

# **NATIONAL HEALTH AND MEDICAL RESEARCH COUNCIL**

**NHMRC**

## **Entity Resources and Planned Performance**



# National Health and Medical Research Council

Health Portfolio Entity

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NHMRC

## Section 1: Entity Overview and Resources

### 1.1 Strategic Direction Statement

The National Health and Medical Research Council (NHMRC) is the Australian Government's key entity for managing investment in health and medical research. NHMRC is also responsible for developing evidence-based health advice for the Australian community, health professionals and Governments, and for providing advice on ethical practice in health care and in the conduct of health and medical research.

NHMRC's Corporate Plan 2015-19, will outline NHMRC's national strategy for medical research and public health research as well as the major health issues likely to arise from the 2015-18 triennium. The Corporate Plan will be tabled in Parliament after the Minister's approval.<sup>1</sup>

The role and functions of NHMRC are set out in the *National Health and Medical Research Council Act 1992*. NHMRC also has statutory obligations under the *Prohibition of Human Cloning for Reproduction Act 2002* and the *Research Involving Human Embryos Act 2002*. NHMRC is a Non-corporate Commonwealth Entity under the *Public Governance, Performance and Accountability Act 2013*.

### 1.2 Entity Resources

Table 1.1 shows the total resources from all sources. The table summarises how resources will be applied by outcome and by administered and departmental classifications.

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<sup>1</sup> The NHMRC Corporate Plan is developed in accordance with Division 3 of the *National Health and Medical Research Council Act 1992*.

**Table 1.1: NHMRC Resource Statement – Budget Estimates for 2015-16 as at Budget May 2015**

	Estimated available appropriation	Estimate of prior year amounts available in	Proposed at Budget	Total estimate
	2014-15 \$'000	2015-16 \$'000	2015-16 \$'000	2015-16 \$'000
<b>Ordinary annual services<sup>1</sup></b>				
<b>Departmental appropriation</b>				
Prior year departmental appropriation <sup>2</sup>	7,943	8,231	-	8,231
Departmental appropriation <sup>3</sup>	42,681	-	44,441	44,441
s74 retained revenue receipts <sup>4</sup>	2,000	-	1,500	1,500
<b>Total</b>	<b>52,624</b>	<b>8,231</b>	<b>45,941</b>	<b>54,172</b>
<b>Administered resources<sup>1</sup></b>				
Outcome 1	905,715	-	840,583	840,583
<b>Total</b>	<b>905,715</b>	<b>-</b>	<b>840,583</b>	<b>840,583</b>
<b>Total ordinary annual services</b>	<b>958,339</b>	<b>8,231</b>	<b>886,524</b>	<b>894,755</b>
<b>Other services - Bill 2<sup>5</sup></b>				
<b>Departmental non-operating</b>				
Equity injections	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total available annual appropriations</b>	<b>958,339</b>	<b>8,231</b>	<b>886,524</b>	<b>894,755</b>
<b>Total appropriations excluding     Special Accounts</b>	<b>958,339</b>	<b>8,231</b>	<b>886,524</b>	<b>894,755</b>
<b>Special Accounts</b>				
Opening balance <sup>6</sup>	134,148	73,716	-	73,716
Appropriation receipts <sup>7</sup>	859,026	-	796,265	796,265
Non-appropriation receipts to Special Accounts	10,600	-	8,000	8,000
<b>Total Special Accounts</b>	<b>1,003,774</b>	<b>73,716</b>	<b>804,265</b>	<b>877,981</b>
<b>Total resourcing</b>	<b>1,962,113</b>	<b>81,947</b>	<b>1,690,789</b>	<b>1,772,736</b>
Less appropriations drawn from annual or special appropriations above and credited to Special Accounts and/or payments to corporate entities through annual appropriations	(859,026)	-	(796,265)	(796,265)
<b>Total net resourcing for NHMRC</b>	<b>1,103,087</b>	<b>81,947</b>	<b>894,524</b>	<b>976,471</b>

All figures are GST exclusive.

1 Appropriation Bill (No. 1) 2015-16.

2 Estimated adjusted balance carried forward from previous year.

3 Includes an amount of \$4.186 million in 2015-16 for the Departmental Capital Budget (refer to Table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

 4 Estimated retained revenue receipts under s74 of the *Public Governance, Performance and Accountability (PGPA) Act 2013*.

5 Appropriation Bill (No. 2) 2015-16.

6 Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.1.

7 Appropriation receipts from NHMRC annual and special appropriations for 2015-16 included above.

### 1.3 Budget Measures

Budget measures relating to NHMRC are detailed in Budget Paper No.2 and are summarised below.

**Table 1.2: NHMRC 2015-16 Budget Measures**

Programme	2014-15	2015-16	2016-17	2017-18	2018-19	
	\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Developing Northern Australia - positioning the north as a leader in tropical health</b>						
National Health and Medical Research Council						
Administered expenses	1.1	-	738	2,101	2,102	1,423
Departmental expenses	1.1	-	197	92	93	94
Australian Trade Commission						
Administered expenses		-	1,025	1,841	2,258	2,046
Departmental expenses		-	352	344	417	222
<b>Total expenses</b>		-	<b>2,312</b>	<b>4,378</b>	<b>4,870</b>	<b>3,785</b>

## Section 2: Outcome and Planned Performance

### 2.1 Outcome and Performance Information

**Improved health and medical knowledge, including through funding research, translating research findings into evidence-based clinical practice, administering legislation governing research, issuing guidelines and advice for ethics in health and the promotion of public health**

#### Outcome Strategy

The Australian Government, through NHMRC, will continue to invest in innovative health and medical research that is undertaken within a well-established ethical framework, to address national health priorities and improve the health status of all Australians.

NHMRC will continue to improve its application and assessment processes for research grants and consider the wider context of its funding schemes to look for further efficiencies and to reduce red tape for the research community.

NHMRC's work will also facilitate the translation of evidence derived from health and medical research into practices and systems designed to prevent illness and improve public health. NHMRC's guidelines and advice will also support the States and Territories in achieving consistent standards in public and environmental health in the detection and prevention of illness.

## NHMRC Budgeted Expenses and Resources

Table 2.1 provides an overview of the total expenses for NHMRC by programme.

**Table 2.1: Budgeted Expenses for NHMRC**

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forward Year 1 \$'000	2017-18 Forward Year 2 \$'000	2018-19 Forward Year 3 \$'000
<b>Programme 1.1: Health and medical research</b>					
Administered expenses					
Ordinary annual services (Appropriation Bill No. 1) to the Medical Research Endowment Account	905,715	840,583	854,109	876,160	888,746
Special accounts Medical Research Endowment Account	(859,026)	(796,265)	(809,005)	(821,865)	(834,935)
Departmental expenses Departmental appropriation <sup>1</sup>	42,722	41,755	39,165	39,423	39,653
Expenses not requiring appropriation in the budget year <sup>2</sup>	2,300	2,300	2,300	2,300	2,300
Operating deficit (surplus)	1,400	-	-	-	-
<b>Total for Programme 1.1</b>	<b>948,869</b>	<b>934,153</b>	<b>920,939</b>	<b>928,283</b>	<b>938,699</b>
<b>Total expenses for Outcome 1</b>	<b>948,869</b>	<b>934,153</b>	<b>920,939</b>	<b>928,283</b>	<b>938,699</b>

	2014-15	2015-16
<b>Average staffing level (number)</b>	200	190

- 1 Departmental appropriation combines "Ordinary annual services (Appropriation Bill No. 1)" and "Revenue from independent sources (s74)".
- 2 Expenses not requiring appropriation in the Budget year is made up of depreciation expense, amortisation expense, makegood expense and audit fees.



## Programme 1.1: Health and Medical Research

### Programme Objectives

#### *Support high quality health and medical research*

The Australian Government, through NHMRC, will continue to invest in Australia's health and medical research sector by awarding grants through several competitive, peer reviewed, funding schemes to support the highest quality research, and the best researchers, in all areas of health.

Commencing in 2015-16, funding will be provided for the NHMRC to support a new collaborative programme in Northern Australia. The programme, which will be undertaken in collaboration with Austrade, will focus on the research of tropical disease and the effective translation of this research into health policy and practice.

#### *Boosting dementia research*

Dementia is the third leading cause of death in Australia and no cure exists. The Australian Government, through NHMRC, will tackle the dementia burden via a series of initiatives to: boost Australia's dementia research capacity; prioritise funding for vital new dementia research projects; and translate research into new treatments and better care for people with dementia. Operating within the NHMRC governance arrangements, the new NHMRC National Institute for Dementia Research will lead this effort, drawing together existing activity and developing a strategic research and translation agenda through identifying national research and translation priorities.

#### *Simplified and consistent health and medical research*

The Australian Government will continue to explore a nationally consistent approach to the upfront site approval of clinical trials. This approach will reduce complexity and accelerate the clinical trials review process in both the public and private health sectors. In 2015-16, the NHMRC will publish a nationally consistent good practice model for research governance of clinical trials, which will be supported by the development of an improved ethics application form.

NHMRC will review the effectiveness of changes made to the Research Grants Management System and the introduction of video conferencing for some grant review panels to ensure an improved and consistent application process as well as a streamlined reporting system.

#### *Support the translation of health and medical research*

NHMRC recognises the importance of reliable and timely evidence for clinicians, consumers and policy makers. In 2015-16, NHMRC will continue to approve high quality guidelines prepared by third parties and maintain its leadership role in guideline development through a programme of work to incorporate greater use of technology in guideline development.

NHMRC will continue to support its Research Translation Faculty, which has been established to assist in the development of evidence-based advice to Government and the public. The Faculty, which is comprised of around 2,900 NHMRC-supported senior researchers, has identified major gaps where strong

research evidence exists, but is not being used in health care policy and practice. In 2015-16, NHMRC will work on action to address these gaps. In 2015-16, NHMRC will also host its fourth Research Translation Faculty Symposium with the aim of helping to build research translation understanding and capability amongst Australia's research community.

In 2015-16, to update current Government advice and in response to community concerns about fluoridation, NHMRC will release for public consultation a draft information paper on the health effects of water fluoridation. Draft guidance on parenting messages to promote children's emotional and social development, and well-being will also be open for public comment.

*Promote the highest ethical standards in health and medical research*

NHMRC promotes high quality ethical standards in research by ensuring that key human research guidelines, the *National Statement on Ethical Conduct in Human Research 2007* (the National Statement),<sup>2</sup> and codes, such as the *Australian Code for the Responsible Conduct of Research 2007* (the Code)<sup>3</sup> remain up-to-date and reflect best practice in the area. In 2015-16, the rolling review of the National Statement will focus on a review of Section 3 (Ethical considerations specific to research methods or fields) and will include a review of current advice on research involving human genetics and clinical trials. The Code will also be reviewed in conjunction with the university and research sectors.

NHMRC will also revise *Part B of the Ethical Guidelines on the use of Assisted Reproductive Technology in Clinical Practice and Research June 2007*<sup>4</sup> and commence a review of two Aboriginal and Torres Strait Islander research ethics guidelines. Work will continue on developing the ethical guidelines for organ transplantation from deceased donors.

NHMRC will continue to administer the *Research Involving Human Embryos Act 2002* (RIHE Act) and the *Prohibition of Human Cloning for Reproduction Act 2002* (PHCR Act). These Acts prohibit certain practices, including human cloning for reproduction, and restrict other practices relating to reproductive technology and research.

NHMRC will continue to encourage the uptake of the national approach to single ethical review within universities and private hospitals.

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<sup>2</sup> Available at: [www.nhmrc.gov.au/guidelines-publications/e72](http://www.nhmrc.gov.au/guidelines-publications/e72)

<sup>3</sup> Available at: [www.nhmrc.gov.au/\\_files\\_nhmrc/publications/attachments/r39.pdf](http://www.nhmrc.gov.au/_files_nhmrc/publications/attachments/r39.pdf)

<sup>4</sup> Available at: [www.nhmrc.gov.au/\\_files\\_nhmrc/publications/attachments/e78.pdf](http://www.nhmrc.gov.au/_files_nhmrc/publications/attachments/e78.pdf)

## Programme 1.1: Deliverables

### Qualitative Deliverables for Programme 1.1

#### Support high quality health and medical research

Qualitative Deliverable	2015-16 Reference Point or Target
Funding provided for high quality research into Australian health problems.	NHMRC will call for applications addressing a defined research topic to stimulate or greatly advance knowledge in a particular area of health and medical science for the benefit of the health of Australians.

#### Boosting dementia research

Qualitative Deliverables	2015-16 Reference Point or Target
Funding provided for large scale research projects in priority areas for dementia.	Undertake additional grant round to support priority research projects.
Identify priorities for dementia research and translation.	Priorities identified by NHMRC National Institute for Dementia Research and accepted by NHMRC in 2015-16.

#### Simplified and consistent health and medical research

Qualitative Deliverable	2015-16 Reference Point or Target
Streamline ethical review and research governance processes for clinical trials.	Implement the Government's initiatives of Simplified and Consistent Health and Medical Research and Accelerating Clinical Trials Reforms.

#### Support the translation of health and medical research

Qualitative Deliverable	2015-16 Reference Point or Target
Approve high quality clinical guidelines prepared by third parties.	Third party guidelines approved by Council and CEO of NHMRC meet quality standards.

## Quantitative Deliverables for Programme 1.1

### Support high quality health and medical research

Quantitative Deliverables	2014-15 Revised Budget	2015-16 Budget Target	2016-17 Forward Year 1	2017-18 Forward Year 2	2018-19 Forward Year 3
Percentage of total Medical Research Endowment Account funding to the NHMRC Project Grant scheme.	50%	50%	50%	50%	50%
Percentage of annual research budget awarded to Indigenous health research.	>5%	>5%	>5%	>5%	>5%

## Programme 1.1: Key Performance Indicators

### Qualitative Key Performance Indicators for Programme 1.1

#### Support high quality health and medical research

Qualitative Indicator	2015-16 Reference Point or Target
Periodic review of established funding schemes to determine strengths and identify where improvements can be made.	Completed reviews are presented to Research Committee for consideration, and implemented according to established timelines.

#### Promote the highest ethical standards in health and medical research

Qualitative Indicators	2015-16 Reference Point or Target
National adoption of the National Approach to Single Ethical Review initiative (formerly known as HoMER).	Monitor the number of human research ethics committees that participate in the National Certifications Scheme Institutional Processes.
Use risk-based approaches to target compliance activities related to RIHE Act and PHCR Act and monitor performance and regulatory outcomes.	Stakeholders demonstrate increased understanding of regulatory requirements as measured by NHMRC assessment of activity reports and inspection outcomes.

## Quantitative Key Performance Indicators for Programme 1.1

### Support the translation of health and medical research

Quantitative Indicator	2014-15 Revised Budget	2015-16 Budget Target	2016-17 Forward Year 1	2017-18 Forward Year 2	2018-19 Forward Year 3
Citation rate of journal articles resulting from NHMRC funded research. <sup>5</sup>	>50%	>50%	>50%	>50%	>50%

### Promote the highest ethical standards in health and medical research

Quantitative Indicator	2014-15 Revised Budget	2015-16 Budget Target	2016-17 Forward Year 1	2017-18 Forward Year 2	2018-19 Forward Year 3
Percentage of institutions maintaining certification requirements. <sup>6</sup>	100%	100%	100%	100%	100%

<sup>5</sup> Bibliographic citations are where a journal article is referenced in a subsequent journal article, indicating some scientific impact of the original work. The citation rate of journal articles resulting from NHMRC funded research (above) is compared to the world citation average, which is determined by dividing the total number of citations by the total number of journal articles published in the world in the same time period.

<sup>6</sup> This Key Performance Indicator has been revised. Institutions have undergone the certification process for their ethics committees. The focus is now on monitoring the maintenance of certification requirements.

## Section 3: Explanatory Tables and Budgeted Financial Statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2015-16 Budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme expenses, movements in administered funds, special accounts and Australian Government Indigenous expenditure.

### 3.1 Explanatory Tables

#### 3.1.1 Movement of Administered Funds Between Years

Section 3.1.1 is not applicable to NHMRC.

#### 3.1.2 Special Accounts

Special accounts provide a means to set aside and record amounts used for specified purposes. Special accounts can be created by a Finance Minister's determination under section 78 of the PGPA Act or under separate enabling legislation (section 80 of the PGPA Act refers). Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by the NHMRC.

**Table 3.1.1: Estimates of Special Account Flows and Balances**

		Opening balance <b>2015-16</b> 2014-15	Appropriation receipts <b>2015-16</b> 2014-15	Other receipts <b>2015-16</b> 2014-15	Payments <b>2015-16</b> 2014-15	Closing balance <b>2015-16</b> 2014-15
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Medical Research	1	<b>73,716</b>	<b>796,265</b>	<b>34,000</b>	<b>871,780</b>	<b>32,201</b>
Endowment Account <sup>1</sup> (A)		134,148	859,026	38,600	958,058	73,716
<b>Total Special Accounts</b>						
<b>2015-16 Estimate</b>		<b>73,716</b>	<b>796,265</b>	<b>34,000</b>	<b>871,780</b>	<b>32,201</b>
<i>Total Special Accounts</i>						
<i>2014-15 estimate actual</i>		134,148	859,026	38,600	958,058	73,716

A = Administered

1 *National Health and Medical Research Council Act 1992 - Section 80 PGPA Act.*

### 3.1.3 Australian Government Indigenous Expenditure (AGIE)

Table 3.1.2: Australian Government Indigenous expenditure

Outcome	Appropriations				Other	Total
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special approp \$'000	Total approp \$'000		
<b>National Health and Medical Research Council</b>						
<b>Outcome 1</b>						
Administered 2015-16	52,402	-	-	52,402	-	52,402
<i>Administered 2014-15</i>	52,895	-	-	52,895	-	52,895
Departmental 2015-16	322	-	-	322	-	322
<i>Departmental 2014-15</i>	317	-	-	317	-	317
Total Outcome 1 2015-16	52,724	-	-	52,724	-	52,724
<i>Total Outcome 1 2014-15</i>	53,212	-	-	53,212	-	53,212
<b>Total Administered 2015-16</b>	<b>52,402</b>	-	-	<b>52,402</b>	-	<b>52,402</b>
<i>Total Administered 2014-15</i>	52,895	-	-	52,895	-	52,895
<b>Total Departmental 2015-16</b>	<b>322</b>	-	-	<b>322</b>	-	<b>322</b>
<i>Total Departmental 2014-15</i>	317	-	-	317	-	317
<b>Total AGIE 2015-16</b>	<b>52,724</b>	-	-	<b>52,724</b>	-	<b>52,724</b>
<i>Total AGIE 2014-15</i>	53,212	-	-	53,212	-	53,212

## **3.2 Budgeted Financial Statements**

### **3.2.1 Differences in Entity Resourcing and Financial Statements**

Section 3.2.1 is not applicable to NHMRC.

### **3.2.2 Analysis of Budgeted Financial Statements**

An analysis of NHMRC's budget financial statements for 2015-16 is provided below.

#### **Departmental Resources**

##### **Comprehensive Income Statement (showing net cost of services)**

Revenue and expenditure for 2015-16 is expected to be in line with Government forecasts, with Employee expenses to be 54 per cent of total expenditure.

##### **Balance Sheet**

Assets include purchase of intangibles (\$4.016 million) in 2015-16, relating to the 2014-15 Budget measure '*Simplified and consistent health and medical research*'.

##### **Administered Resources**

The Administered accounts are used as a mechanism to transfer most of the funds to NHMRC's Special Account (Medical Research Endowment Account). In 2015-16, the transfer to the Special Account is expected to be \$796.265 million.

Expenditure in 2015-16 is expected to be greater than the Administered Appropriation and funds will be drawn down from the Medical Research Endowment Account.



### 3.2.3 Budgeted Financial Statements Tables

**Table 3.2.1: Comprehensive Income Statement (showing net cost of services) for the period ended 30 June**

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
<b>EXPENSES</b>					
Employee benefits	24,929	23,926	22,501	22,023	21,783
Supplier expenses	19,273	17,909	16,744	17,480	17,950
Depreciation and amortisation	2,200	2,200	2,200	2,200	2,200
Finance costs	20	20	20	20	20
<b>Total expenses</b>	<b>46,422</b>	<b>44,055</b>	<b>41,465</b>	<b>41,723</b>	<b>41,953</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	2,000	1,500	1,500	1,500	1,500
<b>Total revenue</b>	<b>2,000</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Gains</b>					
Other	100	100	100	100	100
<b>Total gains</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>Total own-source income</b>	<b>2,100</b>	<b>1,600</b>	<b>1,600</b>	<b>1,600</b>	<b>1,600</b>
<b>Net cost of (contribution by) services</b>	<b>44,322</b>	<b>42,455</b>	<b>39,865</b>	<b>40,123</b>	<b>40,353</b>
Revenue from Government	40,722	40,255	37,665	37,923	38,153
<b>Surplus (Deficit)</b>	<b>(3,600)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>(3,600)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Changes in asset revaluation reserves	-	-	-	-	-
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income attributable to the Australian Government</b>	<b>(3,600)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>
<b>Note: Reconciliation of comprehensive income attributable to the agency</b>					
	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
<b>Total comprehensive income (loss) attributable to the Australian Government</b>	<b>(3,600)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>	<b>(2,200)</b>
plus non-appropriated expenses depreciation and amortisation expenses	2,200	2,200	2,200	2,200	2,200
<b>Total comprehensive income (loss) attributable to the agency</b>	<b>(1,400)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Table 3.2.2: Budgeted Departmental Balance Sheet (as at 30 June)**

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and cash equivalents	503	503	503	503	503
Receivables	7,867	8,839	9,382	9,409	9,439
<b>Total financial assets</b>	<b>8,370</b>	<b>9,342</b>	<b>9,885</b>	<b>9,912</b>	<b>9,942</b>
<b>Non-financial assets</b>					
Property, plant and equipment	5,646	4,246	2,846	1,446	222
Inventories	280	280	280	280	280
Intangibles	5,492	8,878	8,251	7,626	6,826
Other	1,135	1,135	1,135	1,135	1,135
<b>Total non-financial assets</b>	<b>12,553</b>	<b>14,539</b>	<b>12,512</b>	<b>10,487</b>	<b>8,463</b>
<b>Total assets</b>	<b>20,923</b>	<b>23,881</b>	<b>22,397</b>	<b>20,399</b>	<b>18,405</b>
<b>LIABILITIES</b>					
<b>Payables</b>					
Suppliers	2,695	2,645	2,445	2,394	2,384
Other payables	544	845	652	652	652
<b>Total payables</b>	<b>3,239</b>	<b>3,490</b>	<b>3,097</b>	<b>3,046</b>	<b>3,036</b>
<b>Provisions</b>					
Employees	6,671	5,900	5,789	5,103	4,978
Other provisions	623	649	676	683	689
<b>Total provisions</b>	<b>7,294</b>	<b>6,549</b>	<b>6,465</b>	<b>5,786</b>	<b>5,667</b>
<b>Total liabilities</b>	<b>10,533</b>	<b>10,039</b>	<b>9,562</b>	<b>8,832</b>	<b>8,703</b>
<b>Net Assets</b>	<b>10,390</b>	<b>13,842</b>	<b>12,835</b>	<b>11,567</b>	<b>9,702</b>
<b>EQUITY</b>					
Contributed equity	7,316	11,502	10,560	10,735	10,911
Reserves	73	73	73	73	73
Retained surpluses or accumulated deficits	3,001	2,267	2,202	759	(1,282)
<b>Total equity</b>	<b>10,390</b>	<b>13,842</b>	<b>12,835</b>	<b>11,567</b>	<b>9,702</b>

**Table 3.2.3: Departmental Statement of Changes in Equity — summary of movement (Budget year 2015-16)**

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2015</b>				
Balance carried forward from previous period	3,001	73	7,316	<b>10,390</b>
Surplus (deficit) for the period	(2,200)	-	-	<b>(2,200)</b>
Appropriation (equity injection)	-	-	-	-
Capital budget - Bill 1 (DCB)	-	-	4,186	<b>4,186</b>
Other movements	1,466	-	-	<b>1,466</b>
<b>Estimated closing balance as at 30 June 2016</b>				
	<b>2,267</b>	<b>73</b>	<b>11,502</b>	<b>13,842</b>

DCB = Departmental Capital Budget.

**Table 3.2.4: Budgeted Departmental Statement of Cash Flows  
(for the period ended 30 June)**

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	2,000	1,500	1,500	1,500	1,500
Appropriations	40,412	39,867	36,805	37,923	38,153
Net GST received	1,500	1,500	1,500	1,500	1,500
<b>Total cash received</b>	<b>43,912</b>	<b>42,867</b>	<b>39,805</b>	<b>40,923</b>	<b>41,153</b>
<b>Cash used</b>					
Employees	24,364	22,929	22,850	23,549	24,078
Suppliers	19,548	19,938	16,955	17,374	17,075
<b>Total cash used</b>	<b>43,912</b>	<b>42,867</b>	<b>39,805</b>	<b>40,923</b>	<b>41,153</b>
<b>Net cash from (or used by) operating activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment	1,959	4,186	173	175	176
<b>Total cash used</b>	<b>1,959</b>	<b>4,186</b>	<b>173</b>	<b>175</b>	<b>176</b>
<b>Net cash from (or used by) investing activities</b>	<b>(1,959)</b>	<b>(4,186)</b>	<b>(173)</b>	<b>(175)</b>	<b>(176)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Capital budget - Bill 1 (DCB)	1,959	4,186	173	175	176
<b>Total cash received</b>	<b>1,959</b>	<b>4,186</b>	<b>173</b>	<b>175</b>	<b>176</b>
<b>Net cash from (or used by) financing activities</b>	<b>1,959</b>	<b>4,186</b>	<b>173</b>	<b>175</b>	<b>176</b>
<b>Net increase (or decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at the beginning of the reporting period	503	503	503	503	503
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>503</b>	<b>503</b>	<b>503</b>	<b>503</b>	<b>503</b>

DCB = Departmental Capital Budget.

**Table 3.2.5: Departmental Capital Budget Statement (for the period ended 30 June)**

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Capital budget - Bill 1 (DCB)	1,959	4,186	173	175	176
Equity injections - Bill 2	-	-	-	-	-
<b>Total capital appropriations</b>	<b>1,959</b>	<b>4,186</b>	<b>173</b>	<b>175</b>	<b>176</b>
<b>Total new capital appropriations represented by:</b>					
Purchase of non-financial assets	1,959	4,186	173	175	176
<b>Total items</b>	<b>1,959</b>	<b>4,186</b>	<b>173</b>	<b>175</b>	<b>176</b>
<b>PURCHASE OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations - equity injection <sup>1</sup>	-	-	-	-	-
Funded by capital appropriation - DCB <sup>2</sup>	1,959	4,186	173	175	176
Funded internally from departmental resources	-	-	-	-	-
<b>Total acquisitions of non-financial assets</b>	<b>1,959</b>	<b>4,186</b>	<b>173</b>	<b>175</b>	<b>176</b>
<b>RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE</b>					
<b>Total purchases</b>	<b>1,959</b>	<b>4,186</b>	<b>173</b>	<b>175</b>	<b>176</b>
<b>Total cash used to acquire assets</b>	<b>1,959</b>	<b>4,186</b>	<b>173</b>	<b>175</b>	<b>176</b>

DCB = Departmental Capital Budget.

- 1 Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.
- 2 Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets.

**Table 3.2.6: Statement of Asset Movements (Budget year 2015-16)**

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 July 2015</b>				
Gross book value	-	12,132	10,470	<b>22,602</b>
Accumulated depreciation/amortisation and impairment	-	(6,486)	(4,978)	<b>(11,464)</b>
<b>Opening net book balance</b>	<b>-</b>	<b>5,646</b>	<b>5,492</b>	<b>11,138</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
By purchase - appropriation equity	-	-	-	-
By purchase - appropriation ordinary annual services	-	-	4,186	<b>4,186</b>
By purchase - internal resources	-	-	-	-
<b>Total additions</b>	<b>-</b>	<b>-</b>	<b>4,186</b>	<b>4,186</b>
<b>Other movements</b>				
Depreciation/amortisation expense	-	(1,400)	(800)	<b>(2,200)</b>
<b>Total other movements</b>	<b>-</b>	<b>(1,400)</b>	<b>(800)</b>	<b>(2,200)</b>
<b>As at 30 June 2016</b>				
Gross book value	-	12,132	14,656	<b>26,788</b>
Accumulated depreciation/amortisation and impairment	-	(7,886)	(5,778)	<b>(13,664)</b>
<b>Closing net book balance</b>	<b>-</b>	<b>4,246</b>	<b>8,878</b>	<b>13,124</b>

**Table 3.2.7: Schedule of Budgeted Income and Expenses Administered on Behalf of Government (for the period ended 30 June)**

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Recoveries	7,000	5,000	5,000	5,000	5,000
Other non-tax revenue	3,600	3,000	3,000	3,000	3,000
<b>Total income administered on behalf of Government</b>	<b>10,600</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>	<b>8,000</b>
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants - MREA	855,758	845,780	834,370	832,265	842,935
Grants - dementia	32,000	31,000	31,000	40,000	40,000
Grants - other	12,377	12,303	13,851	14,039	13,550
Suppliers	2,312	1,015	253	256	261
<b>Total expenses administered on behalf of Government</b>	<b>902,447</b>	<b>890,098</b>	<b>879,474</b>	<b>886,560</b>	<b>896,746</b>

MREA = Medical Research Endowment Account

**Table 3.2.8: Schedule of Budgeted Assets and Liabilities Administered on Behalf of Government (as at 30 June)**

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	-	-	-	-	-
Receivables	2,516	2,516	2,516	2,516	2,516
<b>Total financial assets</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>
<b>Total assets administered on behalf of Government</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Grants	12,673	10,673	10,673	10,673	23,910
Other	256	256	256	256	256
<b>Total payables</b>	<b>12,929</b>	<b>10,929</b>	<b>10,929</b>	<b>10,929</b>	<b>24,166</b>
<b>Total liabilities administered on behalf of Government</b>	<b>12,929</b>	<b>10,929</b>	<b>10,929</b>	<b>10,929</b>	<b>24,166</b>

**Table 3.2.9: Schedule of Budgeted Administered Cash Flows (for the period ended 30 June)**

	Estimated actual 2014-15 \$'000	Budget estimate 2015-16 \$'000	Forward estimate 2016-17 \$'000	Forward estimate 2017-18 \$'000	Forward estimate 2018-19 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Cash Received - Other	10,600	8,000	8,000	8,000	8,000
Net GST received	28,000	26,000	26,000	26,000	26,000
<b>Total cash received</b>	<b>38,600</b>	<b>34,000</b>	<b>34,000</b>	<b>34,000</b>	<b>34,000</b>
<b>Cash used</b>					
Grant payments - MREA	930,101	845,780	834,370	832,265	842,935
Grant payments - dementia	32,000	31,000	31,000	40,000	40,000
Grant payments - other	12,377	12,303	13,851	14,039	13,550
Suppliers	2,312	1,015	253	256	261
Net GST paid	28,000	26,000	26,000	26,000	26,000
<b>Total cash used</b>	<b>1,004,790</b>	<b>916,098</b>	<b>905,474</b>	<b>912,560</b>	<b>922,746</b>
<b>Net cash from (or used by) operating activities</b>	<b>(966,190)</b>	<b>(882,098)</b>	<b>(871,474)</b>	<b>(878,560)</b>	<b>(888,746)</b>
<b>Net increase (or decrease) in cash held</b>	<b>(966,190)</b>	<b>(882,098)</b>	<b>(871,474)</b>	<b>(878,560)</b>	<b>(888,746)</b>
Cash at beginning of reporting period	43	-	-	-	-
Cash from Official Public Account for: - appropriations	966,147	882,098	871,474	878,560	888,746
<b>Cash at end of reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

MREA = Medical Research Endowment Account