

AUSTRALIAN RESEARCH COUNCIL

ENTITY RESOURCES AND PLANNED PERFORMANCE

AUSTRALIAN RESEARCH COUNCIL

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AUSTRALIAN RESEARCH COUNCIL

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The Australian Research Council (ARC) is a non-corporate Commonwealth entity established under the *Australian Research Council Act 2001*. The ARC is responsible for administering the National Competitive Grants Program (NCGP), assessing the quality, engagement and impact of research and providing advice on research matters.

Through the NCGP, the ARC supports excellent research and research training across all disciplines, awarding funding based on a competitive peer review process. The NCGP comprises two programs, Discovery and Linkage, which fund a range of complementary schemes that provide funding for basic and applied research, research training, research collaboration and infrastructure.

The ARC administers Excellence in Research for Australia (ERA), which assesses research quality by research discipline at eligible Australian higher education institutions. ERA is an established evaluation framework that reflects the Government's commitment to a transparent and streamlined approach to research evaluation. The ARC is also responsible for administering the Engagement and Impact (EI) assessment, which assesses the engagement of researchers with end-users, and shows how universities are translating their research into economic, social, environmental and other impacts.

The ARC's priorities for 2019-20 include:

- delivering the NCGP effectively and efficiently, including responding to any recommendations from the Australian National Audit Office audit into the administration of the NCGP
- continuing to provide high quality advice to the Minister on research matters including in areas of Government focus (for example, strengthening linkages between research and business)
- analysing and disseminating data and insights arising from the ERA and EI exercises for the benefit of Government, universities, and other stakeholders
- reviewing the ERA and EI exercises
- working with stakeholders in delivering program and policy responsibilities, including through consultations and in raising awareness of research funded by the ARC

- continuing to monitor the performance of selected NCGP schemes through scheduled reviews and evaluations
- ensuring that the NCGP supports participation by all researchers, including Aboriginal and Torres Strait Islander researchers, women researchers and early and mid-career researchers
- maintaining a strong governance framework to support delivery against legislative requirements as well as the Government's expectations for the agency as articulated in the ARC outcome statement.

1.2 ENTITY RESOURCE STATEMENT

Table 1.1 shows the total funding from all sources available to the entity for its operations and to deliver programs and services on behalf of the Government.

The table summarises how resources will be applied by outcome (government strategic policy objectives) and by administered (on behalf of the Government or the public) and departmental (for the entity's operations) classification.

For more detailed information on special accounts and special appropriations, please refer to *Budget Paper No. 4 – Agency Resourcing*.

Information in this table is presented on a resourcing (that is, appropriations/cash available) basis, whilst the 'Budgeted expenses by Outcome' tables in Section 2 and the financial statements in Section 3 are presented on an accrual basis.

Table 1.1: ARC resource statement — Budget estimates for 2019–20 as at Budget April 2019

	2018–19 <i>Estimated actual</i> \$'000	2019–20 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	19,560	18,478
Departmental appropriation (b)	21,440	21,226
Departmental capital budget (c)	1,228	1,228
Annual appropriations - other services - non-operating (d)		
Prior year appropriations available	1,820	1,182
Total departmental annual appropriations	44,048	42,114
Total departmental resourcing	44,048	42,114
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	225	2,570
Outcome 1	14,145	10,903
Total administered annual appropriations	14,370	13,473
Special Appropriation - <i>Australian Research Council Act 2001</i> (e)	759,925	786,212
Total administered special appropriations	759,925	786,212
Special accounts (f)		
Opening balance	-	-
Appropriation receipts (g)	4,180	5,130
<i>Total special account receipts</i>	4,180	5,130
<i>less administered appropriations drawn from annual appropriations and credited to special accounts</i>	4,180	5,130
Total administered resourcing	774,295	799,685
Total resourcing for the ARC	818,343	841,799
	2018–19	2019–20
Average staffing level (number)	133	136

All figures shown above are GST exclusive - these may not match figures in the cash flow statement.

Prepared on a resourcing (i.e. appropriations available) basis.

- (a) Appropriation Bill (No. 1).
- (b) Excludes departmental capital budget (DCB).
- (c) Departmental capital budgets are not separately identified in Appropriation Bill (No. 1) and form part of ordinary annual services items. Please refer to Table 3.5 for further details. For accounting purposes, this amount has been designated as a 'contribution by owner'.
- (d) Appropriation Bill (No. 2).
- (e) Special Appropriation funded under *Australian Research Council Act 2001*.
- (f) ARC Research Endowment Account - s80 PGPA Act 2013 [s62 *Australian Research Council Act 2001*]. Excludes trust moneys held in Services for Other Entities and Trust Moneys (SOETM) and other special accounts. For further information on special accounts, please refer to Budget Paper No. 4 - Agency Resourcing. Please also see Table 2.1.1 for further information on outcome and program expenses broken down by various funding sources, e.g. annual appropriations, special appropriations and special accounts.
- (g) Administered appropriations drawn from annual appropriations and credited to special account.

Section 2: Outcomes and planned performance

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programs which contribute to government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs. The following provides detailed information on expenses for each outcome and program, further broken down by funding source.

Note:

Performance reporting requirements in the Portfolio Budget Statements are part of the enhanced Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance criteria described in Portfolio Budget Statements will be read with broader information provided in an entity's corporate plans and annual performance statements – included in Annual Reports - to provide an entity's complete performance story.

The most recent corporate plan for ARC can be found at: www.arc.gov.au> News> Publications> Corporate Plan

The most recent annual performance statement can be found in the Australian Research Council Annual Report at: www.arc.gov.au > News> Publications > Annual Report

2.1 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.

Budgeted expenses for Outcome 1

This table shows how much the ARC intends to spend (on an accrual basis) on achieving the outcome, broken down by program, as well as by administered and departmental funding sources.

Table 2.1.1: Budgeted expenses for Outcome 1

Outcome 1: Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.					
	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
Program 1.1: Discovery - research and research training					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,148	1,170	1,196	1,221	1,252
Special appropriations <i>Australian Research Council Act 2001</i>	493,951	507,044	513,542	525,537	537,098
Administered total	495,099	508,214	514,738	526,758	538,350
Total expenses for program 1.1	495,099	508,214	514,738	526,758	538,350
Program 1.2: Linkage - cross-sector research partnerships					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1) (a)	1,491	1,522	1,558	1,590	1,630
Special appropriations <i>Australian Research Council Act 2001</i>	265,974	279,168	288,788	295,246	301,741
Special accounts <i>ARC Research Endowment Account - s80 PGPA Act 2013 [s62 Australian Research Council Act 2001]</i>	4,180	5,130	2,916	774	-
Administered total	271,645	285,820	293,262	297,610	303,371
Total expenses for program 1.2	271,645	285,820	293,262	297,610	303,371
Program 1.3: Excellence in Research for Australia					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	5,135	3,556	3,152	3,218	3,298
Administered total	5,135	3,556	3,152	3,218	3,298
Total expenses for program 1.3	5,135	3,556	3,152	3,218	3,298

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1) (a)	7,774	6,248	5,906	6,029	6,180
Special appropriations	759,925	786,212	802,330	820,783	838,839
Special accounts	4,180	5,130	2,916	774	-
Administered total	771,879	797,590	811,152	827,586	845,019
Departmental expenses					
Departmental appropriation	21,440	21,226	21,363	21,503	21,642
Expenses not requiring appropriation in the Budget year (b)	3,879	3,327	3,247	2,827	2,699
Departmental total	25,319	24,553	24,610	24,330	24,341
Total expenses for Outcome 1	797,198	822,143	835,762	851,916	869,360
<hr/>					
Average staffing level (number)	2018–19 133	2019–20 136			

Prepared on Australian Accounting Standards basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

- (a) Figures displayed are expenses only. This does not align to resourcing because appropriations credited to special account are not recognised as expense.
- (b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, audit fees and estimated expenses incurred in relation to revenue received under section 74 of the PGPA Act 2013 in 2017–18.

Performance criteria for Outcome 1

This section details the performance criteria for each program associated with Outcome 1. It summarises how each program is delivered and where 2019–20 Budget measures have created new programs or materially changed existing programs.

Outcome 1: Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.

Program 1.1: Discovery – Research and Research Training

Objective	Through the Discovery program, the ARC aims to build Australia’s research capacity by supporting excellent, internationally competitive research projects, fellowships and awards. This contributes to Outcome 1 by: providing training and career opportunities for current and emerging researchers; fostering international engagement; and encouraging research that will strengthen Australia’s capacity in areas of priority.
Delivery	The Discovery program is delivered through the following activities: <ul style="list-style-type: none"> • administering the Discovery funding schemes—Australian Laureate Fellowships, Discovery Early Career Researcher Award (DECRA), Discovery Indigenous, Discovery Projects and Future Fellowships—which provide funding to eligible administering organisations for excellent, internationally competitive research projects, fellowships and awards • informing policy on research and research training.
Purposes	The ARC’s purpose is to grow knowledge and innovation for the benefit of the Australian community through funding the highest quality research, assessing the quality, engagement and impact of research and providing advice on research matters.

Performance information 1.1 Discovery – Research and Research Training

Year	Performance criteria	Expected achievement
2018–19	<p>The Discovery program contributes to the growth of knowledge and innovation in Australia by funding:</p> <ul style="list-style-type: none"> • excellent research and researchers • research training and career development • international collaboration • research in areas of priority. <p>The Discovery program produces outcomes that improve our fundamental understanding of the world and/or provide economic, environmental, social, health and/or cultural benefits to Australia.</p>	<p>Final reporting data for targets will be available at the end of 2018–19 and compared against baseline data in the annual report. To date:</p> <ul style="list-style-type: none"> • 16% of Discovery program funding allocated for commencement in 2018–19 was allocated under the DECRA scheme • 84% of Discovery program research projects commencing in 2018–19 involve international collaboration • 57% of Discovery program research projects commencing in 2018–19 address an Australian Government Science and Research Priority area. <p>Case studies demonstrating the benefits arising from Discovery research will be provided in the ARC annual report and <i>Making a Difference</i> publication.</p>

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Year	Performance criteria	Targets
2019–20	<p>The Discovery program contributes to the growth of knowledge and innovation in Australia by funding:</p> <ul style="list-style-type: none"> • excellent research and researchers • research training and career development • international collaboration • research in areas of priority. <p>The Discovery program produces outcomes that improve our fundamental understanding of the world and/or provide economic, environmental, social, health and/or cultural benefits to Australia.</p>	<p>Target: Maintain proportion of Discovery program funding allocated to support early career researchers under the DECRA scheme.</p> <p>Target: Maintain or increase the proportion of Discovery research projects, fellowships and awards that support international collaboration.</p> <p>Target: Maintain the proportion of Discovery research projects, fellowships and awards that involve research in one of the Australian Government's Science and Research Priority areas.</p> <p>Target: Evidence of outcomes arising from Discovery research projects, fellowships and awards improving our fundamental understanding of the world and/or providing economic, environmental, social, health and/or cultural benefits to Australia.</p>
2020–21 and beyond	As per 2019–20.	As per 2019–20.

Program 1.2: Linkage – Cross Sector Research Partnerships

Objective	<p>Through the Linkage program, the ARC aims to build Australia’s research and innovation capacity by supporting excellent, internationally competitive research projects, infrastructure, hubs and centres that involve collaboration among researchers within and beyond the research sector.</p> <p>This contributes to Outcome 1 by: providing training and career opportunities for current and emerging researchers; fostering industry and other end-user engagement; supporting international collaboration; and encouraging research that will strengthen Australia’s capacity in areas of priority.</p>
Delivery	<p>The Linkage program is delivered through the following activities:</p> <ul style="list-style-type: none"> • administering the Linkage funding schemes—ARC Centres of Excellence, Industrial Transformation Research Hubs, Industrial Transformation Training Centres, Linkage Infrastructure, Equipment and Facilities, Linkage Learned Academies Special Projects, Linkage Projects and Special Research Initiatives—which provide funding to eligible administering organisations for excellent, internationally competitive research projects, infrastructure, hubs and centres • informing policy on cross sector research partnerships.
Purposes	<p>The ARC’s purpose is to grow knowledge and innovation for the benefit of the Australian community through funding the highest quality research, assessing the quality, engagement and impact of research and providing advice on research matters.</p>

Performance information 1.2 Linkage – Cross Sector Research Partnerships

Year	Performance criteria	Expected achievement
2018–19	<p>The Linkage program contributes to the growth of knowledge and innovation in Australia by funding:</p> <ul style="list-style-type: none"> • excellent collaborative research and researchers • industrial research training and career development • partnerships between universities and research end-users • research in areas of priority. 	<p>Final reporting data for targets will be available at the end of 2018–19 and compared against baseline data in the annual report. To date:</p> <ul style="list-style-type: none"> • partner organisations involved in Linkage Projects have pledged \$1.91 for every dollar awarded by the ARC • results indicate the Linkage Projects scheme is on track to maintain the level of stakeholder satisfaction with the research partnerships supported through the scheme • 82% of Linkage program research projects commencing in 2018–19 address an Australian Government Science and Research Priority area • 100% of recommendations to the Minister under the Linkage Projects scheme have been made within six months of application submission • 64% of Linkage program research projects commencing in 2018–19 involve international collaboration.

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Year	Performance criteria	Expected achievement
2018–19		<p>In relation to the target for expenditure on the Industrial Transformation Training Centres scheme as a proportion of Linkage program funding, the selection round for Industrial Transformation Training Centres 2019 has not been finalised.</p> <p>Case studies demonstrating the benefits arising from Linkage research will be provided in the ARC annual report and <i>Making a Difference</i> publication.</p>

Year	Performance criteria	Targets
2019–20	<p>The Linkage program contributes to the growth of knowledge and innovation in Australia by funding:</p> <ul style="list-style-type: none"> • excellent collaborative research and researchers • industrial research training and career development • partnerships between universities and research end-users • research in areas of priority. 	<p>Target: Maintain or increase the level of co-funding from partner organisations under the Linkage Projects scheme [\geq\$1 for every ARC dollar].</p> <p>Target: Maintain stakeholder satisfaction with the research partnerships supported through Linkage research projects, infrastructure, hubs and centres [with baseline based on 4 year rolling average].</p> <p>Target: Maintain or increase the proportion of Linkage research projects, infrastructure, hubs and centres that involve research in one of the Australian Government's Science and Research Priority areas.</p> <p>Target: Linkage Projects scheme is delivered efficiently [100% of recommendations are made to the Minister within six months of application submission].</p> <p>Target: Maintain proportion of Linkage program funding to support industrial research training under the Industrial Transformation Training Centres scheme.</p>
2020–21 and beyond	As per 2019–20.	As per 2019–20.

Program 1.3: Excellence in Research for Australia

Objective	<p>Through the Excellence in Research for Australia (ERA) program the ARC aims to improve Australia's research capacity by evaluating research at eligible Australian higher education institutions against international benchmarks and identifying excellence across the full spectrum of research activities. The program includes both the research quality evaluation framework, Excellence in Research for Australia, and the Engagement and Impact (EI) assessment framework, which assesses the engagement of researchers with end-users, and shows how universities are translating their research into economic, social, environmental and other impacts.</p> <p>This contributes to Outcome 1 by: providing a unique, evidence-based resource to inform Australian Government research policy and the strategic direction of higher education institutions; and encouraging researchers to produce high-quality and impactful research with real world benefits.</p>
Delivery	<p>The program is delivered through the following activities:</p> <ul style="list-style-type: none"> • administering an evaluation framework to measure and report on the quality of research conducted at Australia's higher education institutions • administering a framework to assess engagement and show how universities are translating their research into economic, social, environmental and other impacts • informing strategic policy advice on research quality, engagement and impact.
Purposes	<p>The ARC's purpose is to grow knowledge and innovation for the benefit of the Australian community through funding the highest quality research, assessing the quality, engagement and impact of research and providing advice on research matters.</p>

Performance information 1.3 Excellence in Research for Australia

Year	Performance criteria	Expected achievement
2018–19	<p>The ERA program, including the research quality evaluation framework and EI assessment framework, contributes to the growth of knowledge and innovation in Australia by:</p> <ul style="list-style-type: none"> • providing assurance of the quality of research in Australia • encouraging excellent, internationally competitive research • encouraging impactful engagement within and beyond the research sector. 	<ul style="list-style-type: none"> • ERA program reports and activities inform Australian Government policy • ERA program reports and activities inform strategic planning at eligible Australian higher education institutions • Engagement within and beyond the research sector is benchmarked • Impact studies submitted for the EI assessment publicly demonstrate how universities are translating their research into economic, social, environmental and other impacts • Research performance of Australian higher education institutions improves.

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Year	Performance criteria	Targets
2019–20	<p>The ERA program, including the research quality evaluation framework and EI assessment framework, contributes to the growth of knowledge and innovation in Australia by:</p> <ul style="list-style-type: none"> • providing assurance of the quality of research in Australia • encouraging excellent, internationally competitive research • encouraging impactful engagement within and beyond the research sector. 	<ul style="list-style-type: none"> • ERA program reports and activities inform Australian Government policy • ERA program reports and activities inform strategic planning at eligible Australian higher education institutions.
2020–21 and beyond	As per 2019–20.	As per 2019–20.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2019–20 budget year, including the impact of budget measures and resourcing on financial statements.

3.1 BUDGETED FINANCIAL STATEMENTS

3.1.1 Differences between entity resourcing and financial statements

There are no material variances between the entity resources table and the budgeted financial statements. There is a minor variance between resourcing and expenses, which reflects the administered annual appropriation being credited to the ARC Research Endowment Special Account.

3.1.2 Explanatory notes and analysis of budgeted financial statements

The ARC have not had any measures announced since the 2018–19 Budget.

Budgeted departmental comprehensive income statement

The ARC's income statement reflects a deficit across the forward estimates. These deficits are predominantly attributable to the depreciation and amortisation expense for the year. Total expenses for 2019–20 are estimated to be \$24.6 million.

Budgeted departmental balance sheet

The budgeted net asset position of \$22.2 million for 2019–20 represents a decrease of \$2.0 million from 2018–19.

Schedule of budgeted income and expenses administered on behalf of Government

The schedule of budgeted income and expenses reflects the revenues and expense relating to programs administered by the ARC on behalf of Government.

The majority of the expenditure is on grants as provided under the National Competitive Grants Program (NCGP).

Schedules of budgeted assets and liabilities administered on behalf of government

The ARC recognises grant liabilities to the extent that the grant eligibility criteria or reporting requirements have been satisfied. The closing liability reflects the remaining commitment, as at 30 June, for the relevant calendar year.

3.2 BUDGETED FINANCIAL STATEMENTS TABLES

Table 3.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
EXPENSES					
Employee benefits	15,866	16,376	16,694	17,019	17,349
Suppliers	5,903	5,213	4,965	4,410	4,250
Depreciation and amortisation (a)	3,319	2,767	2,787	2,767	2,639
Finance costs	231	197	164	134	103
Total expenses	25,319	24,553	24,610	24,330	24,341
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Other	60	60	60	60	60
Total own-source revenue	60	60	60	60	60
Total own-source income	60	60	60	60	60
Net (cost of)/contribution by services	(25,259)	(24,493)	(24,550)	(24,270)	(24,281)
Revenue from Government	21,440	21,226	21,363	21,503	21,642
Surplus/(deficit) attributable to the Australian Government	(3,819)	(3,267)	(3,187)	(2,767)	(2,639)
Total comprehensive income/(loss)	(3,819)	(3,267)	(3,187)	(2,767)	(2,639)
Total comprehensive income/(loss) attributable to the Australian Government	(3,819)	(3,267)	(3,187)	(2,767)	(2,639)

Note: Impact of net cash appropriation arrangements

	2018–19 \$'000	2019–20 \$'000	2020–21 \$'000	2021–22 \$'000	2022–23 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	(500)	(500)	(400)	-	-
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	3,319	2,767	2,787	2,767	2,639
Total comprehensive income/(loss) - as per the statement of comprehensive income	(3,819)	(3,267)	(3,187)	(2,767)	(2,639)

Prepared on Australian Accounting Standards basis.

- (a) From 2010–11, the Government introduced net cash appropriation arrangements. This involved Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) being replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.5 Departmental Capital Budget Statement.

Table 3.2: Budgeted departmental balance sheet (as at 30 June)

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	281	281	281	281	281
Trade and other receivables	19,404	18,432	17,783	17,586	17,292
Total financial assets	19,685	18,713	18,064	17,867	17,573
Non-financial assets					
Buildings	1,391	1,236	1,069	882	670
Property, plant and equipment	658	1,070	934	886	852
Intangibles	9,977	8,424	7,176	5,889	4,750
Other non-financial assets	421	421	421	421	421
Total non-financial assets	12,447	11,151	9,600	8,078	6,693
Total assets	32,132	29,864	27,664	25,945	24,266
LIABILITIES					
Payables					
Suppliers	591	591	591	591	591
Other payables	129	248	312	379	379
Total payables	720	839	903	970	970
Interest bearing liabilities					
Leases	2,009	1,661	1,348	1,084	790
Total interest bearing liabilities	2,009	1,661	1,348	1,084	790
Provisions					
Employee provisions	4,826	4,826	4,826	4,826	4,826
Other provisions	362	362	362	362	362
Total provisions	5,188	5,188	5,188	5,188	5,188
Total liabilities	7,917	7,688	7,439	7,242	6,948
Net assets	24,215	22,176	20,225	18,703	17,318
EQUITY*					
Parent entity interest					
Contributed equity	37,511	38,739	39,975	41,220	42,474
Reserves	42	42	42	42	42
Retained surplus (accumulated deficit)	(13,338)	(16,605)	(19,792)	(22,559)	(25,198)
Total parent entity interest	24,215	22,176	20,225	18,703	17,318
Total equity	24,215	22,176	20,225	18,703	17,318

Prepared on Australian Accounting Standards basis.

* Equity is the residual interest in assets after the deduction of liabilities.

Table 3.3: Departmental statement of changes in equity — summary of movement (Budget year 2019–20)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2019				
Balance carried forward from previous period	(13,338)	42	37,511	24,215
Adjusted opening balance	(13,338)	42	37,511	24,215
Comprehensive income				
Surplus/(deficit) for the period	(3,267)	-	-	(3,267)
Total comprehensive income	(3,267)	-	-	(3,267)
of which:				
Attributable to the Australian Government	(3,267)	-	-	(3,267)
Transactions with owners				
Contributions by owners				
Departmental Capital Budget (DCB)	-	-	1,228	1,228
Sub-total transactions with owners	-	-	1,228	1,228
Estimated closing balance as at 30 June 2020	(16,605)	42	38,739	22,176
Closing balance attributable to the Australian Government	(16,605)	42	38,739	22,176

Prepared on Australian Accounting Standards basis.

Table 3.4: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	23,521	22,198	22,012	21,700	21,936
Net GST received	836	704	652	593	581
Total cash received	24,357	22,902	22,664	22,293	22,517
Cash used					
Employees	15,860	16,257	16,630	16,952	17,349
Suppliers	5,843	5,153	4,905	4,350	4,190
Borrowing costs	231	197	164	134	103
Net GST paid	836	704	652	593	581
Total cash used	22,770	22,311	22,351	22,029	22,223
Net cash from/(used by) operating activities	1,587	591	313	264	294
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	2,448	1,471	1,236	1,245	1,254
Total cash used	2,448	1,471	1,236	1,245	1,254
Net cash from/(used by) investing activities	(2,448)	(1,471)	(1,236)	(1,245)	(1,254)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,228	1,228	1,236	1,245	1,254
Total cash received	1,228	1,228	1,236	1,245	1,254
Cash used					
Repayments of finance leases	367	348	313	264	294
Total cash used	367	348	313	264	294
Net cash from/(used by) financing activities	861	880	923	981	960
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	281	281	281	281	281
Cash and cash equivalents at the end of the reporting period	281	281	281	281	281

Prepared on Australian Accounting Standards basis.

Table 3.5: Departmental capital budget statement (for the period ended 30 June)

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	1,228	1,228	1,236	1,245	1,254
Total new capital appropriations	1,228	1,228	1,236	1,245	1,254
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	1,228	1,228	1,236	1,245	1,254
Total items	1,228	1,228	1,236	1,245	1,254
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation - DCB (a)	1,228	1,228	1,236	1,245	1,254
Funded internally from departmental resources (b)	1,220	243	-	-	-
TOTAL	2,448	1,471	1,236	1,245	1,254
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	2,448	1,471	1,236	1,245	1,254
Total cash used to acquire assets	2,448	1,471	1,236	1,245	1,254

Prepared on Australian Accounting Standards basis.

(a) Current year's Departmental Capital Budgets (DCBs).

(b) Includes prior year Act 2 and DCB appropriations.

Table 3.6: Statement of asset movements (Budget year 2019–20)

	Buildings	Other property, plant and equipment	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2019				
Gross book value	3,035	1,814	28,409	33,258
Accumulated depreciation/ amortisation and impairment	(1,644)	(1,156)	(18,432)	(21,232)
Opening net book balance	1,391	658	9,977	12,026
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	100	750	621	1,471
Total additions	100	750	621	1,471
Other movements				
Depreciation/amortisation expense	(255)	(338)	(2,174)	(2,767)
Total other movements	(255)	(338)	(2,174)	(2,767)
As at 30 June 2020				
Gross book value	3,135	2,564	29,030	34,729
Accumulated depreciation/ amortisation and impairment	(1,899)	(1,494)	(20,606)	(23,999)
Closing net book balance	1,236	1,070	8,424	10,730

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through current and prior Appropriation Bill (No.1) for depreciation/amortisation expenses, DCBs.

Table 3.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
EXPENSES					
Suppliers	7,774	6,248	5,906	6,029	6,180
Grants	764,105	791,342	805,246	821,557	838,839
Total expenses administered on behalf of Government	771,879	797,590	811,152	827,586	845,019
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Other revenue (a)	9,500	9,500	9,500	9,500	9,500
Total non-taxation revenue	9,500	9,500	9,500	9,500	9,500
Total own-source revenue administered on behalf of Government	9,500	9,500	9,500	9,500	9,500
Total own-sourced income administered on behalf of Government	9,500	9,500	9,500	9,500	9,500
Net (cost of)/contribution by services	(762,379)	(788,090)	(801,652)	(818,086)	(835,519)
Total comprehensive income/(loss)	(762,379)	(788,090)	(801,652)	(818,086)	(835,519)

Prepared on Australian Accounting Standards basis.

- (a) Under the *Australian Research Council Act 2001*, grant recipients are required to return unspent grant money to the ARC unless otherwise approved. The ARC then returns the funding relating to prior financial years to the Official Public Account.

Table 3.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
ASSETS					
Financial assets					
Taxation receivables	289	289	289	289	289
Total financial assets	289	289	289	289	289
Non-financial assets					
Other non-financial assets	553	78	78	78	78
Total non-financial assets	553	78	78	78	78
Total assets administered on behalf of Government	842	367	367	367	367
LIABILITIES					
Payables					
Suppliers	225	225	225	225	225
Grants	239,057	239,057	239,057	239,057	239,057
Total payables	239,282	239,282	239,282	239,282	239,282
Total liabilities administered on behalf of Government	239,282	239,282	239,282	239,282	239,282
Net assets/(liabilities)	(238,440)	(238,915)	(238,915)	(238,915)	(238,915)

Prepared on Australian Accounting Standards basis.

Table 3.9: Schedule of budgeted administered cash flows (for the period ended 30 June)

	2018–19 Estimated actual \$'000	2019–20 Budget \$'000	2020–21 Forward estimate \$'000	2021–22 Forward estimate \$'000	2022–23 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	2,000	1,809	1,846	1,882	1,924
Other	9,500	9,500	9,500	9,500	9,500
Total cash received	11,500	11,309	11,346	11,382	11,424
Cash used					
Grant	764,105	791,342	805,246	821,557	838,839
Suppliers	7,620	5,773	5,906	6,029	6,180
Net GST paid	2,000	1,809	1,846	1,882	1,924
Total cash used	773,725	798,924	812,998	829,468	846,943
Net cash from/(used by) operating activities	(762,225)	(787,615)	(801,652)	(818,086)	(835,519)
Net increase/(decrease) in cash held	(762,225)	(787,615)	(801,652)	(818,086)	(835,519)
Cash and cash equivalents at beginning of reporting period	-	-	-	-	-
Cash from Official Public Account for:					
- Appropriations	771,725	797,115	811,152	827,586	845,019
- Administered GST appropriations	2,000	1,809	1,846	1,882	1,924
Total cash from Official Public Account	773,725	798,924	812,998	829,468	846,943
Cash to Official Public Account for:					
- Other operating payments	9,500	9,500	9,500	9,500	9,500
- Return of GST Appropriation to OPA	2,000	1,809	1,846	1,882	1,924
Total cash to Official Public Account	11,500	11,309	11,346	11,382	11,424
Cash and cash equivalents at end of reporting period	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

Table 3.10: Administered capital budget statement (for the period ended 30 June)

ARC has no administered capital budget therefore Table 3.10 is not presented.

Table 3.11: Statement of administered asset movements (Budget year 2019–20)

ARC has no administered asset movements therefore Table 3.11 is not presented.