

# **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, overseeing the Australian research ethics and integrity framework, and providing advice and support on research matters.

Through the NCGP, the ARC supports excellent research and research training for the benefit of Australians, across all disciplines (excluding pre-clinical or clinical medical or health research), by 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 research infrastructure.

The ARC administers Excellence in Research for Australia (ERA), which evaluates the quality of research by discipline, against international benchmarks. In the 2022 Statement of Expectations, the Minister for Education asked that the ARC discontinue preparations for the 2023 ERA round. The ARC has developed a transition plan, in consultation with the sector and the Department of Education, to a modern, data-driven approach informed by expert review.

The ARC is also responsible for administering the Engagement and Impact (EI) assessment, which examines the translation of university research into appreciable outcomes beyond academia, determining what economic, social, environmental, and cultural benefits arise from Australian research. The ARC will continue working with the Department of Education to develop research engagement and impact indicators to inform the assessment of quality and impact.

The ARC is focused on driving world-class research and innovation for the advancement of Australian society. The ARC plays a critical role in providing ongoing investment in university research and encouraging the adoption and translation of that knowledge, to increase its impact and achieve greater national benefit for Australia.

Through its Strategy 2022-2025, the ARC is delivering a refreshed approach to helping shape an Australian research system that delivers better outcomes for the research community and government. The ARC's strategic priorities: World Class Advice and Engagement; Research System Excellence; and Empowered People; are designed to build trust in its operations, advice, and people.

To support its programs and the implementation of the Strategy, the ARC's priorities for 2023-24 include:

- further streamlining NCGP arrangements by leveraging best-practice principles and an outcomes-focused culture and continuing to work with the research sector to

design and implement enhanced processes and procedures, including with increased transparency and specified scheme timelines

- providing high-quality advice to the Minister for Education and implementing the Government's response to the Review of the Australian Research Council Act 2001, including transitioning to a modern, data-driven approach to assessing research and impact assessment, informed by expert review
- continuing to broaden and deepen the role of the ARC in strengthening relationships with the university research sector, industry, and government, including through support to the Australian Universities Accord review
- working with the Department of Education to undertake a policy review of the NCGP to take a fresh look at the significant policy drivers for supporting university research and the associated impact on Australia culturally, environmentally and economically
- ensuring ARC activities support a diverse and inclusive research sector and the participation by all eligible researchers, including First Nations, women, and early and mid-career researchers in NCGP schemes
- highlighting and promoting the value of First Nations research and engagement with First Nations perspectives and increasing the visibility of First Nations research and its important contribution to Australia
- promoting and broadening the ARC's research grants administration expertise and services, including through the provision of Research Grant Services
- utilising data analytics and reporting unit to identify, analyse and share the value from ARC and other data sets across government and with the research community
- continuing to work with universities and other stakeholders to safeguard the integrity and credibility of Australian research.

## 1.2 Entity resource statement

Table 1.1 shows the total funding from all sources available to the ARC 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 the *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: Australian Research Council resource statement — Budget estimates for 2023-24 as at Budget May 2023**

	2022-23 <i>Estimated actual</i> \$'000	2023-24 Estimate \$'000
<b>Departmental</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	14,608	14,165
Departmental appropriation (b)	23,401	22,426
s74 External Revenue (c)	1,328	842
Departmental capital budget (d)	1,240	1,280
Total departmental annual appropriations	<u>40,577</u>	<u>38,713</u>
<b>Total departmental resourcing</b>	<b>40,577</b>	<b>38,713</b>
<b>Administered</b>		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	1,786	1,786
Outcome 1	9,185	10,831
Total administered annual appropriations	<u>10,971</u>	<u>12,617</u>
Special Appropriation (e)	831,594	899,520
Total administered special appropriations	<u>831,594</u>	<u>899,520</u>
Special accounts (f)		
Opening balance	2,252	2,252
Total special account receipts	<u>2,252</u>	<u>2,252</u>
<i>less administered appropriations drawn from annual/special appropriations and credited to special accounts</i>	-	-
<b>Total administered resourcing</b>	<b>844,817</b>	<b>914,389</b>
<b>Total resourcing for entity Australian Research Council</b>	<b>885,394</b>	<b>953,102</b>
	<u>2022-23</u>	<u>2023-24</u>
<b>Average staffing level (number)</b>	<b>140</b>	<b>140</b>

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) 2023-24.

(b) Excludes departmental capital budget (DCB).

(c) Estimated External Revenue receipts under section 74 of the PGPA Act.

(d) 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'.

(e) Special Appropriation funded under the *Australian Research Council Act 2001* (ARC Act).

(f) ARC Research Endowment Account - s80 of the PGPA Act (s62 of the ARC Act). 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 for further information on outcome and program expenses broken down by various funding sources, e.g., annual appropriations, special appropriations and special accounts.

### **1.3 Budget measures**

There are no 2023-24 Budget measures for ARC.

## 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 Commonwealth performance framework established by the *Public Governance, Performance and Accountability Act 2013*. It is anticipated that the performance measure 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 a complete picture of an entity's planned and actual performance.

The most recent corporate plan for the ARC can be found at: [www.arc.gov.au](http://www.arc.gov.au).

The most recent annual performance statement can be found the ARC Annual Report at: [www.arc.gov.au](http://www.arc.gov.au).

## 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	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>Program 1.1: Discovery - Research and Research Training</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,240	1,358	1,397	1,434	1,470
Special appropriations <i>Australian Research Council Act 2001</i>	511,074	552,390	599,499	629,581	646,895
<b>Total expenses for program 1.1</b>	<b>512,314</b>	<b>553,748</b>	<b>600,896</b>	<b>631,015</b>	<b>648,365</b>
<b>Program 1.2: Linkage - Cross Sector Research Partnerships</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	1,847	2,027	2,086	2,140	2,196
Special appropriations <i>Australian Research Council Act 2001</i>	317,251	343,808	373,989	402,784	430,918
Special accounts ARC Research Endowment Account - s80 PGPA Act 2013 (s62 Australian Research Council Act 2001)	2,252	2,252	2,252	2,252	2,252
<b>Total expenses for program 1.2</b>	<b>321,350</b>	<b>348,087</b>	<b>378,327</b>	<b>407,176</b>	<b>435,366</b>
<b>Program 1.3: Excellence in Research for Australia</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	6,098	7,446	4,036	3,779	3,873
<b>Total expenses for program 1.3</b>	<b>6,098</b>	<b>7,446</b>	<b>4,036</b>	<b>3,779</b>	<b>3,873</b>

**Table 2.1.1: Budgeted expenses for Outcome 1 (continued)**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>ARC - Departmental</b>					
Departmental expenses					
Departmental appropriation	22,902	22,426	22,971	23,305	23,769
s74 External Revenue (a)	1,328	842	571	29	12
Expenses not requiring appropriation in the Budget year (b)	5,098	2,012	1,930	2,382	2,082
<b>Total expenses for Departmental</b>	<b>29,328</b>	<b>25,280</b>	<b>25,472</b>	<b>25,716</b>	<b>25,863</b>
<b>Outcome 1 Totals by appropriation type</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1)	9,185	10,831	7,519	7,353	7,539
Special appropriations	828,325	896,198	973,488	1,032,365	1,077,813
Special accounts	2,252	2,252	2,252	2,252	2,252
<b>Administered total</b>	<b>839,762</b>	<b>909,281</b>	<b>983,259</b>	<b>1,041,970</b>	<b>1,087,604</b>
Departmental expenses					
Departmental appropriation	22,902	22,426	22,971	23,305	23,769
s74 External Revenue (a)	1,328	842	571	29	12
Expenses not requiring appropriation in the Budget year (b)	5,098	2,012	1,930	2,382	2,082
<b>Departmental total</b>	<b>29,328</b>	<b>25,280</b>	<b>25,472</b>	<b>25,716</b>	<b>25,863</b>
<b>Total expenses for Outcome 1</b>	<b>869,090</b>	<b>934,561</b>	<b>1,008,731</b>	<b>1,067,686</b>	<b>1,113,467</b>
	2022-23	2023-24			
<b>Average staffing level (number)</b>	140	140			

(a) Estimated expenses incurred in relation to receipts retained under section 74 of the PGPA Act 2013.

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses excluding depreciation on RoU assets, make good expenses and audit fees.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

### Performance measure for Outcome 1

This section details the performance measures for each program associated with Outcome 1. It also provides the related key activities as expressed in the current corporate plan where further detail is provided about the delivery of the activities related to the program, the context in which these activities are delivered and how the performance of these activities will be measured. Where relevant, details of the 2023–24 Budget measures that have created new programs or materially changed existing programs are provided.

<b>Outcome 1 – Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice.</b>		
<b>Program 1.1 – Discovery – Research and Research Training</b>		
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: supporting excellent, internationally competitive research; providing training and career opportunities for current and emerging researchers; fostering international engagement; and encouraging research that aligns with national priorities.		
<b>Key Activities</b>	Fund high-quality and impactful research	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current year 2022–23	The percentage of ARC schemes completed in time to meet ARC published timeframes	Target: 100% of Discovery Program scheme rounds outcomes are announced within the published timeframes on the ARC website  On track
	The percentage of appeals upheld against NCGP application assessment processes for all applications submitted	Target: The number of upheld appeals against administrative processes related to Discovery Program applications is less than 1% of all submitted applications  On track
	The percentage of ARC funded research projects involving international collaboration for all ARC funded research projects	Target: More than 70% of Discovery Program research projects involve international collaboration  On track
	The percentage of submitted progress, End of Year and final reports reviewed on time	Target: More than 90% of Discovery Program completed final grant reports and submitted End of Year Reports, Progress / Annual Reports are reviewed by the ARC within 90 days of submission  On track

Year	Performance measures	Planned Performance Results
Budget Year 2023–24	The percentage of ARC schemes completed in time to meet ARC published timeframes	Target: 100% of Discovery Program scheme rounds outcomes are announced within the published timeframes on the ARC website
	The percentage of appeals upheld against NCGP application assessment processes for all applications submitted	Target: The number of upheld appeals against administrative processes related to Discovery Program applications is less than 1% of all submitted applications
	The percentage of ARC funded research projects involving international collaboration for all ARC funded research projects	Target: More than 70% of Discovery Program research projects involve international collaboration
	The percentage of submitted progress, End of Year and final reports reviewed on time	Target: More than 90% of Discovery Program completed final grant reports and submitted End of Year Reports, Progress / Annual Reports are reviewed by the ARC within 90 days of submission
Forward Estimates 2024–27	As per 2023–24	As per 2023–24
Material changes to Program 1.1 resulting from 2023-24 Budget Measures: Nil		

<b>Program 1.2 – Linkage – Cross sector research partnerships</b>		
<p>Through the Linkage Program, the ARC aims to build Australia's research and innovation capacity by supporting excellent, internationally competitive research projects, infrastructure, and centres of excellence that involve collaboration among researchers within and beyond the research sector. This contributes to Outcome 1 by: supporting excellent collaborative research; 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 national priority.</p>		
<b>Key Activities</b>	Fund high-quality and impactful research	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current year 2022–23	The percentage of ARC schemes completed in time to meet ARC published timeframes	Target: 100% of Linkage Program scheme rounds outcomes are announced within the published timeframes on the ARC website  Not on track
	The percentage of appeals upheld against NCGP application assessment processes for all applications submitted	Target: The number of upheld appeals against administrative processes related to Linkage Program applications is less than 1% of all submitted applications  On track
	The percentage of ARC funded research projects involving international collaboration for all ARC funded research projects	Target: More than 70% of Linkage Program research projects involve international collaboration  On track
	The percentage of submitted progress, End of Year and final reports reviewed on time	Target: More than 90% of Linkage Program completed final grant reports and submitted End of Year Reports, Progress / Annual Reports are reviewed by the ARC within 90 days of submission  On track
	The total contribution from partner organisations for all research projects funded under the Linkage Projects scheme	Target: Average dollar contribution is more than or equal to the previous year  On track
Budget Year 2023–24	The percentage of ARC schemes completed in time to meet ARC published timeframes	Target: 100% of Linkage Program scheme rounds outcomes are announced within the published timeframes on the ARC website
	The percentage of appeals upheld against NCGP application assessment processes for all applications submitted	Target: The number of upheld appeals against administrative processes related to Linkage Program applications is less than 1% of all submitted applications
	The percentage of ARC funded research projects involving international collaboration for all ARC funded research projects	Target: More than 70% of Linkage Program research projects involve international collaboration

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	The percentage of submitted progress, End of Year and final reports reviewed on time	Target: More than 90% of Linkage Program completed final grant reports and submitted End of Year Reports, Progress / Annual Reports are reviewed by the ARC within 90 days of submission
	The total contribution from partner organisations for all research projects funded under the Linkage Projects scheme	Target: Average dollar contribution is more than or equal to the previous year
<b>Year</b>	<b>Performance measures</b>	<b>Planned Performance Results</b>
Forward Estimates 2024–27	As per 2023–24	As per 2023–24
Material changes to Program 1.2 resulting from 2023-24 Budget Measures: Nil		

<b>Program 1.3 – Excellence in Research for Australia<sup>32</sup></b>		
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, cultural, and other impacts. The next ERA and EI rounds are not currently scheduled as the ARC is working to transition ERA to a more modern, data driven approach informed by expert review. This program 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.		
<b>Key Activities</b>	Assess research quality, engagement, and impact	
<b>Year</b>	<b>Performance measures</b>	<b>Expected Performance Results</b>
Current year 2022–23	Use of ERA program data to inform and support the needs of Australian universities and the Australian Government	Target: ERA program reports and activities assist in the development of Australian Government policies and the strategic planning of Australian universities  On track
	Use of EI program data to inform and support the needs of Australian universities and the Australian Government	Target: EI program reports and activities assist in the development of Australian Government policies and the strategic planning of Australian universities  On track
Budget Year 2023–24	Use of ERA program data to inform and support the needs of Australian universities and the Australian Government	Target: ERA program reports and activities assist in the development of Australian Government policies and the strategic planning of Australian universities
	Use of EI program data to inform and support the needs of Australian universities and the Australian Government	Target: EI program reports and activities assist in the development of Australian Government policies and the strategic planning of Australian universities
Forward Estimates 2024-27	As per 2023–24	As per 2023–24
Material changes to Program 1.3 resulting from 2023-24 Budget Measures: Nil		

<sup>32</sup> The 2023 Excellence in Research for Australia (ERA) round was discontinued and the ARC has developed a transition plan for the development of a modern data-driven approach to research evaluation, informed by expert review. Depending on the outcome of this work and the *Review of the Australian Research Council Act 2001*, the program and performance measures may be amended in the future. Further details will be provided in the 2023–24 ARC Corporate Plan.

## **Section 3: Budgeted financial statements**

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of the ARC's finances for the 2023-24 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 minor variances between resourcing and expenses, which reflects timing differences between expenses and cash expenditure relating to the NCGP.

#### **3.1.2 Explanatory notes and analysis of budgeted financial statements**

##### **Budgeted departmental comprehensive income statement**

The ARC's income statement reflects a deficit across the forward estimates. These deficits are attributable to the depreciation and amortisation expenses for the year. 2022-23 Appropriation Bill (No.1) includes a reclassification of \$1.1 million 2021-22 DCB to Appropriation Act (No. 1) - Operating.

##### **Budgeted departmental balance sheet**

The budgeted net asset position of \$11.96 million for 2023-24 represents a decrease of \$0.67 million from 2022-23 and the majority of which relates to a reduction in non-financial assets and leases liabilities.

##### **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 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 estimated 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**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>EXPENSES</b>					
Employee benefits	18,896	18,212	18,165	18,132	18,099
Suppliers	3,118	2,755	2,982	4,661	5,746
Depreciation and amortisation (a)	7,126	4,195	4,277	2,910	2,018
Finance costs	188	118	48	13	-
<b>Total expenses</b>	<b>29,328</b>	<b>25,280</b>	<b>25,472</b>	<b>25,716</b>	<b>25,863</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
Sale of goods and rendering of services	1,328	842	571	29	12
Other	64	64	64	64	64
<b>Total own-source revenue</b>	<b>1,392</b>	<b>906</b>	<b>635</b>	<b>93</b>	<b>76</b>
<b>Total own-source income</b>	<b>1,392</b>	<b>906</b>	<b>635</b>	<b>93</b>	<b>76</b>
<b>Net (cost of)/contribution by services</b>	<b>(27,936)</b>	<b>(24,374)</b>	<b>(24,837)</b>	<b>(25,623)</b>	<b>(25,787)</b>
Revenue from Government	22,902	22,426	22,971	23,305	23,769
<b>Surplus/(deficit) attributable to the Australian Government</b>	<b>(5,034)</b>	<b>(1,948)</b>	<b>(1,866)</b>	<b>(2,318)</b>	<b>(2,018)</b>
<b>Total comprehensive income/(loss)</b>	<b>(5,034)</b>	<b>(1,948)</b>	<b>(1,866)</b>	<b>(2,318)</b>	<b>(2,018)</b>
<b>Total comprehensive income/(loss) attributable to the Australian Government</b>	<b>(5,034)</b>	<b>(1,948)</b>	<b>(1,866)</b>	<b>(2,318)</b>	<b>(2,018)</b>

**Note: Impact of net cash appropriation arrangements**

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>Total comprehensive income/(loss) - as per statement of Comprehensive Income</b>	<b>(5,034)</b>	<b>(1,948)</b>	<b>(1,866)</b>	<b>(2,318)</b>	<b>(2,018)</b>
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	5,178	2,251	2,333	2,304	2,018
plus: depreciation/amortisation expenses for ROU assets (b)	1,948	1,944	1,944	606	-
less: lease principal repayments (b)	2,092	2,247	2,411	592	-
<b>Net Cash Operating Surplus/ (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) were 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.

(b) Applies leases under AASB 16 Leases.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	822	392	392	392	392
Trade and other receivables	14,425	12,926	12,934	12,299	12,299
<b>Total financial assets</b>	<b>15,247</b>	<b>13,318</b>	<b>13,326</b>	<b>12,691</b>	<b>12,691</b>
<b>Non-financial assets</b>					
Land and buildings	4,829	2,737	646	-	-
Property, plant and equipment	634	1,015	1,154	629	84
Intangibles	4,222	5,018	3,992	3,547	3,396
Other non-financial assets	158	158	158	158	158
<b>Total non-financial assets</b>	<b>9,843</b>	<b>8,928</b>	<b>5,950</b>	<b>4,334</b>	<b>3,638</b>
Assets held for sale					
<b>Total assets</b>	<b>25,090</b>	<b>22,246</b>	<b>19,276</b>	<b>17,025</b>	<b>16,329</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	757	757	757	757	757
Other payables	301	372	380	455	455
<b>Total payables</b>	<b>1,058</b>	<b>1,129</b>	<b>1,137</b>	<b>1,212</b>	<b>1,212</b>
<b>Interest bearing liabilities</b>					
Leases	5,250	3,003	592	-	-
<b>Total interest bearing liabilities</b>	<b>5,250</b>	<b>3,003</b>	<b>592</b>	<b>-</b>	<b>-</b>
<b>Provisions</b>					
Employee provisions	5,449	5,449	5,449	5,449	5,449
Other provisions	710	710	710	-	-
<b>Total provisions</b>	<b>6,159</b>	<b>6,159</b>	<b>6,159</b>	<b>5,449</b>	<b>5,449</b>
<b>Total liabilities</b>	<b>12,467</b>	<b>10,291</b>	<b>7,888</b>	<b>6,661</b>	<b>6,661</b>
<b>Net assets</b>	<b>12,623</b>	<b>11,955</b>	<b>11,388</b>	<b>10,364</b>	<b>9,668</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	42,449	43,729	45,028	46,338	47,660
Reserves	16	16	16	-	-
Retained surplus (accumulated deficit)	(29,842)	(31,790)	(33,656)	(35,974)	(37,992)
<b>Total parent entity interest</b>	<b>12,623</b>	<b>11,955</b>	<b>11,388</b>	<b>10,364</b>	<b>9,668</b>
<b>Total equity</b>	<b>12,623</b>	<b>11,955</b>	<b>11,388</b>	<b>10,364</b>	<b>9,668</b>

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 2023-24)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2023</b>					
Balance carried forward from previous period	(29,842)	16	-	42,449	12,623
<b>Adjusted opening balance</b>	<b>(29,842)</b>	<b>16</b>	<b>-</b>	<b>42,449</b>	<b>12,623</b>
<b>Comprehensive income</b>					
Surplus/(deficit) for the period	(1,948)	-	-	-	(1,948)
<b>Total comprehensive income</b>	<b>(1,948)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,948)</b>
of which:					
Attributable to the Australian Government	(31,790)	16	-	42,449	10,675
<b>Transactions with owners</b>					
<b>Contributions by owners</b>					
Departmental Capital Budget (DCB)	-	-	-	1,280	1,280
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,280</b>	<b>1,280</b>
Transfers between equity					
<b>Estimated closing balance as at 30 June 2024</b>	<b>(31,790)</b>	<b>16</b>	<b>-</b>	<b>43,729</b>	<b>11,955</b>
Less: non-controlling interests*					-
<b>Closing balance attributable to the Australian Government</b>	<b>(31,790)</b>	<b>16</b>	<b>-</b>	<b>43,729</b>	<b>11,955</b>

Prepared on Australian Accounting Standards basis

\*The non-controlling interest disclosure is not required if an entity does not have non-controlling interests

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations	24,376	23,925	22,963	23,940	23,769
Sale of goods and rendering of services	1,328	842	571	29	12
Net GST received	581	546	568	577	604
<b>Total cash received</b>	<b>26,285</b>	<b>25,313</b>	<b>24,102</b>	<b>24,546</b>	<b>24,385</b>
<b>Cash used</b>					
Employees	18,986	18,141	18,157	18,057	18,099
Suppliers	3,054	2,691	2,918	4,597	5,682
Net GST paid	581	546	568	577	604
Interest payments on lease liability	188	118	48	13	-
<b>Total cash used</b>	<b>22,809</b>	<b>21,496</b>	<b>21,691</b>	<b>23,244</b>	<b>24,385</b>
<b>Net cash from/(used by) operating activities</b>	<b>3,476</b>	<b>3,817</b>	<b>2,411</b>	<b>1,302</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	2,125	3,280	1,299	2,020	1,322
<b>Total cash used</b>	<b>2,125</b>	<b>3,280</b>	<b>1,299</b>	<b>2,020</b>	<b>1,322</b>
<b>Net cash from/(used by) investing activities</b>	<b>(2,125)</b>	<b>(3,280)</b>	<b>(1,299)</b>	<b>(2,020)</b>	<b>(1,322)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Contributed equity	1,240	1,280	1,299	1,310	1,322
<b>Total cash received</b>	<b>1,240</b>	<b>1,280</b>	<b>1,299</b>	<b>1,310</b>	<b>1,322</b>
<b>Cash used</b>					
Principal payments on lease liability	2,092	2,247	2,411	592	-
<b>Total cash used</b>	<b>2,092</b>	<b>2,247</b>	<b>2,411</b>	<b>592</b>	<b>-</b>
<b>Net cash from/(used by) financing activities</b>	<b>(852)</b>	<b>(967)</b>	<b>(1,112)</b>	<b>718</b>	<b>1,322</b>
<b>Net increase/(decrease) in cash held</b>	<b>499</b>	<b>(430)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	323	822	392	392	392
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>822</b>	<b>392</b>	<b>392</b>	<b>392</b>	<b>392</b>

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>NEW CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	1,240	1,280	1,299	1,310	1,322
<b>Total new capital appropriations</b>	<b>1,240</b>	<b>1,280</b>	<b>1,299</b>	<b>1,310</b>	<b>1,322</b>
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	1,240	1,280	1,299	1,310	1,322
<b>Total items</b>	<b>1,240</b>	<b>1,280</b>	<b>1,299</b>	<b>1,310</b>	<b>1,322</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations (a)	1,240	1,280	1,299	1,310	1,322
Funded internally from departmental resources (c)	1,220	2,000	-	-	-
<b>TOTAL</b>	<b>2,460</b>	<b>3,280</b>	<b>1,299</b>	<b>1,310</b>	<b>1,322</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
Total purchases	2,460	3,280	1,299	1,310	1,322
<b>Total cash used to acquire assets</b>	<b>2,460</b>	<b>3,280</b>	<b>1,299</b>	<b>1,310</b>	<b>1,322</b>

Prepared on Australian Accounting Standards basis.

a) Includes both current Bill 2 and prior Act 2/4/6 appropriations.

b) Includes the following s74 external receipts:

- sponsorship, subsidy, gifts or similar contribution;
- internally developed assets; and
- proceeds from the sale of assets.

**Table 3.6: Statement of departmental asset movements (Budget year 2023-24)**

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
<b>As at 1 July 2023</b>				
Gross book value	614	1,230	22,926	24,770
Gross book value - ROU assets	13,752	20	-	13,772
Accumulated depreciation/ amortisation and impairment	(279)	(600)	(18,704)	(19,583)
Accumulated depreciation/amortisation and impairment - ROU assets	(9,258)	(16)	-	(9,274)
<b>Opening net book balance</b>	<b>4,829</b>	<b>634</b>	<b>4,222</b>	<b>9,685</b>
<b>Capital asset additions</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation equity (a)	-	850	430	1,280
By purchase - appropriation ordinary annual services (b)	-	-	2,000	2,000
<b>Total additions</b>	<b>-</b>	<b>850</b>	<b>2,430</b>	<b>3,280</b>
<b>Other movements</b>				
Depreciation/amortisation expense	(148)	(469)	(1,634)	(2,251)
Depreciation/amortisation on ROU assets	(1,944)	-	-	(1,944)
<b>Total other movements</b>	<b>(2,092)</b>	<b>(469)</b>	<b>(1,634)</b>	<b>(4,195)</b>
<b>As at 30 June 2024</b>				
Gross book value	614	2,080	25,356	28,050
Gross book value - ROU assets	13,752	20	-	13,772
Accumulated depreciation/ amortisation and impairment	(427)	(1,069)	(20,338)	(21,834)
Accumulated depreciation/amortisation and impairment - ROU assets	(11,202)	(16)	-	(11,218)
<b>Closing net book balance</b>	<b>2,737</b>	<b>1,015</b>	<b>5,018</b>	<b>8,770</b>

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation equity' refers to equity injections appropriations provided through Appropriation Bill (No. 2) 2023-24, including Collection Development Acquisition Budget.

(b) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No.1) 2023-24 for depreciation/amortisation expenses, Departmental Capital Budget or other operational expenses.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>EXPENSES</b>					
Suppliers	9,185	10,831	7,519	7,353	7,539
Grants	830,577	898,450	975,740	1,034,617	1,080,065
<b>Total expenses administered on behalf of Government</b>	<b>839,762</b>	<b>909,281</b>	<b>983,259</b>	<b>1,041,970</b>	<b>1,087,604</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Own-source revenue</b>					
<b>Non-taxation revenue</b>					
Other revenue	9,721	9,721	9,721	9,721	9,721
<b>Total non-taxation revenue</b>	<b>9,721</b>	<b>9,721</b>	<b>9,721</b>	<b>9,721</b>	<b>9,721</b>
<b>Total own-source revenue administered on behalf of Government</b>	<b>9,721</b>	<b>9,721</b>	<b>9,721</b>	<b>9,721</b>	<b>9,721</b>
<b>Total own-sourced income administered on behalf of Government</b>	<b>9,721</b>	<b>9,721</b>	<b>9,721</b>	<b>9,721</b>	<b>9,721</b>
<b>Net (cost of)/contribution by services</b>	<b>830,041</b>	<b>899,560</b>	<b>973,538</b>	<b>1,032,249</b>	<b>1,077,883</b>
<b>Surplus/(deficit) before income tax</b>	<b>(830,041)</b>	<b>(899,560)</b>	<b>(973,538)</b>	<b>(1,032,249)</b>	<b>(1,077,883)</b>
<b>Surplus/(deficit) after income tax</b>	<b>(830,041)</b>	<b>(899,560)</b>	<b>(973,538)</b>	<b>(1,032,249)</b>	<b>(1,077,883)</b>
<b>Total comprehensive income/(loss)</b>	<b>(830,041)</b>	<b>(899,560)</b>	<b>(973,538)</b>	<b>(1,032,249)</b>	<b>(1,077,883)</b>

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	2,252	2,252	2,252	2,252	2,252
Trade and other receivables	69	69	69	69	69
<b>Total financial assets</b>	<b>2,321</b>	<b>2,321</b>	<b>2,321</b>	<b>2,321</b>	<b>2,321</b>
<b>Non-financial assets</b>					
Other non-financial assets	185	185	185	185	185
<b>Total non-financial assets</b>	<b>185</b>	<b>185</b>	<b>185</b>	<b>185</b>	<b>185</b>
<b>Total assets administered on behalf of Government</b>	<b>2,506</b>	<b>2,506</b>	<b>2,506</b>	<b>2,506</b>	<b>2,506</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	574	574	574	574	574
Grants	241,813	240,743	240,743	240,743	240,743
<b>Total payables</b>	<b>242,387</b>	<b>241,317</b>	<b>241,317</b>	<b>241,317</b>	<b>241,317</b>
<b>Total liabilities administered on behalf of Government</b>	<b>242,387</b>	<b>241,317</b>	<b>241,317</b>	<b>241,317</b>	<b>241,317</b>
<b>Net assets/(liabilities)</b>	<b>(239,881)</b>	<b>(238,811)</b>	<b>(238,811)</b>	<b>(238,811)</b>	<b>(238,811)</b>

Prepared on Australian Accounting Standards basis.

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

	2022-23 Estimated actual \$'000	2023-24 Budget \$'000	2024-25 Forward estimate \$'000	2025-26 Forward estimate \$'000	2026-27 Forward estimate \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Net GST received	1,924	1,956	1,956	1,956	1,956
Other	9,721	9,721	9,721	9,721	9,721
<b>Total cash received</b>	<b>11,645</b>	<b>11,677</b>	<b>11,677</b>	<b>11,677</b>	<b>11,677</b>
<b>Cash used</b>					
Grant	831,594	899,520	975,740	1,034,617	1,080,065
Suppliers	9,185	10,831	7,519	7,353	7,539
Net GST paid	1,924	1,956	1,956	1,956	1,956
<b>Total cash used</b>	<b>842,703</b>	<b>912,307</b>	<b>985,215</b>	<b>1,043,926</b>	<b>1,089,560</b>
<b>Net cash from/(used by) operating activities</b>	<b>(831,058)</b>	<b>(900,630)</b>	<b>(973,538)</b>	<b>(1,032,249)</b>	<b>(1,077,883)</b>
<b>Net increase/(decrease) in cash held</b>	<b>(831,058)</b>	<b>(900,630)</b>	<b>(973,538)</b>	<b>(1,032,249)</b>	<b>(1,077,883)</b>
Cash and cash equivalents at beginning of reporting period	2,252	2,252	2,252	2,252	2,252
Cash from Official Public Account for: - Appropriations	842,703	912,307	985,215	1,043,926	1,087,604
<i>Total cash from Official Public Account</i>	<i>842,703</i>	<i>912,307</i>	<i>985,215</i>	<i>1,043,926</i>	<i>1,087,604</i>
Cash to Official Public Account for: - Appropriations	11,645	11,677	11,677	11,677	9,721
<i>Total cash to Official Public Account</i>	<i>11,645</i>	<i>11,677</i>	<i>11,677</i>	<i>11,677</i>	<i>9,721</i>
<b>Cash and cash equivalents at end of reporting period</b>	<b>2,252</b>	<b>2,252</b>	<b>2,252</b>	<b>2,252</b>	<b>2,252</b>

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 2023–24)**

ARC has no administered assets therefore Table 3.11 is not presented.