



Australian Government
Department of Education

Finance 2023: Financial Reports of Higher Education Providers

Summary Information



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The document must be attributed as Finance 2023: Financial Reports of Higher Education Providers.

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Introduction

The Finance 2023 publication contains the results of the 43 higher education providers (HEPs) listed in Table A and Table B of the *Higher Education Support Act 2003* (the Act) for the 2023 reporting period.

The data was extracted from the audited financial statements of these 43 institutions as provided to the Department of Education (department). The adjusted financial statements are presented in a format consistent with that outlined in the department's *Financial Statement Guidelines for Australian Higher Education Providers for the 2023 Reporting Period* (Guidelines).

The Finance 2023 publication is available in Microsoft Excel table format on the department's website. A data dashboard has also been developed as an interactive visualisation tool to provide an 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.education.gov.au/higher-education-publications/finance-publication>.

Changes from previous publications

Table B institutions were added to the publication series in 2021 to provide a more comprehensive overview of the financial performance and position of the higher education sector. Previous versions of this report before 2021 contained the results of the 39 Table A institutions only. This should be considered when comparing sector total results from one year to the next.

The financial results of Avondale University have been added to the 2023 publication for the first time as the university became a listed Table B provider in 2023.

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

2023 Summary Results



**\$122.1 million
net surplus**



16 universities in surplus
27 universities in deficit

**\$40.0 billion
total revenue**



\$19.5 billion
Australian Govt funding
\$10.2 billion
International student fees



**\$39.9 billion
total expenses**

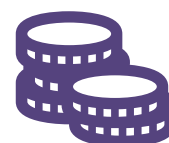


\$22.1 billion
Employee expenses
\$13.8 billion
Other expenses

**\$74.2 billion
net assets**



\$67.4 billion
Property, plant & equipment
\$32.2 billion
Cash and investments



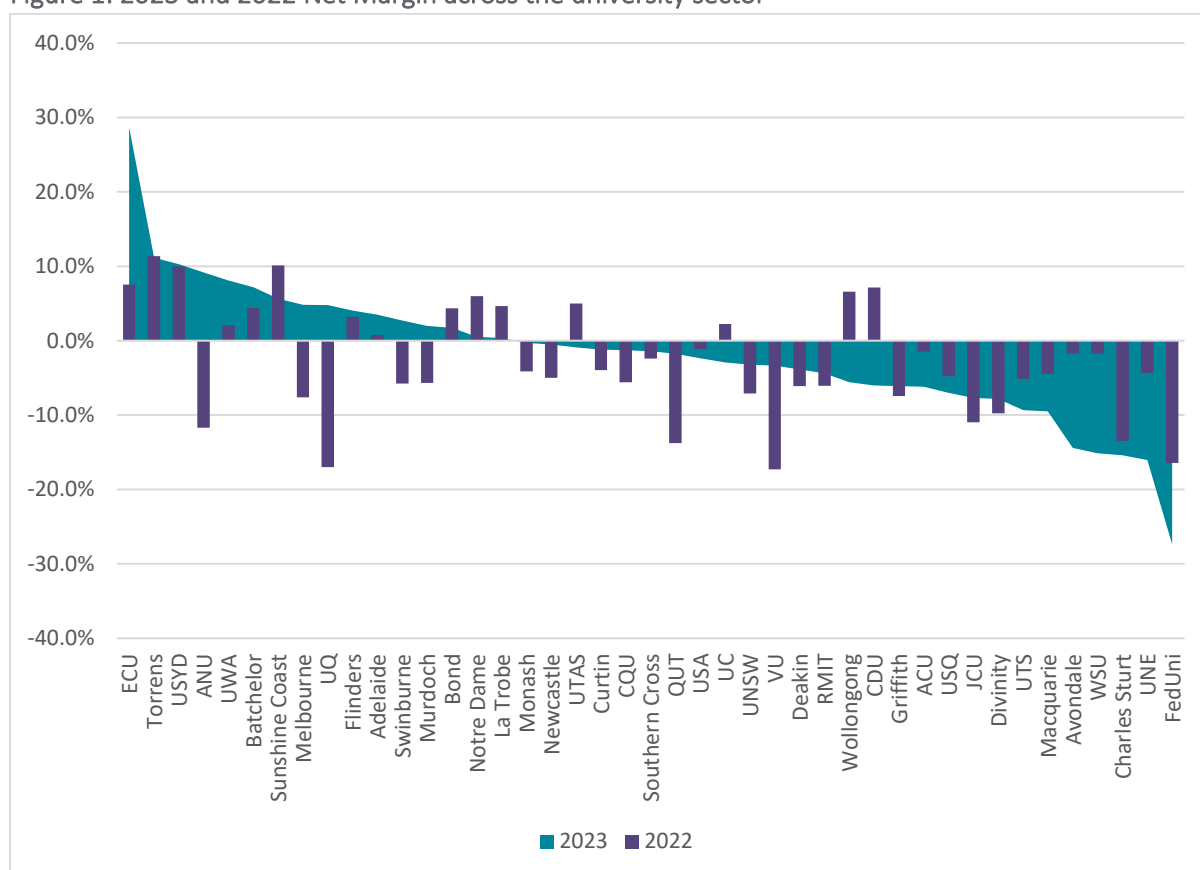
Financial Performance

The 2023 university financial results show an overall improvement in the financial performance of the university sector in 2023 when compared to 2022 results. This was driven by strong growth in investment income and international student fees.

The net result reported across the sector in 2023 was a surplus of \$122.1 million. This is up \$1.3 billion from an overall deficit of \$1.2 billion reported in 2022. The net operating margin, which measures net income as a proportion of total revenue, was 0.3 percent, up from -3.5% in 2022.

At the individual university level results were mixed with many universities continuing to report a deficit despite the general improvement from the prior year, due to growth in expenditure. A total of 16 universities reported an overall surplus in 2023 and 27 reported a deficit.

Figure 1: 2023 and 2022 Net Margin across the university sector



Total revenue increased by \$5.3 billion in 2023, to \$40.0 billion across the sector. This was driven by growth in both investment income and international student fees:

- Investment income recovered strongly in 2023 with a total of \$2.3 billion reported across the sector following the strong performance of global equity markets. This is up \$2.7 billion from a net loss of \$396.8 million reported in 2022.
- International student fees surpassed pre-pandemic levels in 2023 for the first time, with total revenue of \$10.2 billion reported across the sector, up \$1.6 billion from 2022, and above the total international student fees of \$10.0 billion reported prior to the onset of the pandemic in 2019.

Total expenses also increased during 2023, up \$4.0 billion to \$39.9 billion across the sector.

Increases were reported across all expense categories as spending activity returned to pre-pandemic norms and inflation impacted, however employee expenses and other operating expenses were the key drivers of the overall increase:

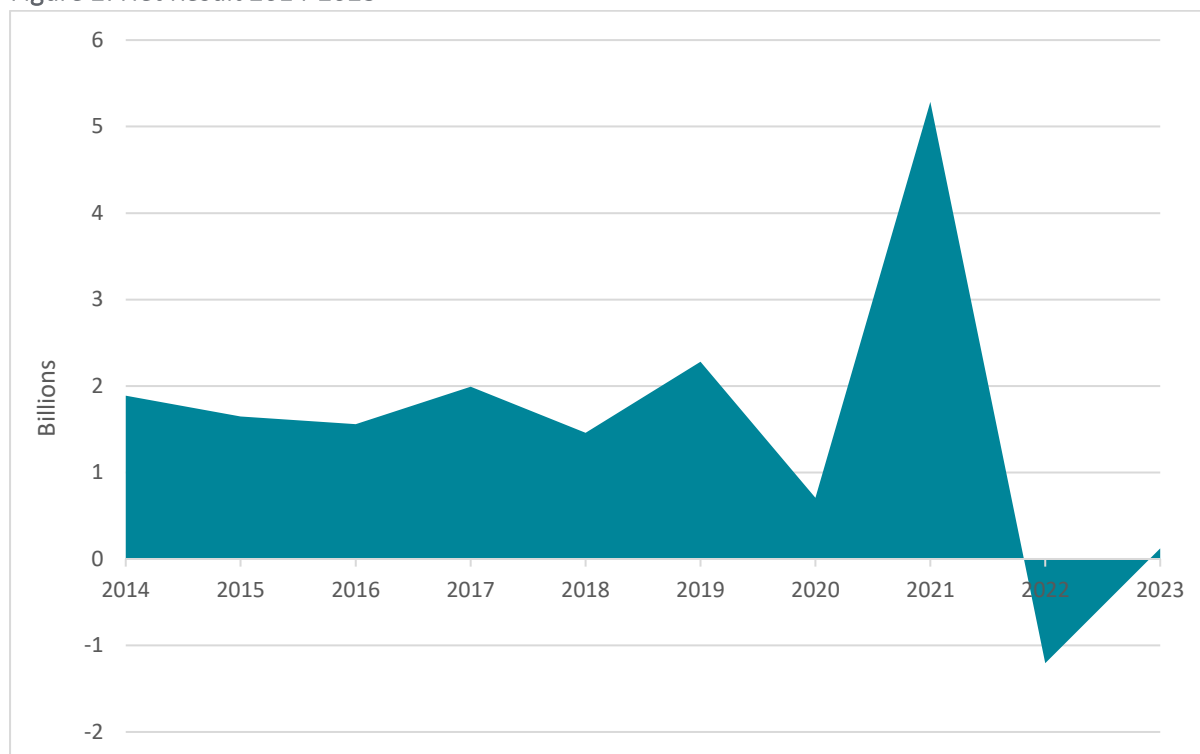
- Spending on salaries, wages and employee benefits increased by \$2.1 billion in 2023, up from \$20.0 billion in 2022 to a record \$22.1 billion.
- A \$1.6 billion increase in other expenses was also reported, up from \$12.2 billion in 2022 to \$13.8 billion in 2023. This category includes spending on general administrative costs such as professional fees, consultants, and information technology, as well as scholarships, grants and prizes, advertising and marketing, non-capitalised equipment, borrowing costs, impairment costs, and defined benefits expense.

Table 1: Net result and net margin by university

University	Net Result (\$'000)		Increase / Decrease	2023 Net Margin
	2023	2022	\$'000	%
The University of Sydney	351,769	298,497	53,272	10.3%
Edith Cowan University	194,180	35,460	158,720	28.7%
The University of Melbourne	156,300	-202,632	358,932	4.8%
Australian National University	146,595	-139,568	286,163	9.2%
The University of Queensland	117,674	-318,589	436,263	4.8%
The University of Western Australia	88,094	19,359	68,735	8.1%
University of Adelaide	39,069	7,731	31,338	3.5%
Torrens University	35,600	33,640	1,960	11.1%
Flinders University	25,662	17,411	8,251	4.0%
Swinburne University of Technology	22,536	-40,660	63,196	2.7%
University of the Sunshine Coast	20,858	34,940	-14,082	5.7%
Murdoch University	9,060	-20,768	29,828	2.0%
Bond University	3,973	9,082	-5,109	1.7%
La Trobe University	3,051	37,672	-34,621	0.4%
Batchelor Institute of Indigenous Tertiary Education	2,665	1,509	1,156	7.2%
The University of Notre Dame Australia	1,160	13,205	-12,045	0.5%
University of Divinity	-1,037	-1,330	293	-7.8%
The University of Newcastle	-4,314	-37,877	33,563	-0.5%
Avondale University	-4,478	-526	-3,952	-14.4%
Southern Cross University	-4,493	-6,761	2,268	-1.4%
Central Queensland University	-6,072	-22,833	16,761	-1.3%
University of Tasmania	-6,689	37,644	-44,333	-0.9%
Monash University	-9,031	-113,593	104,562	-0.3%
University of Canberra	-11,127	7,104	-18,231	-2.9%
Curtin University of Technology	-12,991	-36,120	23,129	-1.2%
University of South Australia	-16,916	-7,379	-9,537	-2.4%
Victoria University	-18,140	-73,190	55,050	-3.4%
Charles Darwin University	-20,603	23,285	-43,888	-6.0%
Queensland University of Technology	-20,683	-130,421	109,738	-1.7%
University of Southern Queensland	-25,009	-15,543	-9,466	-7.0%
Australian Catholic University	-35,722	-7,997	-27,725	-6.2%
University of Wollongong	-39,089	47,100	-86,189	-5.6%
James Cook University	-39,740	-48,953	9,213	-7.7%
Deakin University	-49,749	-67,539	17,790	-3.9%
The University of New England	-58,957	-14,773	-44,184	-16.1%
RMIT University	-59,891	-75,784	15,893	-4.4%
Griffith University	-66,681	-69,732	3,051	-6.1%
Charles Sturt University	-75,822	-59,753	-16,069	-15.4%
Federation University Australia	-80,961	-43,811	-37,150	-27.4%
The University of New South Wales	-84,871	-162,649	77,778	-3.2%
Macquarie University	-88,436	-42,358	-46,078	-9.5%
University of Technology, Sydney	-107,025	-52,542	-54,483	-9.3%
Western Sydney University	-147,621	-15,368	-132,253	-15.1%
All Institutions	122,098	-1,205,410	1,327,508	0.3%

Financial performance trends

Figure 2: Net Result 2014-2023



The financial performance of the Australian university sector has been volatile in recent years, in contrast to the historical longer term trend of relatively consistent performance. This has been most evident since the onset of the pandemic and is due to both the resulting financial impact and broader economic challenges. Key contributing factors to this volatility include:

- Instability in global financial markets.
- The pipeline effect of 2 years of border closures on international enrolments.
- Challenging economic conditions including weaker domestic enrolments due to a strong labour market.
- Rising inflationary pressures.

While the current economic challenges and fluctuating performance remain and are likely to persist in the short term, most universities remain in a solid financial position with sufficient resources and reserves to support operations moving forward, reinforced by strong asset bases and good liquidity. Universities are generally well placed to withstand the current challenges and emerge financially robust provided they continue to carefully manage operating costs.

Revenue

Table 2: Summary of 2023 and 2022 Revenue

	2023	2022	Change	
	\$'000	\$'000	\$'000	%
Australian Government Grants	13,401,654	13,076,751	324,903	2.5%
HELP Payments	6,119,119	6,025,744	93,375	1.5%
Australian Government Financial Assistance	19,520,773	19,102,495	418,278	2.2%
State and Local Government	901,412	929,300	-27,888	-3.0%
Upfront Student Contributions	531,986	481,553	50,433	10.5%
International Student Fees	10,153,714	8,572,901	1,580,813	18.4%
Other Fees and Charges	2,036,225	1,851,282	184,943	10.0%
Investment Revenue	2,332,854	(396,783)	2,729,637	-687.9%
Consultancy and Contracts	2,266,267	2,039,413	226,854	11.1%
Other Income *	2,257,054	2,132,573	124,481	5.8%
Total Revenue	40,000,285	34,712,734	5,287,551	15.2%

* 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 3: 2014-2023 Revenue by Source

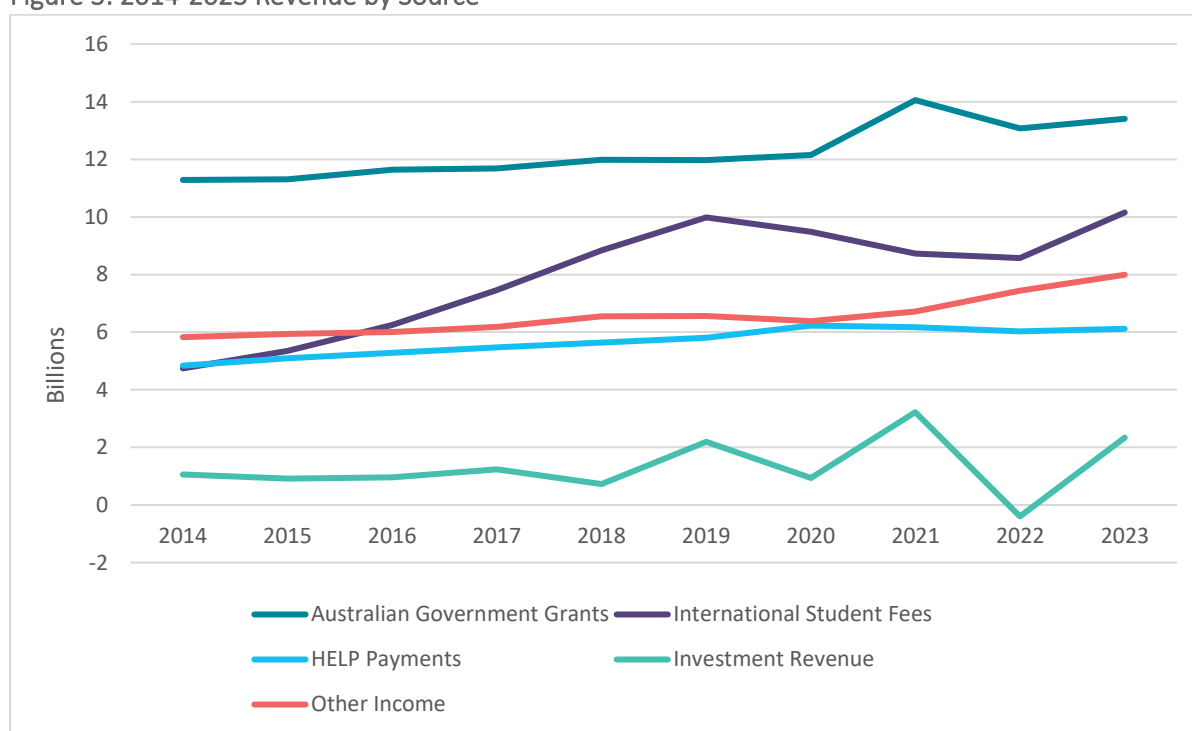
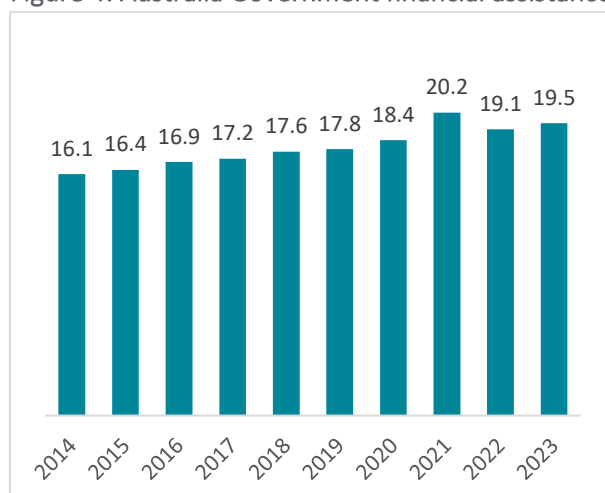
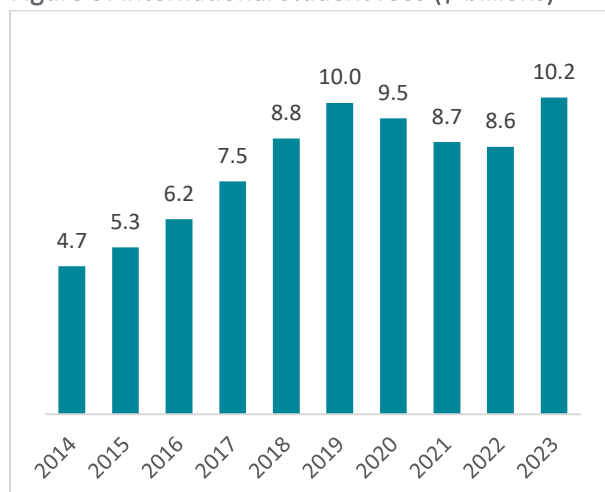


Figure 4: Australia Government financial assistance (\$ billions)



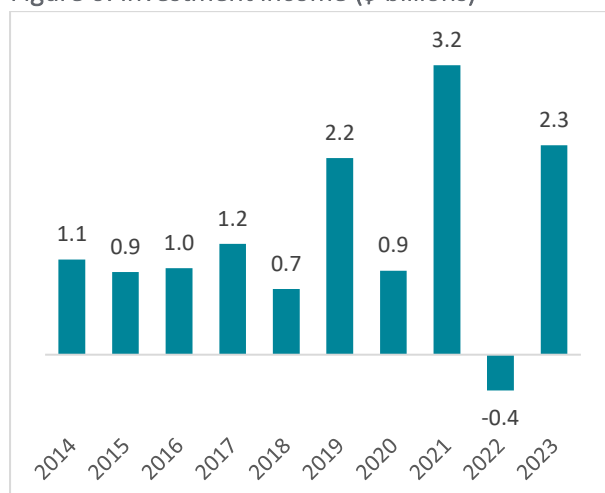
Australian Government financial assistance has risen steadily over the past 10 years, up from \$16.1 billion in 2014 to \$19.5 billion in 2023. The jump in revenue reported in 2021 was due to the Government's additional \$1 billion in research funding provided as pandemic support.

Figure 5: International student fees (\$ billions)



International student fee revenue recovered above pre-pandemic levels for the first time in 2023. This follows 3 consecutive years of decline due to the pipeline effect of border closures during the pandemic period. Prior to 2020, universities reported consistent upward growth in this revenue stream.

Figure 6: Investment income (\$ billions)



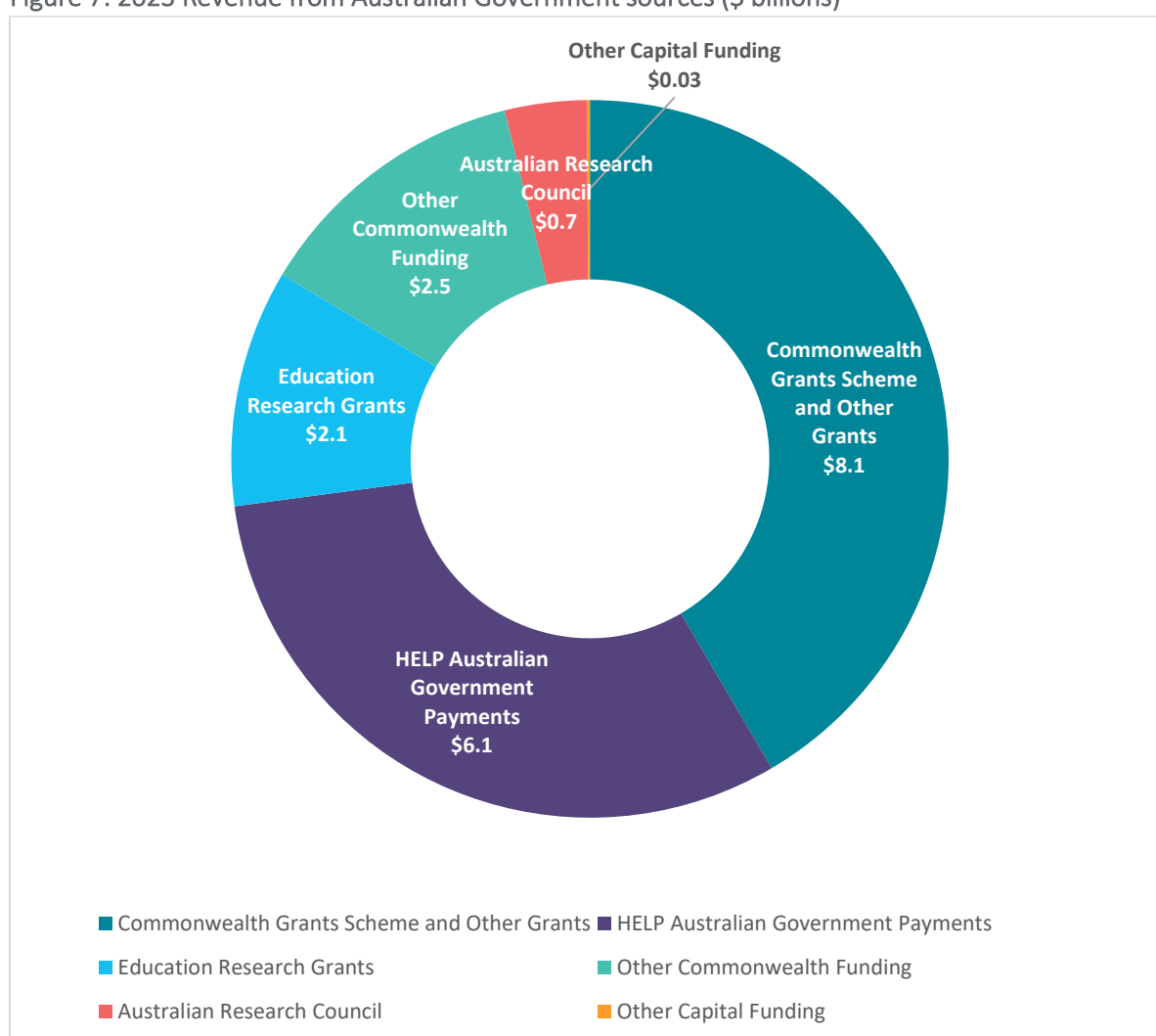
Challenging economic conditions and instability in global investment markets have contributed to volatility in investment income in recent years. These fluctuations have had a greater impact on overall university results due to growth in the underlying financial asset bases at many universities.

Australian Government Financial Assistance

Australian Government funding contributed the largest source of revenue for Australian universities in 2023, with \$19.5 billion or 48.8% of total revenue reported across the sector. This is up 2.2% from \$19.1 billion in 2022 (55.0% of total revenue). The decrease in the proportion of Australian Government funding in 2023 despite an overall increase in the amount of funding is due to the proportional increase in other revenue sources, notably investment income.

Australian Government grants make up most of the funding received, with \$13.4 billion reported across the sector in 2023, up from \$13.1 billion in 2022. This includes the Commonwealth Grant Scheme, and research and other grants. A further \$6.1 billion in HELP payments were reported, up from \$6.0 billion in 2022.

Figure 7: 2023 Revenue from Australian Government sources (\$ billions)



International Student Fees

International student fees continued to represent the second largest proportion of sector revenue in 2023 and experienced strong growth as the market rebounded from the effects of the pandemic.

Total international student fees of \$10.2 billion or 25.4% of total revenue were reported in 2023, up 18.4% or \$1.6 billion from \$8.6 billion in 2022.

This amount surpassed the pre-pandemic international student fee revenue of \$10.0 billion that was reported in 2019 for the first time. While international students began a gradual return to Australian universities in 2022 following nearly two years of border closures, the full impact on sector revenue was not seen until 2023 due to the pipeline effect of almost two years of border closures.

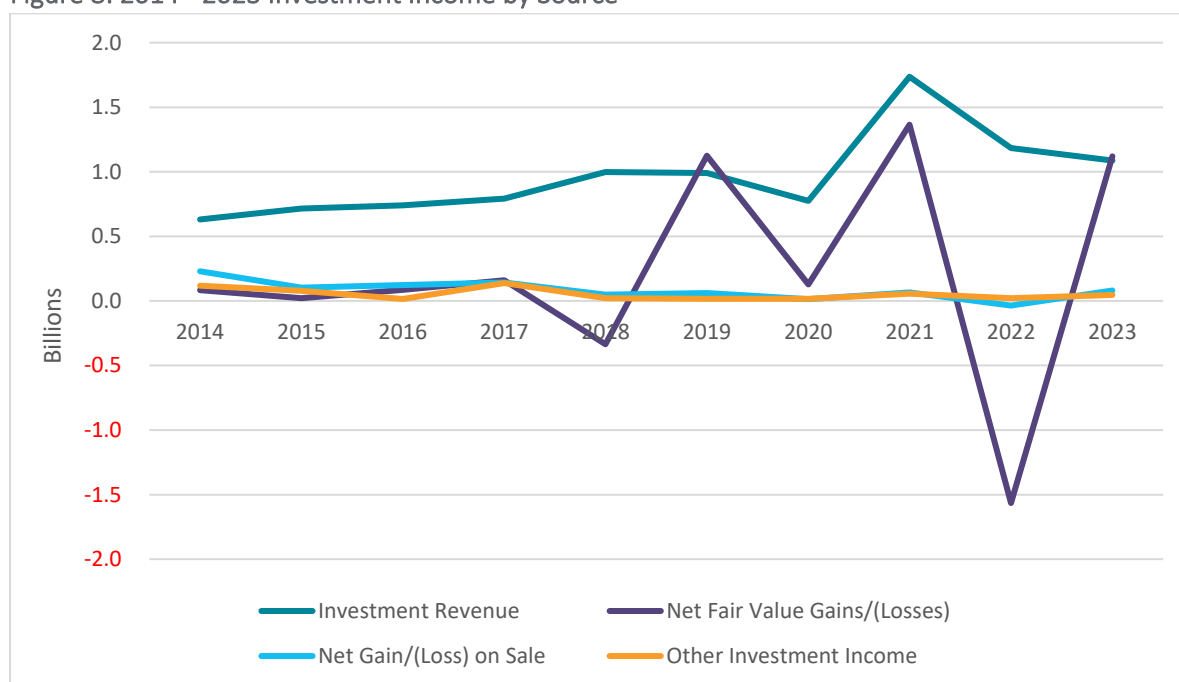
Investment Income and Other Revenue

Table 3: Summary of 2023 and 2022 Investment Income

	2023	2022	Change	
	\$'000	\$'000	\$'000	%
Investment Revenue (interest, dividends & distributions)	1,086,252	1,183,397	-97,145	-8.2%
Net Fair Value Gains/(Losses)	1,118,706	-1,565,426	2,684,132	171.5%
Net Gain/(Loss) on Sale	81,804	-36,111	117,915	326.5%
Other Investment Income	46,092	21,357	24,735	115.8%
Total Investment Income/(Loss)	2,332,854	-396,783	2,729,637	687.9%

Investment income increased to \$2.3 billion in 2023, up by \$2.7 billion from an overall loss of \$396.8 million reported in 2022 following stronger performance across global financial markets. This amount consisted of realised income including interest, dividends, distributions and gains on sale of \$1.2 billion, and a further \$1.1 billion in unrealised gains on the fair value of underlying investments.

Figure 8: 2014 - 2023 Investment Income by Source



The performance of global financial markets has been turbulent in recent years, leading to significant variability in investment returns reported by universities over the past 5 years. Investment income is volatile in nature and fluctuations from one year to the next are to be expected, however a combination of challenging economic conditions and the financial impact of the pandemic has contributed to unprecedented instability in financial markets. As universities have grown their financial asset bases, investment income has increasingly become a contributing factor to overall university results, and fluctuating market conditions have therefore increasingly contributed to variability in the overall performance of the sector, defying the longer term trend of relatively consistent performance.

All other sources of revenue across the university sector increased by a combined \$558.8 million in 2023, driven by increases in consultancy and contract revenue of \$226.9 million, and domestic fees and charges of \$184.9 million.

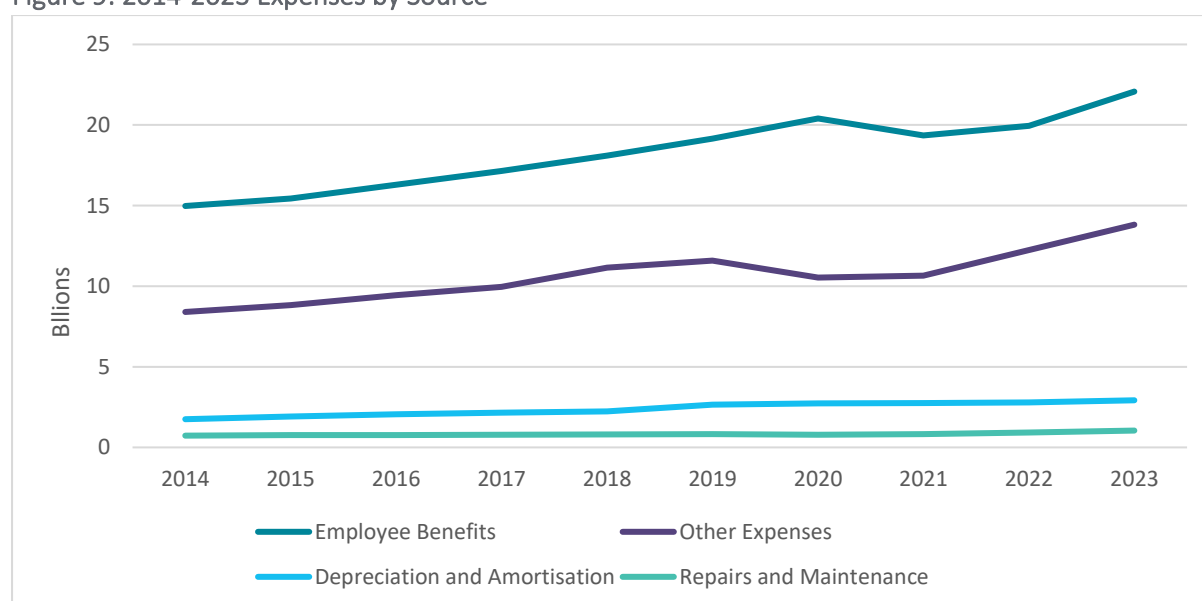
Expenses

Table 4: Summary of 2023 and 2022 Expenses

	2023	2022	Change	
	\$'000	\$'000	\$'000	%
Academic Employee Benefits	11,275,282	10,334,589	940,693	9.1%
Non-Academic Employee Benefits	10,799,713	9,616,373	1,183,340	12.3%
Total Employee Benefits	22,074,995	19,950,962	2,124,033	10.6%
Depreciation and Amortisation	2,923,228	2,794,451	128,777	4.6%
Repairs and Maintenance	1,045,273	914,704	130,569	14.3%
Other Expenses *	13,818,191	12,240,315	1,577,876	12.9%
Total Expenses	39,861,687	35,900,432	3,961,255	11.0%

* Other expenses include defined benefits expense, impairment costs, and borrowing costs.

Figure 9: 2014-2023 Expenses by Source



Total expenses of \$39.9 billion were reported by Australian universities in 2023, up \$4.0 billion or 11.0% from \$35.9 billion in 2022. Increases were reported across all expense categories as challenging economic conditions and inflationary pressures took effect across the sector, and most cost containment measures implemented during the height of the pandemic were removed, such as delays to non-essential maintenance and capital works.

Employee expenses continued to be the most significant cost for universities and experienced strong growth in 2023, up \$2.1 billion or 10.6% to \$22.1 billion, up from \$20.0 billion reported in 2022. This growth was driven by salary increases as well as increases in employee numbers as wage and hiring freezes implemented during the height of the pandemic were lifted at many institutions. All 43 universities reported an increase in employee expenses in 2023 when compared to 2022.

Financial Position

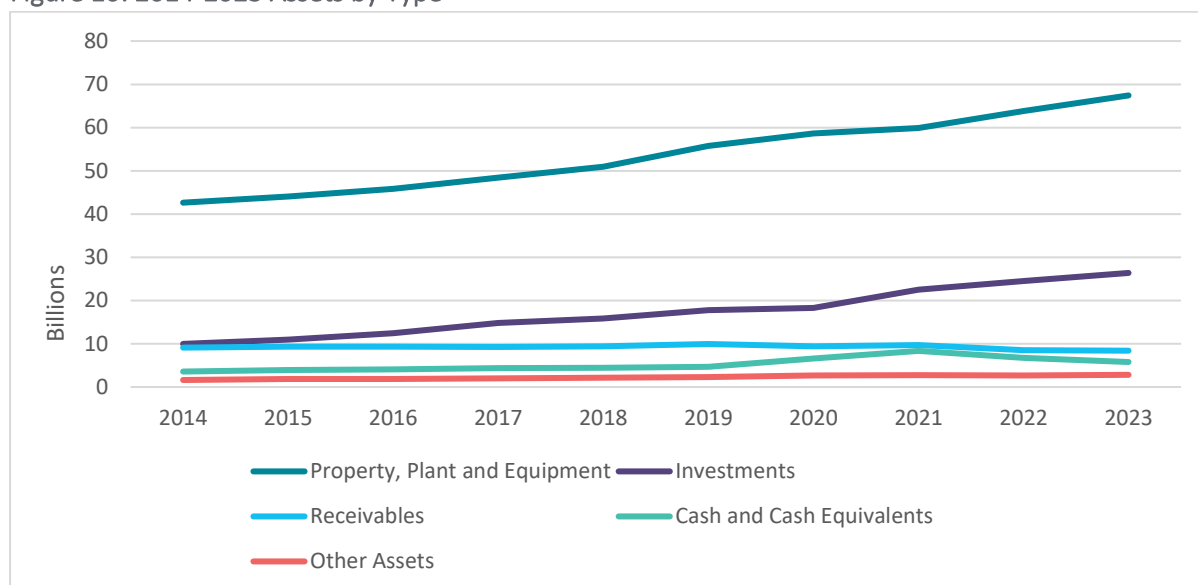
The financial position of universities remained strong throughout the 2023 reporting period, with net assets of \$74.2 billion reported across the sector as at 31 December 2023, up 3.2% from \$72.0 billion in 2022.

Assets

Table 5: Summary of 2023 and 2022 Total Assets

	2023	2022	Change	
	\$'000	\$'000	\$'000	%
Property, Plant and Equipment	67,428,096	63,783,550	3,644,546	5.7%
Investments	26,380,012	24,478,720	1,901,292	7.8%
Receivables	8,400,331	8,492,816	-92,485	-1.1%
Cash and Cash Equivalents	5,810,872	6,766,242	-955,370	-14.1%
Other Assets	2,815,168	2,646,987	168,181	6.4%
Total Assets	110,834,479	106,168,315	4,666,164	4.4%

Figure 10: 2014-2023 Assets by Type



Total assets across the sector were \$110.8 billion as at 31 December 2023, increasing by 4.4% or \$4.7 billion from \$106.2 billion in 2022. This increase was driven by growth in property, plant and equipment, which continued to represent the largest component of assets at \$67.4 billion, up from \$63.8 billion in 2022. This was followed by investments, which grew by \$1.9 billion to \$26.4 billion, up from \$24.5 billion in 2022.

Overall growth in assets across the sector over the past 10 years has also been driven by increases in property, plant and equipment, and investments, with universities investing heavily in campus facilities and continuing to grow their financial asset bases over this period. In contrast, other asset categories have remained relatively consistent from one year to the next and make up a comparatively small component of overall asset bases.

Payments for property, plant and equipment were \$3.6 billion in 2023, up 26.7% from \$2.8 billion in 2022 as universities continued to invest in campus facilities and undertake capital works.

Cash and investments

Liquidity remains strong across the sector, with total cash and investments of \$32.2 billion as at 31 December 2023, up \$0.9 billion or 3.0% from \$31.2 billion in 2022. This amount would be sufficient to cover university operating expenses, on average, for more than 9 months across the sector, with a range of between 7 weeks and 28 months at the individual institution level.

Cash reserves decreased across the sector during 2023, down from \$6.8 billion in 2022 to \$5.8 billion, as universities continued to invest the additional cash buffers built up during the pandemic into longer term investments or capital projects. Total cash holdings across the sector rose by nearly 80% during the pandemic as universities implemented strategies to improve working capital and provide a buffer to weather the effects of the pandemic. It is expected that these additional cash reserves will return to more typical levels in the post-pandemic world.

Total investments grew by \$1.9 billion in 2023, up 7.8% from \$24.5 billion in 2022 to \$26.4 billion. This was driven by growth in the underlying value of the investments following the strong performance across global equity markets, as well as additions made to financial asset bases. A total of \$131.1 million in net payments for financial assets were made across the sector in 2023.

Figure 11: Total cash and investments by university

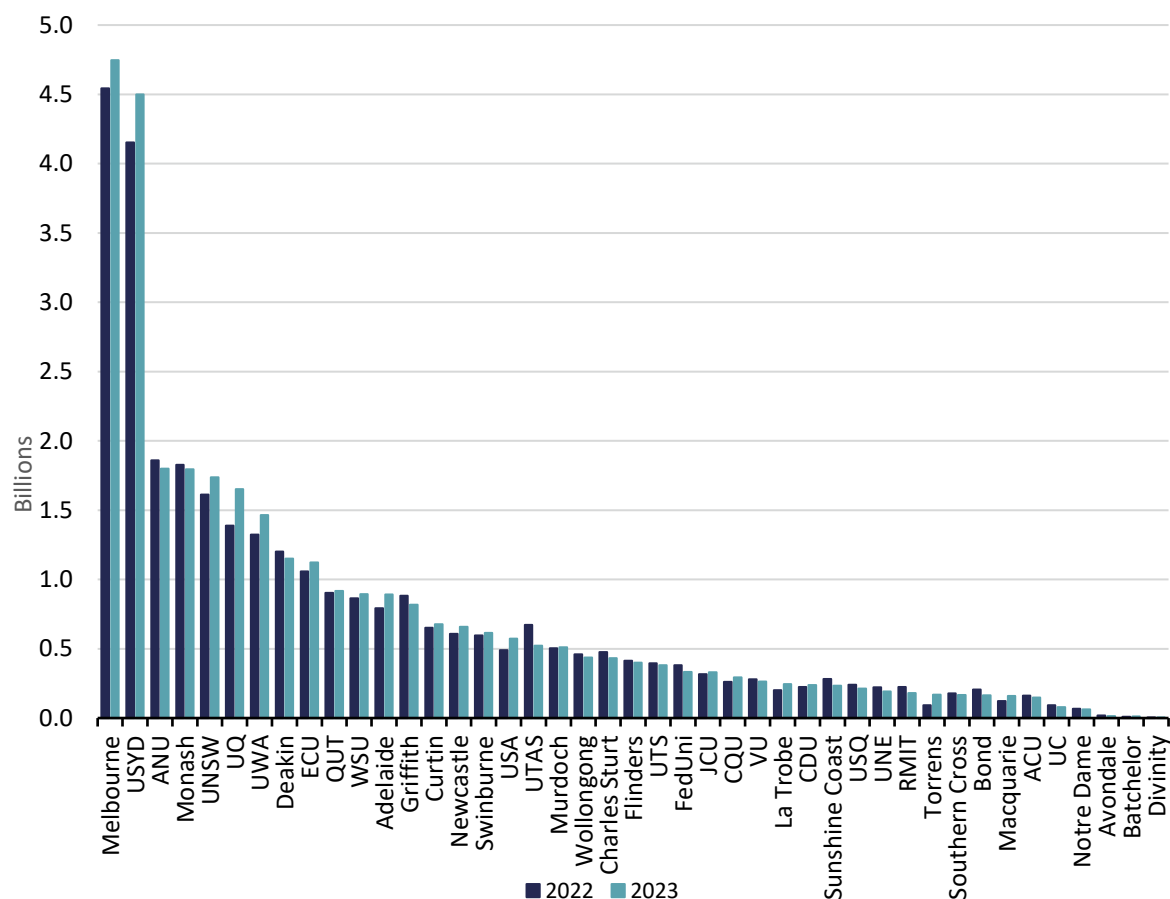


Table 6: 2023 Cash and Investments and Liquidity by university

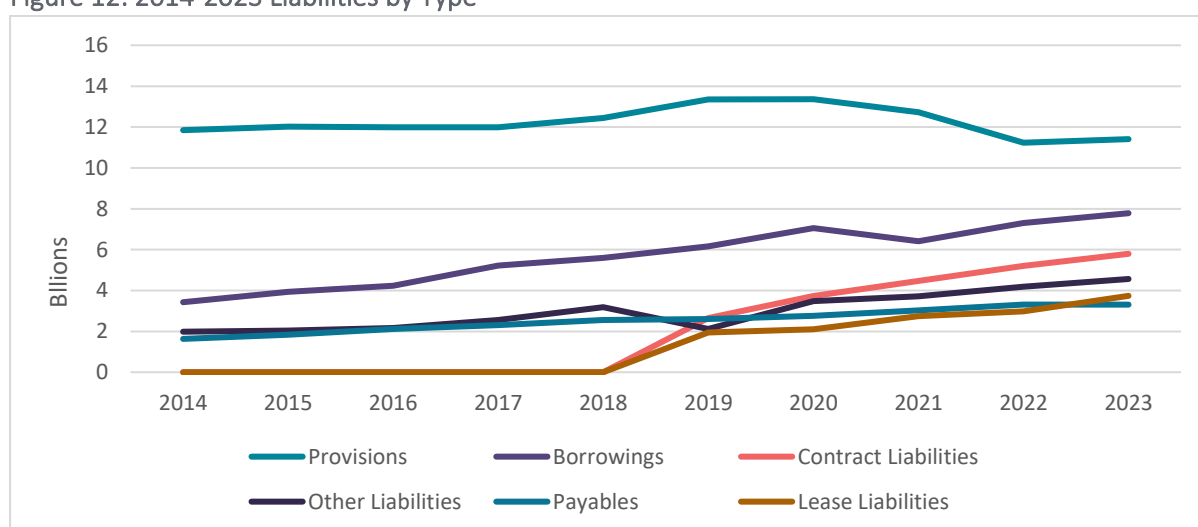
	Cash	Investments	Total Cash & Investments	Liquidity (Weeks Cash & Investments)
	\$'000	\$'000	\$'000	
Edith Cowan University	177,424	945,993	1,123,417	121.0
The University of Melbourne	154,756	4,592,512	4,747,268	79.8
The University of Sydney	779,834	3,720,329	4,500,163	76.3
The University of Western Australia	77,538	1,387,547	1,465,085	76.3
Australian National University	191,448	1,607,617	1,799,065	65.5
Murdoch University	100,879	409,009	509,888	58.7
Federation University Australia	57,331	275,192	332,523	45.9
Deakin University	180,441	969,577	1,150,018	44.7
University of Adelaide	60,521	831,934	892,455	42.9
Western Sydney University	361,735	531,964	893,699	41.4
University of South Australia	525,400	48,044	573,444	40.8
The University of Newcastle	45,896	611,720	657,616	40.5
Charles Sturt University	83,760	349,161	432,921	39.6
Queensland University of Technology	122,668	793,868	916,536	39.4
Swinburne University of Technology	57,778	556,330	614,108	39.3
Bond University	149,390	13,672	163,062	37.7
Griffith University	147,980	669,065	817,045	36.6
The University of Queensland	175,281	1,476,043	1,651,324	36.5
University of Tasmania	67,938	454,425	522,363	36.0
University of the Sunshine Coast	182,390	51,077	233,467	34.9
Flinders University	175,507	224,515	400,022	34.2
Charles Darwin University	84,924	151,986	236,910	34.0
The University of New South Wales	135,633	1,602,107	1,737,740	33.4
Torrens University	62,924	105,274	168,198	32.6
Curtin University of Technology	77,810	598,824	676,634	32.1
Central Queensland University	226,516	67,697	294,213	31.6
Monash University	397,994	1,395,803	1,793,797	30.9
University of Wollongong	47,433	389,638	437,071	30.9
James Cook University	121,555	208,707	330,262	30.9
University of Southern Queensland	18,865	194,404	213,269	29.0
Southern Cross University	27,415	138,467	165,882	27.2
Victoria University	32,274	231,286	263,560	24.6
The University of New England	28,315	164,674	192,989	23.5
Avondale University	14,396	0	14,396	21.0
Batchelor Institute of Indigenous Tertiary	12,662	0	12,662	19.2
University of Technology, Sydney	226,432	154,361	380,793	15.8
University of Divinity	1,431	2,783	4,214	15.3
La Trobe University	159,781	84,171	243,952	14.8
The University of Notre Dame Australia	56,160	5,854	62,014	14.0
Australian Catholic University	22,421	124,892	147,313	12.6
University of Canberra	30,941	48,425	79,366	10.5
Macquarie University	104,971	55,296	160,267	8.2
RMIT University	44,124	135,769	179,893	6.6
All Institutions	5,810,872	26,380,012	32,190,884	42.0

Liabilities

Table 7: Summary of 2023 and 2022 Total Liabilities

	2023	2022	Change	
	\$'000	\$'000	\$'000	%
Provisions	11,414,648	11,234,018	180,630	1.6%
Borrowings	7,783,162	7,296,194	486,968	6.7%
Contract Liabilities	5,796,115	5,205,320	590,795	11.3%
Other Liabilities	4,563,218	4,186,598	376,620	9.0%
Payables	3,309,789	3,311,645	-1,856	-0.1%
Lease Liabilities	3,737,978	2,984,084	753,894	25.3%
Total Liabilities	36,604,910	34,217,859	2,387,051	7.0%

Figure 12: 2014-2023 Liabilities by Type*



* Contract Liabilities and Lease Liabilities were recognised as a separate category from 2019 onwards due to changes in Australian Accounting Standards. There was no balance in these categories prior to 2019.

Total liabilities across the sector were \$36.6 billion as at 31 December 2023, an increase of 7.0% from \$34.2 billion in 2022. This growth was driven by increases in most categories, most notably lease liabilities, borrowings and contract liabilities.

Provisions continue to represent the largest component of liabilities at \$11.4 billion and are comprised mostly of provisions for employee benefits, including long service leave and retirement obligations.

Borrowings made up the second largest component of liabilities at \$7.8 billion, up 6.7% from \$7.3 billion in 2022 as universities continue to invest in capital works and campus development projects.

HEPs Included in the Finance 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

Avondale University

Bond University Limited

Torrens University Australia Ltd

University of Divinity