$18.3 billion in 2020 to \$22.5 billion in 2021. Increases in the fair value of investments following strong growth across global equity markets in 2021 was the key driver of this increase and comes after the substantial declines that were reported in 2020.

Figure 13: Total Cash and Investments by University



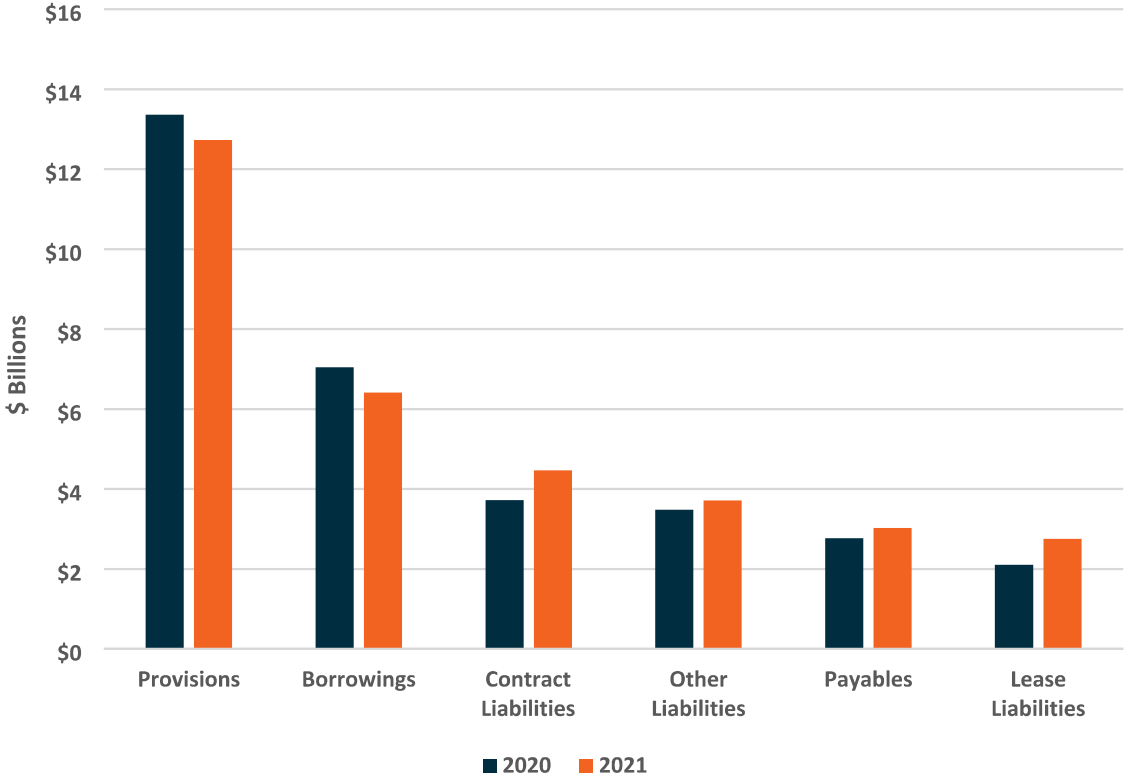
Australian university sector restructuring of investment in Education Australia Ltd

- Education Australia Ltd (EAL) is a company jointly owned by 38 Australian universities. During 2021 EAL divested its shareholdings in IDP Education Australia (IDP), an ASX listed company in which EAL historically held a 40% investment and distributed these to each of the 38 universities. This transaction was completed in the form of a fully franked dividend.
- There are some differences in how this transaction has been accounting for across the sector, stemming from variations in how the underlying investment had historically been treated under Australian Accounting Standards (AASB 9), and different interpretation and assessment of the transaction by individual universities and their auditors. It should be noted that while this transaction has resulted in an increase in investment income for some universities, not all universities have recognised the distribution of the dividend in revenue in 2021.
- These inconsistencies should be taken into consideration when comparing the financial performance of individual universities. It is recommended that readers refer to each university’s audited financial statements for further detail on this transaction if needed.

Liabilities

- Total liabilities were \$33.1 billion as at 31 December 2021, an increase of 1.9 per cent from \$32.5 billion in 2020 due to increases in lease liabilities and contract liabilities.
- Provisions continue to represent the largest component of liabilities at \$12.7 billion and are comprised mostly of provisions for employee benefits. This amount decreased by 4.8 per cent from \$13.3 billion in 2020, in line with staff reductions at a number of universities.
- Borrowings made up the second largest component of liabilities at \$6.4 billion, down 9.0 per cent from \$7.0 billion in 2020.

Figure 14: Breakdown of 2020 and 2021 Liabilities



HEPs Included in the Finance 2021 Publication

Table A

New South Wales

Charles Sturt University

Macquarie University

Southern Cross University

The University of New England

The University of New South Wales

The University of Newcastle

The University of Sydney

University of Technology Sydney

University of Wollongong

Western Sydney University

Victoria

Federation University Australia

Deakin University

La Trobe University

Monash University

RMIT University

Swinburne University

The University of Melbourne

Victoria University

Queensland

Central Queensland University

Griffith University

James Cook University

Queensland University of Technology

The University of Queensland

University of Southern Queensland

University of the Sunshine Coast

Western Australia

Curtin University of Technology

Edith Cowan University

Murdoch University

The University of Notre Dame Australia

The University of Western Australia

South Australia

The Flinders University of South Australia

The University of Adelaide

University of South Australia

Tasmania

University of Tasmania

Northern Territory

Batchelor Institute of Indigenous Tertiary Education

Charles Darwin University

Australian Capital Territory

The Australian National University

University of Canberra

Multi State

Australian Catholic University

Table B

Bond University Limited

University of Divinity

Torrens University Australia Ltd