

University Finance 2020

Summary Information

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# Financial Performance Summary

* The net operating result across the sector was a surplus of $668.8 million, down from a surplus of $2.3 billion in 2019.
* 23 universities recorded a net operating surplus and sixteen reported a net operating deficit.
* The average net operating margin across the university sector for 2020 was 1.9 per cent, down from 6.2 per cent in 2019.
* The highest net operating margin reported across the sector was a surplus of 13.9 per cent and the lowest was a deficit of 8.5 per cent.
* Overall revenue decreased by 5.1 per cent to $34.7 billion in 2020.
* Expenses declined by 0.7 per cent to $34.0 billion in 2020. The largest expense for universities was employee benefits, totalling $20.1 billion in 2020. This increased by 5.2 per cent, up from $19.2 billion in 2019, partly due to separation costs incurred by some universities.
* The net assets of universities increased by 1.9 per cent to $62.7 billion in 2020.
* University cash and investments now stand at $24.6 billion, increasing by 9.8 per cent since 2019.

**Figure 1: 2020 Net Operating Margin across the university sector**

## Impact of the COVID-19 Pandemic

* 2020 financial results from across the sector shows that the impact of the COVID-19 pandemic has been mixed. Some universities have reported positive results and in some cases an increase in revenue when compared to 2019, while others have reported a decline in revenue and in some cases an overall net deficit.
* In general, 2020 outcomes across the sector were significantly better than was first anticipated at the beginning of the pandemic.
* Media reports from mid-2020 projected an overall sector-wide revenue decline of $4.8 billion for 2020, however actual results show a decrease of $1.9 billion or 5.1 per cent from 2019.
* A reduction in investment revenue was the primary driver of revenue decline across the sector, with total investment income of $927.4 million reported in 2020, down $1.3 billion or 57.7 per cent from 2019. This decrease was due to the weaker performance across global equity markets following exceptionally strong returns in 2019.
* International student fees were impacted to a lesser extent, with total revenue from international students of $9.2 billion, down $755.8 million or 7.6 per cent from 2019. Universities are expected to report further declines in revenue from international student fees in 2021 as Australia’s international borders remain closed to new arrivals.
* Increases in Australian Government financial assistance helped to offset the effects of border closures and reduced international student numbers, with total funding increasing to a record $18.2 billion in 2020, up $403.7 million or 2.3 per cent from 2019.
* 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 decrease in total operating expenses, down $255.1 million or 0.7 per cent to $34.0 billion in 2020.
* Employee expenses continue to be the most significant cost for universities with a total of $20.1 billion reported in 2020. This represents a substantial increase of $989.0 million or 5.2 per cent over 2019 and was likely due to a combination of scheduled salary increases and termination payments made to staff.
* Aggressive cost reductions were noted across the sector in other sources of expenditure, particularly in areas such as travel, marketing and promotional expenses, and consultants and contractors, as universities worked to actively reduce their discretionary expenses.

## Net Result

* The net result reported across the sector in 2020 was a surplus of $668.8 million, down from a surplus of $2.3 billion in 2019.
* At the individual institution level, 23 universities reported a net operating surplus, down from 35 in 2019. Sixteen universities reported a net operating deficit, up from four in 2019.

****Table 1: Net result by university****

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Net Operating Result ($'000)** | | **Increase / Decrease** | |
| **2020** | **2019** | **$'000** | **%** |
| Monash University | 267,277 | 229,999 | 37,278 | 16.2% |
| The University of Melbourne | 178,222 | 351,140 | -172,918 | -49.2% |
| The University of Sydney | 106,563 | 177,856 | -71,293 | -40.1% |
| The University of Queensland | 82,928 | 131,810 | -48,882 | -37.1% |
| The University of Western Australia | 58,089 | 111,682 | -53,593 | -48.0% |
| Charles Darwin University | 42,806 | -8,762 | 51,568 | 588.5% |
| University of Adelaide | 40,816 | 42,037 | -1,221 | -2.9% |
| Flinders University | 37,795 | 25,080 | 12,715 | 50.7% |
| Deakin University | 32,112 | 107,345 | -75,233 | -70.1% |
| Australian Catholic University | 31,374 | 45,034 | -13,660 | -30.3% |
| University of Canberra | 29,363 | 19,207 | 10,156 | 52.9% |
| Queensland University of Technology | 25,218 | 88,391 | -63,173 | -71.5% |
| University of the Sunshine Coast | 24,085 | 19,909 | 4,176 | 21.0% |
| Edith Cowan University | 23,662 | 36,491 | -12,829 | -35.2% |
| Western Sydney University | 21,979 | 19,084 | 2,895 | 15.2% |
| University of South Australia | 21,085 | 21,129 | -44 | -0.2% |
| Charles Sturt University | 18,986 | 4,709 | 14,277 | 303.2% |
| University of Tasmania | 18,019 | 72,371 | -54,352 | -75.1% |
| James Cook University | 13,953 | 10,383 | 3,570 | 34.4% |
| University of Southern Queensland | 12,580 | 5,580 | 7,000 | 125.4% |
| The University of Newcastle | 5,861 | 64,974 | -59,113 | -91.0% |
| Victoria University | 5,724 | 30,336 | -24,612 | -81.1% |
| Federation University Australia | 3,871 | 36,724 | -32,853 | -89.5% |
| Batchelor Institute of Indigenous Tertiary Education | -214 | -2,732 | 2,518 | 92.2% |
| Curtin University of Technology | -1,098 | 82,054 | -83,152 | -101.3% |
| Southern Cross University | -2,780 | 15,787 | -18,567 | -117.6% |
| The University of Notre Dame Australia | -4,995 | -5,062 | 67 | 1.3% |
| Griffith University | -5,057 | 52,775 | -57,832 | -109.6% |
| Murdoch University | -10,961 | 19,904 | -30,865 | -155.1% |
| Australian National University | -17,699 | 302,339 | -320,038 | -105.9% |
| The University of New England | -18,995 | -4,845 | -14,150 | -292.1% |
| The University of New South Wales | -24,167 | 31,199 | -55,366 | -177.5% |
| Central Queensland University | -33,172 | 3,413 | -36,585 | -1071.9% |
| Swinburne University of Technology | -35,666 | 33,749 | -69,415 | -205.7% |
| University of Technology, Sydney | -43,075 | 27,599 | -70,674 | -256.1% |
| La Trobe University | -51,450 | 19,338 | -70,788 | -366.1% |
| Macquarie University | -52,723 | 1,412 | -54,135 | -3833.9% |
| University of Wollongong | -52,780 | 17,667 | -70,447 | -398.7% |
| RMIT University | -78,773 | 43,088 | -121,861 | -282.8% |
| **TOTAL – All Institutions** | **668,763** | **2,280,194** | **-1,611,431** | **-70.7%** |

## Revenue

****Table 2: Summary of 2019 and 2020 Revenue****

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Operating Revenue** | **2020** | **2019** | **Change** | |
|  | **$'000** | **$'000** | **$'000** | **%** |
| Australian Government Grants | 12,122,312 | 11,976,440 | 145,872 | 1.2% |
| HELP Payments | 6,063,971 | 5,806,178 | 257,793 | 4.4% |
| **Australian Government Financial Assistance** | **18,186,283** | **17,782,618** | **403,665** | **2.3%** |
| State and Local Government Financial Assistance | 763,738 | 725,351 | 38,387 | 5.3% |
| Upfront Student Contributions | 455,532 | 459,066 | (3,534) | -0.8% |
| International Student Fees | 9,222,983 | 9,978,794 | (755,811) | -7.6% |
| Other Fees and Charges | 1,454,207 | 1,814,300 | (360,093) | -19.8% |
| Investment Revenue | 927,414 | 2,191,312 | (1,263,898) | -57.7% |
| Consultancy and Contracts | 1,628,787 | 1,567,755 | 61,032 | 3.9% |
| Other Income \* | 2,012,149 | 2,000,053 | 12,096 | 0.6% |
| **Total Revenues from Continuing Operations** | **34,651,093** | **36,519,249** | **(1,868,156)** | **-5.1%** |

\* 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 2: 2019 and 2020 Revenue by Source**

* Australian Government financial assistance continued to represent the largest source of income for Australian universities during 2020 at $18.2 billion, up from $17.8 billion in 2019.
* During 2020 the sector derived 52.5 per cent of total revenue from Australian Government sources, up from 48.7 per cent in 2019. This is due to a combination of increased funding from the Government and a decline in other sources of income.
* At the individual institution level, the reliance on Australian Government funding ranged from a high of 83.2 per cent to a low of 35.7 per cent.
* International student fees contributed the second largest proportion of revenue at $9.2 billion, down from $10.0 billion in 2019 due to the closure of international borders during the pandemic, and giving rise to a reversal in the trend of increasing reliance on international student fees that has been reported across the sector in recent years. It is expected that revenue from international students will continue to be impacted going forward while international borders remain closed to new arrivals.
* The sector derived 26.6 per cent of its total revenue from international student fees during 2020, down from 27.3 per cent in 2019, although still higher than 26.2 per cent in 2018.
* At the individual institution level, the reliance on international student fees ranged from a high of 41.8 per cent to a low of 0.0 per cent.
* A significant decrease in investment revenue was reported across the sector in 2020, down $1.3 billion to $927.4 million, a 57.7 per cent decrease from $2.2 billion in 2019. This decrease was driven by the weaker performance across global equity markets when compared to 2019, with 2019 being an exceptionally strong year for investment returns.

**Figure 3: Growth in Revenue over time**

****Table 3: 2019 and 2020 Revenue by University****

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Total Revenue**  **($’000)** | | **Increase / Decrease** | | **Investment Revenue ($’000)** | | **Increase / Decrease** | | **International Student Fees ($’000)** | | **Increase / Decrease** | |
| **2020** | **2019** | **$'000** | **%** | **2020** | **2019** | **$'000** | **%** | **2020** | **2019** | **$'000** | **%** |
| Monash University | 2,697,018 | 2,787,410 | -90,392 | -3.2% | 59,398 | 146,907 | -87,509 | -59.6% | 982,634 | 1,003,980 | -21,346 | -2.1% |
| The University of Melbourne | 2,657,711 | 2,872,841 | -215,130 | -7.5% | 170,087 | 337,278 | -167,191 | -49.6% | 845,593 | 904,733 | -59,140 | -6.5% |
| The University of Sydney | 2,644,430 | 2,740,320 | -95,890 | -3.5% | 68,452 | 213,465 | -145,013 | -67.9% | 1,105,160 | 1,061,940 | 43,220 | 4.1% |
| The University of New South Wales | 2,162,665 | 2,333,982 | -171,317 | -7.3% | 45,443 | 87,453 | -42,010 | -48.0% | 671,350 | 767,565 | -96,215 | -12.5% |
| The University of Queensland | 2,119,635 | 2,194,156 | -74,521 | -3.4% | 86,332 | 143,991 | -57,659 | -40.0% | 648,903 | 678,865 | -29,962 | -4.4% |
| Australian National University | 1,297,514 | 1,508,535 | -211,021 | -14.0% | 61,452 | 234,390 | -172,938 | -73.8% | 248,071 | 328,942 | -80,871 | -24.6% |
| RMIT University | 1,291,816 | 1,360,992 | -69,176 | -5.1% | 7,603 | 14,155 | -6,552 | -46.3% | 454,396 | 522,502 | -68,106 | -13.0% |
| Deakin University | 1,224,003 | 1,320,511 | -96,508 | -7.3% | 31,739 | 94,967 | -63,228 | -66.6% | 395,830 | 412,658 | -16,828 | -4.1% |
| University of Technology, Sydney | 1,058,767 | 1,097,766 | -38,999 | -3.6% | 7,311 | 9,880 | -2,569 | -26.0% | 366,814 | 405,079 | -38,265 | -9.4% |
| Queensland University of Technology | 1,054,164 | 1,160,763 | -106,599 | -9.2% | 19,190 | 98,626 | -79,436 | -80.5% | 221,204 | 245,423 | -24,219 | -9.9% |
| University of Adelaide | 976,906 | 971,780 | 5,126 | 0.5% | 21,433 | 47,871 | -26,438 | -55.2% | 254,148 | 254,730 | -582 | -0.2% |
| Macquarie University | 974,088 | 1,024,889 | -50,801 | -5.0% | 16,049 | 28,911 | -12,862 | -44.5% | 301,880 | 323,688 | -21,808 | -6.7% |
| The University of Western Australia | 968,870 | 1,057,625 | -88,755 | -8.4% | 58,556 | 128,428 | -69,872 | -54.4% | 139,737 | 151,018 | -11,281 | -7.5% |
| Griffith University | 967,585 | 1,030,599 | -63,014 | -6.1% | 16,291 | 45,396 | -29,105 | -64.1% | 189,571 | 193,891 | -4,320 | -2.2% |
| Curtin University of Technology | 902,715 | 969,944 | -67,229 | -6.9% | 11,086 | 78,788 | -67,702 | -85.9% | 160,909 | 166,046 | -5,137 | -3.1% |
| Western Sydney University | 887,897 | 909,235 | -21,338 | -2.3% | 16,430 | 46,414 | -29,984 | -64.6% | 148,785 | 163,456 | -14,671 | -9.0% |
| The University of Newcastle | 794,924 | 833,942 | -39,018 | -4.7% | 31,711 | 65,690 | -33,979 | -51.7% | 113,709 | 121,921 | -8,212 | -6.7% |
| La Trobe University | 782,487 | 863,295 | -80,808 | -9.4% | 8,807 | 3,348 | 5,459 | 163.1% | 159,238 | 200,927 | -41,689 | -20.7% |
| Swinburne University of Technology | 745,154 | 772,654 | -27,500 | -3.6% | 29,857 | 41,722 | -11,865 | -28.4% | 150,054 | 180,009 | -29,955 | -16.6% |
| University of Tasmania | 713,244 | 769,330 | -56,086 | -7.3% | 5,371 | 76,436 | -71,065 | -93.0% | 130,101 | 139,636 | -9,535 | -6.8% |
| University of South Australia | 696,051 | 684,676 | 11,375 | 1.7% | 9,331 | 6,563 | 2,768 | 42.2% | 150,019 | 147,047 | 2,972 | 2.0% |
| University of Wollongong | 620,343 | 690,882 | -70,539 | -10.2% | 3,906 | 50,364 | -46,458 | -92.2% | 144,558 | 179,971 | -35,413 | -19.7% |
| Charles Sturt University | 569,210 | 616,811 | -47,601 | -7.7% | 19,455 | 32,736 | -13,281 | -40.6% | 113,503 | 154,394 | -40,891 | -26.5% |
| Australian Catholic University | 555,205 | 556,094 | -889 | -0.2% | 7,066 | 6,391 | 675 | 10.6% | 79,098 | 75,505 | 3,593 | 4.8% |
| Flinders University | 532,198 | 527,561 | 4,637 | 0.9% | 13,128 | 18,979 | -5,851 | -30.8% | 102,395 | 98,577 | 3,818 | 3.9% |
| Edith Cowan University | 477,218 | 481,528 | -4,310 | -0.9% | 19,900 | 30,598 | -10,698 | -35.0% | 119,767 | 116,744 | 3,023 | 2.6% |
| James Cook University | 476,465 | 504,079 | -27,614 | -5.5% | 9,352 | 15,606 | -6,254 | -40.1% | 73,884 | 82,350 | -8,466 | -10.3% |
| Victoria University | 474,294 | 484,406 | -10,112 | -2.1% | 7,782 | 15,393 | -7,611 | -49.4% | 98,973 | 107,865 | -8,892 | -8.2% |
| Central Queensland University | 449,963 | 487,171 | -37,208 | -7.6% | 7,446 | 6,550 | 896 | 13.7% | 122,254 | 175,961 | -53,707 | -30.5% |
| Murdoch University | 378,662 | 395,025 | -16,363 | -4.1% | 622 | 9,529 | -8,907 | -93.5% | 80,621 | 84,002 | -3,381 | -4.0% |
| The University of New England | 347,924 | 341,209 | 6,715 | 2.0% | 7,232 | 3,672 | 3,560 | 96.9% | 28,187 | 27,923 | 264 | 0.9% |
| University of Southern Queensland | 344,972 | 327,359 | 17,613 | 5.4% | 6,462 | 4,892 | 1,570 | 32.1% | 48,706 | 46,724 | 1,982 | 4.2% |
| Federation University Australia | 343,309 | 408,228 | -64,919 | -15.9% | 21,474 | 35,397 | -13,923 | -39.3% | 125,225 | 183,287 | -58,062 | -31.7% |
| University of the Sunshine Coast | 321,578 | 310,157 | 11,421 | 3.7% | 7,086 | 3,528 | 3,558 | 100.9% | 46,306 | 63,857 | -17,551 | -27.5% |
| University of Canberra | 312,402 | 314,235 | -1,833 | -0.6% | 5,041 | 2,833 | 2,208 | 77.9% | 69,529 | 67,216 | 2,313 | 3.4% |
| Charles Darwin University | 308,305 | 270,849 | 37,456 | 13.8% | 4,475 | 2,377 | 2,098 | 88.3% | 50,619 | 37,896 | 12,723 | 33.6% |
| Southern Cross University | 291,286 | 314,245 | -22,959 | -7.3% | 4,203 | 1,393 | 2,810 | 201.7% | 74,974 | 98,320 | -23,346 | -23.7% |
| The University of Notre Dame Australia | 198,876 | 189,932 | 8,944 | 4.7% | 812 | 257 | 555 | 216.0% | 6,278 | 4,146 | 2,132 | 51.4% |
| Batchelor Institute of Indigenous Tertiary Education | 31,239 | 34,233 | -2,994 | -8.7% | 43 | 138 | -95 | -68.8% | 0 | 0 | 0 | 0 |
| **All Institutions** | **34,651,093** | **36,519,249** | **-1,868,156** | **-5.1%** | **927,414** | **2,191,312** | **-1,263,898** | **-57.7%** | **9,222,983** | **9,978,794** | **-755,811** | **-7.6%** |

## Expenses

****Table 4: Summary of 2019 and 2020 Expenses****

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Operating Expenses** | **2020** | **2019** | **Change** | |
|  | **$'000** | **$'000** | **$'000** | **%** |
| Academic Employee Benefits \* | 10,069,653 | 9,546,310 | 523,343 | 5.5% |
| Non-Academic Employee Benefits \* | 9,154,627 | 8,690,215 | 464,412 | 5.3% |
| Payroll Tax | 923,873 | 922,654 | 1,219 | 0.1% |
| Depreciation and Amortisation | 2,696,808 | 2,655,470 | 41,338 | 1.6% |
| Repairs and Maintenance | 778,849 | 820,986 | (42,137) | -5.1% |
| Other Expenses \*\* | 10,355,588 | 11,598,842 | (1,243,254) | -10.7% |
| **Total Expenses from Continuing Operations** | **33,979,400** | **34,234,477** | **(255,077)** | **-0.7%** |

\* Excluding payroll tax.

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

**Figure 4: 2019 and 2020 Expenses by Source**

* Total operating expenses decreased by 0.7 per cent from $34.2 billion in 2019 to $34.0 billion in 2020, as universities worked 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 $19.2 billion reported in 2020, excluding payroll tax. This represents a substantial increase of 5.4 per cent over the $18.2 billion reported in 2019 and was driven by termination payments made to staff as universities reduced the size of their workforce in response to the pandemic. It is expected that these efforts will result in reduced employee expenses going forward.
* Aggressive costs reductions were noted across the sector in other expenditure, with universities actively constraining their discretionary spending, particularly in areas such as travel, marketing and promotional, and consultants and contractors.

**Figure 5: Growth in Expenses over time**

****Table 5: 2019 and 2020 Expenses by University****

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Total Expenses ($’000)** | | **Increase / Decrease** | | **Employee Benefits ($’000)** | | **Increase / Decrease** | | **Other Expenses ($’000)** | | **Increase / Decrease** | |
| **2020** | **2019** | **$'000** | **%** | **2020** | **2019** | **$'000** | **%** | **2020** | **2019** | **$'000** | **%** |
| The University of Sydney | 2,537,867 | 2,562,464 | -24,597 | -1.0% | 1,509,630 | 1,435,179 | 74,451 | 5.2% | 1,028,237 | 1,127,285 | -99,048 | -8.8% |
| The University of Melbourne | 2,479,489 | 2,521,701 | -42,212 | -1.7% | 1,488,473 | 1,380,482 | 107,991 | 7.8% | 991,016 | 1,141,219 | -150,203 | -13.2% |
| Monash University | 2,429,741 | 2,557,411 | -127,670 | -5.0% | 1,310,305 | 1,240,755 | 69,550 | 5.6% | 1,119,436 | 1,316,656 | -197,220 | -15.0% |
| The University of New South Wales | 2,186,832 | 2,302,783 | -115,951 | -5.0% | 1,283,224 | 1,266,157 | 17,067 | 1.3% | 903,608 | 1,036,626 | -133,018 | -12.8% |
| The University of Queensland | 2,036,707 | 2,062,346 | -25,639 | -1.2% | 1,189,293 | 1,104,320 | 84,973 | 7.7% | 847,414 | 958,026 | -110,612 | -11.5% |
| RMIT University | 1,367,673 | 1,317,134 | 50,539 | 3.8% | 854,912 | 761,355 | 93,557 | 12.3% | 512,761 | 555,779 | -43,018 | -7.7% |
| Australian National University | 1,315,213 | 1,206,196 | 109,017 | 9.0% | 757,859 | 654,356 | 103,503 | 15.8% | 557,354 | 551,840 | 5,514 | 1.0% |
| Deakin University | 1,191,891 | 1,213,166 | -21,275 | -1.8% | 733,996 | 724,575 | 9,421 | 1.3% | 457,895 | 488,591 | -30,696 | -6.3% |
| University of Technology, Sydney | 1,101,842 | 1,070,167 | 31,675 | 3.0% | 670,876 | 623,100 | 47,776 | 7.7% | 430,966 | 447,067 | -16,101 | -3.6% |
| Queensland University of Technology | 1,028,946 | 1,072,372 | -43,426 | -4.0% | 623,156 | 621,298 | 1,858 | 0.3% | 405,790 | 451,074 | -45,284 | -10.0% |
| Macquarie University | 1,026,811 | 1,023,477 | 3,334 | 0.3% | 606,271 | 577,099 | 29,172 | 5.1% | 420,540 | 446,378 | -25,838 | -5.8% |
| Griffith University | 972,642 | 977,824 | -5,182 | -0.5% | 604,396 | 587,515 | 16,881 | 2.9% | 368,246 | 390,309 | -22,063 | -5.7% |
| University of Adelaide | 936,090 | 929,743 | 6,347 | 0.7% | 552,895 | 534,368 | 18,527 | 3.5% | 383,195 | 395,375 | -12,180 | -3.1% |
| The University of Western Australia | 910,781 | 942,203 | -31,422 | -3.3% | 539,140 | 541,076 | -1,936 | -0.4% | 371,641 | 401,127 | -29,486 | -7.4% |
| Curtin University of Technology | 903,813 | 887,890 | 15,923 | 1.8% | 571,747 | 540,836 | 30,911 | 5.7% | 332,066 | 347,054 | -14,988 | -4.3% |
| Western Sydney University | 865,918 | 890,151 | -24,233 | -2.7% | 460,703 | 460,061 | 642 | 0.1% | 405,215 | 430,090 | -24,875 | -5.8% |
| La Trobe University | 833,937 | 843,957 | -10,020 | -1.2% | 451,243 | 453,222 | -1,979 | -0.4% | 382,694 | 390,735 | -8,041 | -2.1% |
| The University of Newcastle | 789,063 | 768,968 | 20,095 | 2.6% | 472,907 | 436,968 | 35,939 | 8.2% | 316,156 | 332,000 | -15,844 | -4.8% |
| Swinburne University of Technology | 780,820 | 738,905 | 41,915 | 5.7% | 406,394 | 390,201 | 16,193 | 4.1% | 374,426 | 348,704 | 25,722 | 7.4% |
| University of Tasmania | 695,225 | 696,959 | -1,734 | -0.2% | 420,177 | 405,813 | 14,364 | 3.5% | 275,048 | 291,146 | -16,098 | -5.5% |
| University of South Australia | 674,952 | 663,479 | 11,473 | 1.7% | 432,898 | 413,450 | 19,448 | 4.7% | 242,054 | 250,029 | -7,975 | -3.2% |
| University of Wollongong | 673,123 | 673,215 | -92 | 0.0% | 382,677 | 371,344 | 11,333 | 3.1% | 290,446 | 301,871 | -11,425 | -3.8% |
| Charles Sturt University | 550,224 | 612,102 | -61,878 | -10.1% | 319,680 | 306,551 | 13,129 | 4.3% | 230,544 | 305,551 | -75,007 | -24.5% |
| Australian Catholic University | 523,831 | 511,060 | 12,771 | 2.5% | 347,490 | 332,205 | 15,285 | 4.6% | 176,341 | 178,855 | -2,514 | -1.4% |
| Flinders University | 494,403 | 502,481 | -8,078 | -1.6% | 322,508 | 319,276 | 3,232 | 1.0% | 171,895 | 183,205 | -11,310 | -6.2% |
| Central Queensland University | 483,135 | 483,758 | -623 | -0.1% | 292,011 | 274,556 | 17,455 | 6.4% | 191,124 | 209,202 | -18,078 | -8.6% |
| Victoria University | 468,570 | 454,070 | 14,500 | 3.2% | 290,570 | 277,725 | 12,845 | 4.6% | 178,000 | 176,345 | 1,655 | 0.9% |
| James Cook University | 462,512 | 493,696 | -31,184 | -6.3% | 249,883 | 254,838 | -4,955 | -1.9% | 212,629 | 238,858 | -26,229 | -11.0% |
| Edith Cowan University | 453,556 | 445,037 | 8,519 | 1.9% | 275,463 | 263,784 | 11,679 | 4.4% | 178,093 | 181,253 | -3,160 | -1.7% |
| Murdoch University | 389,623 | 375,121 | 14,502 | 3.9% | 246,987 | 226,294 | 20,693 | 9.1% | 142,636 | 148,827 | -6,191 | -4.2% |
| The University of New England | 366,919 | 346,054 | 20,865 | 6.0% | 225,877 | 201,171 | 24,706 | 12.3% | 141,042 | 144,883 | -3,841 | -2.7% |
| Federation University Australia | 339,438 | 371,504 | -32,066 | -8.6% | 178,352 | 159,584 | 18,768 | 11.8% | 161,086 | 211,920 | -50,834 | -24.0% |
| University of Southern Queensland | 332,392 | 321,779 | 10,613 | 3.3% | 229,727 | 215,716 | 14,011 | 6.5% | 102,665 | 106,063 | -3,398 | -3.2% |
| University of the Sunshine Coast | 297,493 | 290,248 | 7,245 | 2.5% | 188,940 | 171,791 | 17,149 | 10.0% | 108,553 | 118,457 | -9,904 | -8.4% |
| Southern Cross University | 294,066 | 298,458 | -4,392 | -1.5% | 166,324 | 155,614 | 10,710 | 6.9% | 127,742 | 142,844 | -15,102 | -10.6% |
| University of Canberra | 283,039 | 295,028 | -11,989 | -4.1% | 165,620 | 162,693 | 2,927 | 1.8% | 117,419 | 132,335 | -14,916 | -11.3% |
| Charles Darwin University | 265,499 | 279,611 | -14,112 | -5.0% | 160,916 | 162,732 | -1,816 | -1.1% | 104,583 | 116,879 | -12,296 | -10.5% |
| The University of Notre Dame Australia | 203,871 | 194,994 | 8,877 | 4.6% | 144,335 | 126,648 | 17,687 | 14.0% | 59,536 | 68,346 | -8,810 | -12.9% |
| Batchelor Institute of Indigenous Tertiary Education | 31,453 | 36,965 | -5,512 | -14.9% | 20,300 | 24,471 | -4,171 | -17.0% | 11,153 | 12,494 | -1,341 | -10.7% |
| **All Institutions** | **33,979,400** | **34,234,477** | **-255,077** | **-0.7%** | **20,148,155** | **19,159,179** | **988,976** | **5.2%** | **13,831,245** | **15,075,298** | **-1,244,053** | **-8.3%** |

# Financial Position

* The financial position of universities remained strong throughout the 2020 reporting period, with net assets of $62.7 billion reported across the sector as at 31 December 2020, up 1.9 per cent from $61.6 billion in 2019.
* At the individual institution level, the majority of universities reported a rising net asset position, with 27 reporting an increase in their total net assets in 2020.
* Twelve universities reported a decline in net assets due to an increase in liabilities, a decline in assets, or combination of the two. Most of these universities incurred a net deficit during 2020, and the decline in net assets is a reflection of that.

## Assets

* Total assets across the sector were $95.0 billion as at 31 December 2020, increasing from $90.4 billion in 2019.
* Property, plant and equipment represented the largest component at $58.5 billion followed by investments at $18.2 billion.
* A 4.9 per cent increase in property, plant and equipment was reported across the sector in 2020. This was driven by the recognition of service concession assets following the introduction of new accounting standards, as well as additions made during the year as universities completed capital works that were already in progress at the start of the year.
* Payments for property, plant and equipment were $3.3 billion in 2020, down 27.5 per cent from $4.5 billion in 2019. This is to be expected as many universities chose to delay capital works where they were not already committed, in order to reduce spending in response to the pandemic.

**Figure 4: Breakdown of 2019 and 2020 Assets**

## Cash and investment reserves

* Liquidity remains strong across the sector, with significant growth in cash and investment reserves reported by most universities. Total cash and investments of $24.6 billion were held across the sector as at 31 December 2020, up 9.8 per cent from $22.4 billion in 2019.
* This amount would be sufficient to cover the university operating expenses, on average, for more than eight months across the sector, with a range of between two and seventeen months.
* An increase in cash and cash equivalents was the main driver of this growth, with universities stockpiling cash that might previously have been slated for capital projects or other uses, and some choosing to liquidate investments or use the proceeds of borrowings in order to boost their cash holdings further, improve liquidity and provide a buffer to help weather the effects of the pandemic.
* Total cash held across the sector was $6.4 billion as at 31 December 2020, up $1.8 billion or 38.5 per cent from $4.6 billion in 2019.
* Individually, a total of 31 universities increased their cash reserves during 2020, with nearly half of these increasing their cash by more than 50 per cent.
* The largest increase in cash and cash equivalents reported was $551.8 million. The largest decline in cash and cash equivalents reported was $356.8 million. In some cases, a decline was due to the university holding a significantly larger than usual amount of cash at the end of 2019, likely due to timing differences between the maturity and reinvestment of financial assets. Overall, nine universities reported a decline in their cash balances.
* The majority of universities continue to hold significant cash and investment reserves and relatively low borrowings.

**Figure 5: Total Cash and Investments by University**

## Liabilities

* Total liabilities were $32.3 billion at 31 December 2020 an increase of 12.0 per cent from $28.9 billion in 2019.
* Provisions represented the largest component of liabilities at $13.3 billion, comprised mostly of provisions for employee benefits. This was followed by other liabilities at $7.1 billion, and borrowings at $7.0 billion.
* The increase in other liabilities was driven by the recognition of service concession liabilities following the introduction of new accounting standards.

**Figure 6: Breakdown of 2019 and 2020 Liabilities**