

Australian Research Council

Entity resources and planned performance

Australian Research Council

Section 1: Entity overview and resources	135
1.1 Strategic direction statement.....	135
1.2 Entity resource statement	137
1.3 Budget measures	139
Section 2: Outcomes and planned performance	140
2.1 Budgeted expenses and performance for Outcome 1	141
Section 3: Budgeted financial statements.....	150
3.1 Budgeted financial statements	150
3.2 Budgeted financial statements tables.....	151

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 focused on driving world-class research and innovation for the advancement of Australian society. The agency plays a critical role in providing ongoing investment in university research and researchers for Australia's economic, social, environmental and cultural benefit.

The ARC is responsible for administering the National Competitive Grants Program (NCGP); evaluating the excellence, impact and depth of university research; supporting research integrity and promoting ethical research; promoting academic careers; providing advice and support on research matters; and partnering with other Commonwealth entities to deliver research grants.

Through the NCGP, the ARC supports excellent research and research training across all disciplines (excluding medical research) for the benefit of all Australians, by awarding funding based on a competitive peer review process. NCGP schemes support the highest-quality research and infrastructure, and encourage research collaboration with local, national and international partners to advance the adoption and translation of new knowledge to increase its impact.

During 2025–26, the ARC Board will continue to drive the strategic direction of the ARC to shape Australia's research landscape and support researchers.

The ARC's key priorities for the year include:

- Working with the Department of Education to implement findings and recommendations from the policy review of ARC programs and transition to a new NCGP including:
 - Designing and implementing new schemes and processes that address review outcomes.
 - Further strengthening peer review by adopting revised assessment methodologies that align with new scheme objectives and reduce burden for applicants and assessors.
 - Embedding data-driven evaluation mechanisms to assess ongoing NCGP performance and inform future priority setting.

- Delivering a 10-year research funding strategy to drive and support the best early-stage pure basic, strategic basic and applied research and researchers, as well as ensuring ARC activities support a diverse and inclusive research sector.
- Working closely with the ARC Indigenous Forum, Indigenous Australian researchers and communities, and the research sector to promote, embed, and support Aboriginal and Torres Strait Islander research and knowledge systems.
- Continuing to work with the Department of Education, national security agencies and other stakeholders to further strengthen processes to protect the security of Australian research from foreign interference risks.
- Developing a National Research Evaluation and Impact Framework to assess the excellence, impact and depth of university research in Australia.
- Developing enhanced data, analytics and communication capabilities that offer greater insight into the Australian research landscape and better tell the story of ARC funded research.
- Continuing to work with the National Health and Medical Research Council, universities and other stakeholders to strengthen and safeguard the integrity and credibility of Australian research.
- Promoting and broadening the ARC's research grants administration expertise and services, including through the provision of Research Grant Services.

1.2 Entity resource statement

Table 1.1 shows the total resourcing 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 ARC'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. Amounts presented below are consistent with amounts presented in the Appropriation Bills themselves.

Table 1.1: ARC resource statement – Budget estimates for 2025-26 as at Budget March 2025

	2024-25 <i>Estimated actual</i> \$'000	2025-26 Estimate \$'000
Departmental		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available	9,346	9,354
Departmental appropriation (b)	22,976	23,273
s74 External Revenue (c)	858	255
Departmental capital budget (d)	1,317	1,333
Total departmental annual appropriations	<u>34,497</u>	<u>34,215</u>
Total departmental resourcing	34,497	34,215
Administered		
Annual appropriations - ordinary annual services (a)		
Prior year appropriations available (b)	4,074	4,508
Outcome 1	1,031,328	1,040,015
Total administered annual appropriations	<u>1,035,402</u>	<u>1,044,523</u>
Special accounts (e)		
Opening balance	2,115	2,115
Total special account receipts	<u>2,115</u>	<u>2,115</u>
Total administered resourcing	1,037,517	1,046,638
Total resourcing for Australian Research Council	1,072,014	1,080,853
	<u>2024-25</u>	<u>2025-26</u>
Average staffing level (number)	140	140

Prepared on a resourcing (that is, appropriations available) basis.

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

- (a) Appropriation Bill (No. 1) 2025-2026 and Supply Bill (No. 1) 2025-2026.
- (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 Supply 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) 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

Budget measures in Part 1 relating to ARC are detailed in the *Budget Paper No. 2* and are summarised below.

Table 1.2: ARC 2025-26 Budget measures
Part 1: Measures announced since the 2024-25 Mid-Year Economic and Fiscal Outlook (MYEFO)

Program	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000
Payment measures					
Savings from External Labour – further extension (a)					
Administered payment	-	-	-	-	-
Departmental payment	-	-	-	-	(287)
Total	-	-	-	-	(287)
Total payment measures					
Administered	-	-	-	-	-
Departmental	-	-	-	-	(287)
Total	-	-	-	-	(287)

Prepared on a Government Finance Statistics (Underlying Cash) basis. Figures displayed as a negative (-) represent a decrease in funds and a positive (+) represent an increase in funds.

(a) The full measure description and package details appear in 2025-26 Budget Paper No. 2 under Cross Portfolio.

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.

The most recent annual performance statement can be found at: 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 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

	2024-25 Estimated actual \$'000	2025-26 Budget \$'000	2026-27 Forward estimate \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000
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					
Administered expenses					
Ordinary annual services (Appropriation Bill (No.1) and Supply Bill (No. 1))	629,744	629,808	649,008	668,795	685,181
Total expenses for Program 1.1	629,744	629,808	649,008	668,795	685,181
Program 1.2: Linkage - Cross Sector Research Partnerships					
Administered expenses					
Ordinary annual services (Appropriation Bill (No.1) and Supply Bill (No. 1))	397,556	406,406	435,803	449,081	460,086
ARC Research Endowment Account - s80 PGPA Act 2013 (s62 <i>Australian Research Council Act 2001</i>)	-	-	-	-	-
Total expenses for Program 1.2	397,556	406,406	435,803	449,081	460,086
Program 1.3: Excellence in Research for Australia					
Administered expenses					
Ordinary annual services (Appropriation Bill (No.1) and Supply Bill (No. 1))	4,028	3,801	3,896	3,989	4,089
Total expenses for Program 1.3	4,028	3,801	3,896	3,989	4,089

Table 2.1.1: Budgeted expenses for Outcome 1 (continued)

	2024-25 Estimated actual \$'000	2025-26 Budget \$'000	2026-27 Forward estimate \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000
ARC - Departmental					
Departmental expenses					
Departmental appropriation	20,565	22,106	23,018	23,058	23,291
s74 External Revenue (a)	858	255	86	68	51
Expenses not requiring appropriation in the Budget year (b)	4,341	3,834	3,228	2,989	2,989
Total expenses for Departmental	25,764	26,195	26,332	26,115	26,331
Outcome 1 Totals by appropriation type					
Administered expenses					
Ordinary annual services (Appropriation Bill No.1)	1,031,328	1,040,015	1,088,707	1,121,865	1,149,356
Special accounts	-	-	-	-	-
Administered total	1,031,328	1,040,015	1,088,707	1,121,865	1,149,356
Departmental expenses					
Departmental appropriation	20,565	22,106	23,018	23,058	23,291
s74 External Revenue (a)	858	255	86	68	51
Expenses not requiring appropriation in the Budget year (b)	4,341	3,834	3,228	2,989	2,989
Departmental total	25,764	26,195	26,332	26,115	26,331
Total expenses for Outcome 1	1,057,092	1,066,210	1,115,039	1,147,980	1,175,687
	2024-25	2025-26			
Average staffing level (number)	140	140			

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

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses and resources received free of charge.

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

Table 2.1.2 Performance measure for Outcome 1

Table 2.1.2 details the performance measures for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve and the related key activities, as detailed in the current corporate plan (i.e 2024-25), the context in which these activities are delivered, and how the performance of these activities will be measured. Where relevant, details of the 2025-26 Budget measures that have created new programs or materially changed existing programs are provided.

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		
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.		
Key Activities	Fund high-quality and impactful research	
Year	Performance measures	Expected performance results
Current Year 2024–25	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 Data not yet available
	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 Data not yet available
	The average number of days to action research integrity investigation outcomes reported to the ARC	Target: Investigations reported to the ARC Research Integrity Office are considered and actioned by the ARC in less than or equal to 30 working days On track

Year	Performance measures	Expected performance results
Current Year 2024–25 (continued)	The proportion of funded Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher ²⁶	Target: The percentage of Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher on funded applications is higher than the previous reporting period On track
	The percentage of approved projects where the Administering Organisation is notified within 21 days of approval	Target: Administering Organisations are notified within 21 days for all (100%) of approved projects On track
	The ARC peer review process identifies research excellence	Target: The ARC achieves this measure by using a robust peer review process to make funding recommendations based on expertise representing the breadth of research fields funded by the ARC, and through close engagement with the research sector On track
	The ARC provides expert advice on research across government	Target: The ARC achieves this measure by providing timely and expert advice on research across government On track
Year	Performance measures	Planned performance results
Budget Year 2025–26	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 proportion of appeals received for NCGP applications	Target: The percentage of appeals received for all Discovery Program applications is less than 1%
	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 final reports reviewed on time	Target: More than 90% of final grant reports (for the Discovery Program) are reviewed by the ARC within 90 days of submission
	The average number of days to action research integrity investigation outcomes reported to the ARC	Target: Investigations reported to the ARC Research Integrity Office are considered and actioned by the ARC in less than or equal to 30 working days

²⁶ This measure was updated in the *ARC Corporate Plan 2024–25* from the number of individuals to provide more meaningful performance information.

Year	Performance measures	Planned performance results
Budget Year 2025–26 (continued)	The proportion of funded Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher	Target: The percentage of Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher on funded applications is higher than the previous reporting period
	The percentage of approved projects where the Administering Organisation is notified within 21 days of approval	Target: Administering Organisations are notified within 21 days for all (100%) of approved projects
	The ARC peer review process identifies research excellence	Target: The ARC achieves this measure by using a robust peer review process to make funding recommendations based on expertise representing the breadth of research fields funded by the ARC, and through close engagement with the research sector
	The ARC provides expert advice on research across government	Target: The ARC achieves this measure by providing timely and expert advice on research across government
Forward Estimates 2026–29	As per 2025–26	As per 2025–26
Material changes to Program 1.1 resulting from 2025–26 Budget measures: Nil		

Program 1.2 – Linkage – Cross sector research partnerships		
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.		
Key Activities	Fund high-quality and impactful research	
Year	Performance measures	Expected performance results
Current Year 2024–25	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 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 Data not yet available
	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 Data not yet available
	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
	The average number of days to action research integrity investigation outcomes reported to the ARC	Target: Investigations reported to the ARC Research Integrity Office are considered and actioned by the ARC in less than or equal to 30 working days On track
	The proportion of funded Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher ²⁷	Target: The percentage of Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher on funded applications is higher than or equal to the previous reporting period On track

²⁷ This measure was updated in the *ARC Corporate Plan 2024–25* from the number of individuals to provide more meaningful performance information.

Year	Performance measures	Expected performance results
Current Year 2024–25 (continued)	The percentage of approved projects where the Administering Organisation is notified within 21 days of approval	Target: Administering Organisations are notified within 21 days for all (100%) of approved projects On track
	The ARC peer review process identifies research excellence	Target: The ARC achieves this measure by using a robust peer review process to make funding recommendations based on expertise representing the breadth of research fields funded by the ARC, and through close engagement with the research sector On track
	The ARC provides expert advice on research across government	Target: The ARC achieves this measure by providing timely and expert advice on research across government On track

Year	Performance measures	Planned performance results
Budget Year 2025–26	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 proportion of appeals received for NCGP applications	Target: The percentage of appeals received for all Linkage Program applications is less than 1%
	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
	The percentage of submitted final reports reviewed on time	Target: More than 90% of final grant reports (for the Linkage Program) 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
	The average number of days to action research integrity investigation outcomes reported to the ARC	Target: Investigations reported to the ARC Research Integrity Office are considered and actioned by the ARC in less than or equal to 30 working days
	The proportion of funded Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher	Target: The percentage of Chief Investigators who identify as an Aboriginal and/or Torres Strait Islander researcher on funded applications is higher than the previous reporting period
	The percentage of approved projects where the Administering Organisation is notified within 21 days of approval	Target: Administering Organisations are notified within 21 days for all (100%) of approved projects
	The ARC peer review process identifies research excellence	Target: The ARC achieves this measure by using a robust peer review process to make funding recommendations based on expertise representing the breadth of research fields funded by the ARC, and through close engagement with the research sector
	The ARC provides expert advice on research across government	Target: The ARC achieves this measure by providing timely and expert advice on research across government
Forward Estimates 2026–29	As per 2025–26	As per 2025–26
Material changes to Program 1.2 resulting from 2025–26 Budget Measures: Nil		

Program 1.3 – Excellence in Research for Australia²⁸		
Through the Excellence in Research for Australia (ERA) program the ARC aimed 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 included, Excellence in Research for Australia, which assessed research quality, and Engagement and Impact (EI), which assessed the engagement of researchers with end-users, and how universities translated their research into economic, social, environmental, cultural, and other impacts. ERA and EI have been discontinued by the Minister for Education and the ARC is working to transition the evaluation of university research 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 Australia 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.		
Key Activities	Assess research quality, engagement, and impact	
Year	Performance measures	Expected performance results
Current Year 2024–25	Design a new approach for evaluating the excellence, impact and depth of Australian university research ²⁹	Target: Not applicable Not applicable
	The ARC provides expert advice on research across government	Target: The ARC achieves this measure by providing timely and expert advice on research across government On track
Year	Performance measures	Planned performance results
Budget Year 2025–26	Design a new approach for evaluating the excellence, impact and depth of Australian university research	Target: The ARC develops a new research evaluation framework to evaluate research excellence, impact and depth in Australia
	The ARC provides expert advice on research across government	Target: The ARC achieves this measure by providing timely and expert advice on research across government
Forward Estimates 2026–29	As per 2025–26	As per 2025–26
Material changes to Program 1.3 resulting from 2025–26 Budget Measures: Nil		

²⁸ The 2023 Excellence in Research for Australia (ERA) round was discontinued, and the Australian Universities Accord has made recommendations in regard to a future National Research Evaluation and Impact Framework. The Government is currently considering the recommendations made in the Australian Universities Accord report.

²⁹ This measure and target has been revised following publication of the *ARC Corporate Plan 2024–25* as it is subject to the Government's consideration of recommendations made in the Australian Universities Accord report.

Section 3: Budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of ARC's finances for the 2025-26 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 variances between the entity resources table and the budgeted financial statements.

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. Total revenue from Government increases slightly across the forward estimates due to indexation adjustments.

Budgeted departmental balance sheet

The budgeted net asset position decreases across the forward estimates due to a reduction in non-financial assets because of depreciation and amortisation offset by a reduction in 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**

	2024-25 Estimated actual \$'000	2025-26 Budget \$'000	2026-27 Forward estimate \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000
EXPENSES					
Employee benefits	19,294	20,073	20,603	20,509	21,137
Suppliers	2,145	2,092	2,305	2,460	2,088
Depreciation and amortisation (a)	4,277	3,770	3,164	2,925	2,925
Finance costs	48	260	260	221	181
Total expenses	25,764	26,195	26,332	26,115	26,331
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	858	255	86	68	51
Other	64	64	64	64	64
Total own-source revenue	922	319	150	132	115
Total own-source income	922	319	150	132	115
Net (cost of)/contribution by services	(24,842)	(25,876)	(26,182)	(25,983)	(26,216)
Revenue from Government	22,976	23,273	23,845	23,958	24,268
Surplus/(deficit) attributable to the Australian Government	(1,866)	(2,603)	(2,337)	(2,025)	(1,948)
Total comprehensive income/(loss)	(1,866)	(2,603)	(2,337)	(2,025)	(1,948)
Total comprehensive income/(loss) attributable to the Australian Government	(1,866)	(2,603)	(2,337)	(2,025)	(1,948)

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

Note: Impact of net cash appropriation arrangements

	2024-25 Estimated actual \$'000	2025-26 Budget \$'000	2026-27 Forward estimate \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000
Total comprehensive income/(loss) - as per statement of Comprehensive Income	(1,866)	(2,603)	(2,337)	(2,025)	(1,948)
plus: depreciation/amortisation of assets funded through appropriations (departmental capital budget funding and/or equity injections) (a)	2,333	2,388	2,159	1,920	1,920
plus: depreciation/amortisation expenses for ROU assets (b)	1,944	1,382	1,005	1,005	1,005
less: lease principal repayments (b)	2,411	1,167	827	900	977
Net Cash Operating Surplus/ (Deficit)	-	-	-	-	-

Prepared on Australian Accounting Standards basis

- (a) From 2010–11, the Government introduced net cash appropriation arrangements that provided non-corporate Commonwealth entities with a separate Departmental Capital Budget (DCB) under Appropriation Bill (No. 1) and Supply Bill (No. 1). This replaced revenue appropriations provided under Appropriation Bill (No. 1) used for the depreciation/amortisation expenses. 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)

	2024-25 Estimated actual \$'000	2025-26 Budget \$'000	2026-27 Forward estimate \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	250	250	250	250	250
Trade and other receivables	9,410	9,485	9,485	9,485	9,485
Total financial assets	9,660	9,735	9,735	9,735	9,735
Non-financial assets					
Land and buildings	630	6,287	5,282	4,277	3,272
Property, plant and equipment	1,016	821	826	1,706	2,465
Intangibles	6,737	5,876	5,068	3,638	2,347
Other non-financial assets	705	705	705	705	705
Total non-financial assets	9,088	13,689	11,881	10,326	8,789
Total assets	18,748	23,424	21,616	20,061	18,524
LIABILITIES					
Payables					
Suppliers	359	359	359	359	359
Other payables	872	947	947	947	947
Total payables	1,231	1,306	1,306	1,306	1,306
Interest bearing liabilities					
Leases	592	6,463	5,636	4,736	3,759
Total interest bearing liabilities	592	6,463	5,636	4,736	3,759
Provisions					
Employee provisions	5,455	5,455	5,455	5,455	5,455
Other provisions	801	801	801	801	801
Total provisions	6,256	6,256	6,256	6,256	6,256
Total liabilities	8,079	14,025	13,198	12,298	11,321
Net assets	10,669	9,399	8,418	7,763	7,203
EQUITY*					
Parent entity interest					
Contributed equity	45,045	46,378	47,734	49,104	50,492
Reserves	29	29	29	29	29
Retained surplus (accumulated deficit)	(34,405)	(37,008)	(39,345)	(41,370)	(43,318)
Total parent entity interest	10,669	9,399	8,418	7,763	7,203
Total equity	10,669	9,399	8,418	7,763	7,203

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 2025-26)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2025					
Balance carried forward from previous period	(34,405)	29	-	45,045	10,669
Adjusted opening balance	(34,405)	29	-	45,045	10,669
Comprehensive income					
Surplus/(deficit) for the period	(2,603)	-	-	-	(2,603)
Total comprehensive income	(2,603)	-	-	-	(2,603)
of which:					
Attributable to the Australian Government	(2,603)	-	-	-	(2,603)
Transactions with owners					
Contributions by owners					
Departmental Capital Budget (DCB)	-	-	-	1,333	1,333
Sub-total transactions with owners	-	-	-	1,333	1,333
Estimated closing balance as at 30 June 2026	(37,008)	29	-	46,378	9,399
Closing balance attributable to the Australian Government	(37,008)	29	-	46,378	9,399

Prepared on Australian Accounting Standards basis.

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

	2024-25 Estimated actual \$'000	2025-26 Budget \$'000	2026-27 Forward estimate \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	22,968	23,198	23,845	23,958	24,268
Sale of goods and rendering of services	858	255	86	68	51
Net GST received	568	452	492	463	464
Total cash received	24,394	23,905	24,423	24,489	24,783
Cash used					
Employees	19,286	19,998	20,603	20,509	21,137
Suppliers	2,081	2,028	2,241	2,396	2,024
Net GST paid	568	452	492	463	464
Interest payments on lease liability	48	260	260	221	181
Total cash used	21,983	22,738	23,596	23,589	23,806
Net cash from/(used by) operating activities	2,411	1,167	827	900	977
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment and intangibles	1,317	1,333	1,356	1,370	1,388
Total cash used	1,317	1,333	1,356	1,370	1,388
Net cash from/(used by) investing activities	(1,317)	(1,333)	(1,356)	(1,370)	(1,388)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	1,317	1,333	1,356	1,370	1,388
Total cash received	1,317	1,333	1,356	1,370	1,388
Cash used					
Principal payments on lease liability	2,411	1,167	827	900	977
Total cash used	2,411	1,167	827	900	977
Net cash from/(used by) financing activities	(1,094)	166	529	470	411
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	250	250	250	250	250
Cash and cash equivalents at the end of the reporting period	250	250	250	250	250

Prepared on Australian Accounting Standards basis.

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

	2024-25 Estimated actual \$'000	2025-26 Budget \$'000	2026-27 Forward estimate \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	1,317	1,333	1,356	1,370	1,388
Total new capital appropriations	1,317	1,333	1,356	1,370	1,388
<i>Provided for:</i>					
<i>Purchase of non-financial assets</i>	1,317	1,333	1,356	1,370	1,388
Total items	1,317	1,333	1,356	1,370	1,388
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations - DCB (a)	1,317	1,333	1,356	1,370	1,388
TOTAL	1,317	1,333	1,356	1,370	1,388
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	1,317	1,333	1,356	1,370	1,388
Total cash used to acquire assets	1,317	1,333	1,356	1,370	1,388

Prepared on Australian Accounting Standards basis.

(a) Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).

Table 3.6: Statement of departmental asset movements (Budget year 2025-26)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2025				
Gross book value	636	2,382	26,070	29,088
Gross book value - ROU assets	13,315	499	-	13,814
Accumulated depreciation/ amortisation and impairment	(575)	(1,428)	(19,333)	(21,336)
Accumulated depreciation/amortisation and impairment - ROU assets	(12,746)	(437)	-	(13,183)
Opening net book balance	630	1,016	6,737	8,383
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services (a)	-	350	983	1,333
By purchase - appropriation ordinary annual services - ROU assets (a)	7,038	-	-	7,038
Total additions	7,038	350	983	8,371
Other movements				
Gross Value - Disposals	(636)	-	-	(636)
Gross Value - ROU - Disposals	(13,315)	(499)	-	(13,814)
Accumulated depreciation - Disposals	636	-	-	636
Accumulated depreciation - ROU Disposals	13,315	499	-	13,814
Depreciation/amortisation expense	(61)	(483)	(1,844)	(2,388)
Depreciation/amortisation on ROU assets	(1,320)	(62)	-	(1,382)
Total other movements	(1,381)	(545)	(1,844)	(3,770)
As at 30 June 2026				
Gross book value	-	2,732	27,053	29,785
Gross book value - ROU assets	7,038	-	-	7,038
Accumulated depreciation/ amortisation and impairment	-	(1,911)	(21,177)	(23,088)
Accumulated depreciation/amortisation and impairment - ROU assets	(751)	-	-	(751)
Closing net book balance	6,287	821	5,876	12,984

Prepared on Australian Accounting Standards basis.

(a) 'Appropriation ordinary annual services' refers to funding provided through Appropriation Bill (No. 1) 2025-2026 and Supply Bill (No. 1) 2025-2026 for depreciation/amortisation expenses, DCBs or other operational expenses.

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

	2024-25 Estimated actual \$'000	2025-26 Budget \$'000	2026-27 Forward estimate \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000
EXPENSES					
Employee benefits	434	447	454	464	474
Suppliers	7,071	6,949	7,129	7,301	7,486
Grants	1,023,823	1,032,619	1,081,124	1,114,100	1,141,396
Total expenses administered on behalf of Government	1,031,328	1,040,015	1,088,707	1,121,865	1,149,356
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Other revenue	9,721	9,721	9,721	9,721	9,721
Total non-taxation revenue	9,721	9,721	9,721	9,721	9,721
Total own-source revenue administered on behalf of Government	9,721	9,721	9,721	9,721	9,721
Total own-sourced income administered on behalf of Government	9,721	9,721	9,721	9,721	9,721
Net (cost of)/contribution by services	(1,021,607)	(1,030,294)	(1,078,986)	(1,112,144)	(1,139,635)
Surplus/(deficit) before income tax	(1,021,607)	(1,030,294)	(1,078,986)	(1,112,144)	(1,139,635)
Surplus/(deficit) after income tax	(1,021,607)	(1,030,294)	(1,078,986)	(1,112,144)	(1,139,635)
Total comprehensive income/(loss)	(1,021,607)	(1,030,294)	(1,078,986)	(1,112,144)	(1,139,635)

Prepared on Australian Accounting Standards basis.

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

	2024-25 Estimated actual \$'000	2025-26 Budget \$'000	2026-27 Forward estimate \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	2,115	2,115	2,115	2,115	2,115
Trade and other receivables	223	223	223	223	223
Total financial assets	2,338	2,338	2,338	2,338	2,338
Non-financial assets					
Other non-financial assets	27	27	27	27	27
Total non-financial assets	27	27	27	27	27
Total assets administered on behalf of Government	2,365	2,365	2,365	2,365	2,365
LIABILITIES					
Payables					
Suppliers	617	617	617	617	617
Grants	247,756	247,756	247,756	247,756	247,756
Total payables	248,373	248,373	248,373	248,373	248,373
Provisions					
Employee provisions	115	115	115	115	115
Total provisions	115	115	115	115	115
Total liabilities administered on behalf of Government	248,488	248,488	248,488	248,488	248,488
Net assets/(liabilities)	(246,123)	(246,123)	(246,123)	(246,123)	(246,123)

Prepared on Australian Accounting Standards basis.

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

	2024-25 Estimated actual \$'000	2025-26 Budget \$'000	2026-27 Forward estimate \$'000	2027-28 Forward estimate \$'000	2028-29 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	956	956	956	956	956
Other	9,721	9,721	9,721	9,721	9,721
Total cash received	10,677	10,677	10,677	10,677	10,677
Cash used					
Grant	1,023,823	1,032,619	1,081,124	1,114,100	1,141,396
Suppliers	7,071	6,949	7,129	7,301	7,486
Net GST paid	956	956	956	956	956
Employees	434	447	454	464	474
Total cash used	1,032,284	1,040,971	1,089,663	1,122,821	1,150,312
Net cash from/(used by) operating activities	(1,021,607)	(1,030,294)	(1,078,986)	(1,112,144)	(1,139,635)
Net increase/(decrease) in cash held	(1,021,607)	(1,030,294)	(1,078,986)	(1,112,144)	(1,139,635)
Cash and cash equivalents at beginning of reporting period	2,115	2,115	2,115	2,115	2,115
Cash from Official Public Account for:					
- Appropriations	1,033,284	1,041,971	1,088,707	1,121,865	1,149,356
Total cash from Official Public Account	1,033,284	1,041,971	1,088,707	1,121,865	1,149,356
Cash to Official Public Account for:					
- Appropriations	(11,677)	(11,677)	(9,721)	(9,721)	(9,721)
Total cash to Official Public Account	(11,677)	(11,677)	(9,721)	(9,721)	(9,721)
Cash and cash equivalents at end of reporting period	2,115	2,115	2,115	2,115	2,115

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 2025-26)

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