

AUSTRALIAN NUCLEAR SCIENCE AND TECHNOLOGY ORGANISATION

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AUSTRALIAN NUCLEAR SCIENCE AND TECHNOLOGY ORGANISATION

Section 1: Overview

The Australian Nuclear Science and Technology Organisation (ANSTO) is Australia's national nuclear organisation and the centre of Australian nuclear expertise. The role of ANSTO includes:

- to provide the Government with expert scientific and technical advice across the nuclear fuel cycle – including regarding international developments, radioactive waste management, reactor operations, and the safeguarding of nuclear material;
- to support Australia's national strategic and nuclear policy objectives, including promoting appropriate nuclear-related guidelines and practices nationally and internationally;
- to operate nuclear science and technology based facilities in Australia and overseas for the benefit of industry and the Australian research and development community, including higher education students and staff in higher education;
- to undertake research on specific topics to advance the understanding of nuclear science and the nuclear fuel cycle;
- to undertake focussed research and development and other scientific activities using its technologies and other relevant, unique capabilities;
- to apply nuclear science, techniques and expertise to address Australia's environmental challenges and increase the competitiveness of Australian industry; and
- to manufacture and advance the use of radiopharmaceuticals which will improve the health of Australians.

ANSTO has a rigorous process to identify opportunities where its expertise, services, research and capabilities can add value; to manage its activities; and to capture value through, most notably, commercialisation. This process involves working with customers and potential users from the earliest stages, and extensive collaboration with researchers in Australia and internationally.

Table 1.1: Agency outcomes and output groups

Outcome	Description	Output groups
<p>Outcome 1 Nuclear-based infrastructure</p>	<p>The replacement research reactor is operational and providing improved core nuclear facilities for industrial and R&D applications during 2006.</p>	<p>Output Group 1.1 Effective management for the design and construction of the replacement research reactor.</p>
<p>Outcome 2 Disposition of Spent Fuel</p>	<p>Removal of spent fuel from the ANSTO site in line with stringent safety arrangements and community views.</p>	<p>Output Group 2.1 A programme of shipments for reprocessing of all High Flux Australian Reactor (HIFAR) spent fuel in place</p>
<p>Outcome 3 Science and Technology Solutions</p>	<p>Timely delivery of valued nuclear-related scientific and technical advice services and products to Government and other stakeholders.</p>	<p>Output Group 3.1 Management of core nuclear facilities, providing Australia with nuclear capability and credibility from which socio-economic benefits flow to Australia, the R&D community and industry.</p> <p>Output Group 3.2 Expert scientific and technical services for, and on behalf of, Government in support of Australia's national and international strategic and nuclear policy objectives.</p> <p>Output Group 3.3 The acquisition of knowledge, through research, and its utilisation, through innovation, to advance the beneficial applications of nuclear science and technology to problems of environmental, medical, social and industrial importance.</p> <p>Output Group 3.4 Science and technology services to industry and the Australian research and development community, including training of students in nuclear science and technology and its applications.</p> <p>Output Group 3.5 Regular production and sale of radiopharmaceuticals and radioisotopes for medical and industrial applications and other services, through designated business units.</p> <p>Output Group 3.6 The exploitation of ANSTO's intellectual and physical assets.</p>

Section 2: Resources for 2006-07

2.1 APPROPRIATIONS AND OTHER RESOURCES

Table 2.1 shows the total resources from all origins for 2006-07, including appropriations. The table summarises how resources will be applied by outcome and departmental classification. There are no administered appropriations for ANSTO.

The total appropriation for ANSTO in the 2006-07 Budget is \$129.653 million.

Table 2.1: Appropriations and other resources 2006-07¹ ('000)

Outcome	Appropriations			Receipts	Total
	Bill No. 1 \$'000	Bill No. 2 ² \$'000	Special ³ \$'000	(a)	\$'000
Outcome 1 Nuclear-based Infrastructure					
Departmental					0
Outcome 2 Disposition of Spent Fuel					
Departmental	10,260				10,260
Outcome 3 Science and Technology Solutions					
Departmental	119,393			42,592	161,985
Total	129,653			42,592	172,245

¹ This table has been redesigned to correspond with Budget Paper No. 4 'Agency Resourcing'. It now includes (where appropriate) administered revenue from other sources.

² Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), new agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.

³ Estimated expenses from individual Special Appropriations are shown at Section 3, Tables 3.1, etc.

(a) Departmental and administered receipts from other sources (i.e. other than appropriation amounts) that are available to be used.

Note: Refer to Budgeted Income Statement for application of agency revenue.

2.2 2006-07 BUDGET MEASURES

Budget measures relating to ANSTO as explained in Budget Paper No. 2 are summarised in Table 2.2. The table also identifies the relevant outcomes and outputs associated with each measure.

Table 2.2 Agency measures

Measure	Output groups affected	Approp Budget	Approp Forward Estimate	Approp Forward Estimate	Approp Forward Estimate
		2006-07	2007-08	2008-09	2009-10
		\$'000	\$'000	\$'000	\$'000
		Dept output	Dept output	Dept output	Dept output
Expense Measure <u>Outcome 3</u> National Security – improving nuclear and radiological security ¹	3.2	438	539	458	563

1. Cross portfolio measure

2.3 OTHER RESOURCES AVAILABLE TO BE USED

Table 2.3 provides details of resources obtained by ANSTO for provision of goods or services. These resources are approved for use by ANSTO and are included in Table 2.1.

Table 2.3: Other resources available to be used¹

	Estimated Receipts 2005-06 \$'000	Budget Estimate 2006-07 \$'000
Departmental other resources		
Sale of goods and services	37,000	39,375
Interest	3,000	2,500
Net gains – asset sales/foreign exchange	722	717
Total departmental other resources available to be used	40,722	42,592

1. This table replaces the former table 'Receipts from other sources'. It represents own source receipts available for spending on departmental purposes.

2.4 MOVEMENT OF ADMINISTERED FUNDS FROM 2005-06 TO 2006-07

Table 2.4: Movement of administered funds from 2005-06 to 2006-07

ANSTO has no administered funds therefore Table 2.4 is not presented.

2.5 SPECIAL APPROPRIATIONS

Table 2.5: Estimates of expenses from special appropriations

ANSTO has no special appropriations therefore Table 2.5 is not presented.

2.6 SPECIAL ACCOUNTS

Table 2.6: Estimates of special account flows and balances

ANSTO has no special accounts therefore Table 2.6 is not presented.

2.7 ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

ANSTO has no departmental equity injections in 2006-07. 2005-06 was the final year of equity injection funding for the construction of the OPAL reactor.

Section 3: Outcomes

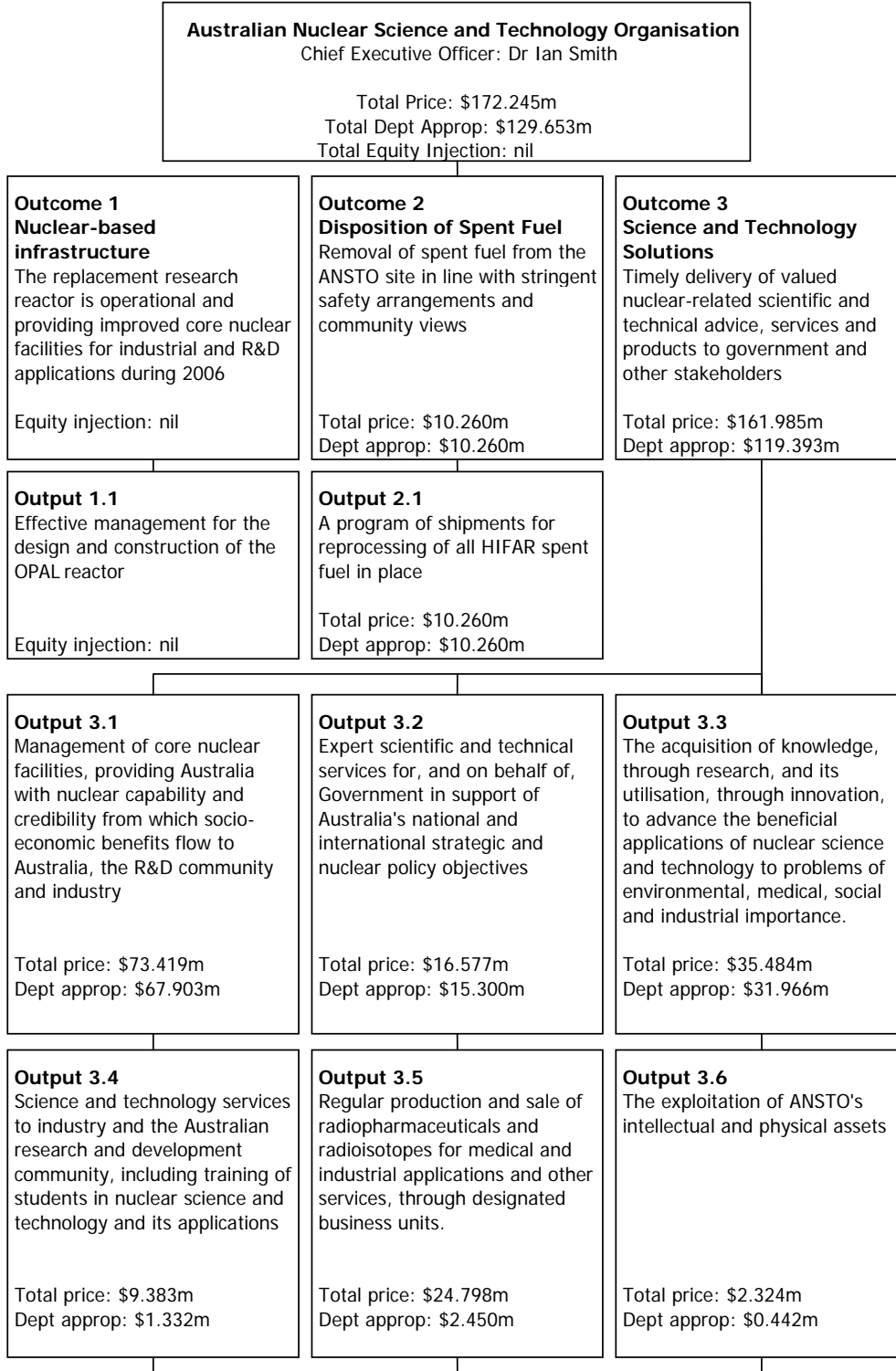
This section explains how the resources identified in Section 2 will be used to deliver outputs to contribute to the three outcomes for ANSTO.

3.1 SUMMARY OF OUTCOMES AND CONTRIBUTION TO OUTCOMES

The Organisation's outputs are managed using well developed project management systems and an Enterprise Resource Planning (ERP) system based model is used for the allocation of overheads and expenses.

The relationship between activities of ANSTO and the outcomes is summarised in Figure 4 on the following page.

Figure 4: Contributions to outcomes

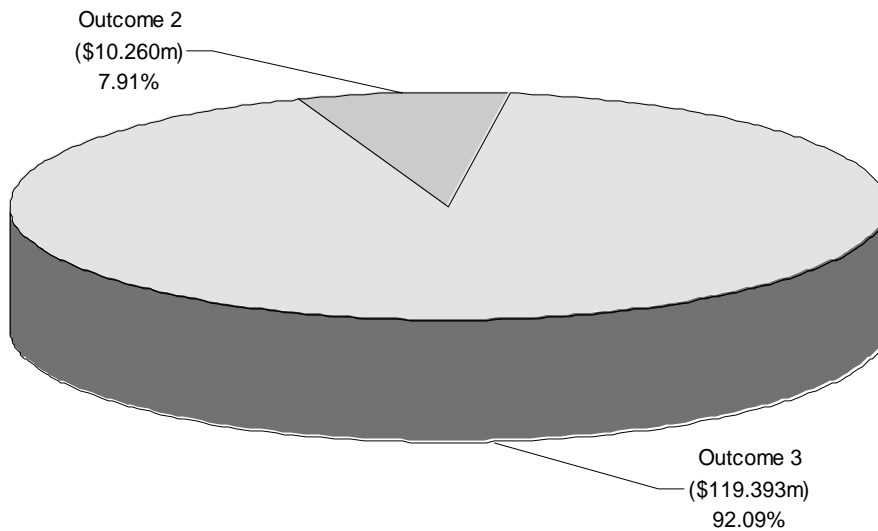


3.2 OUTCOMES — DEPARTMENTAL AND ADMINISTERED

Departmental appropriations by outcome

Figure 5 shows Departmental appropriations of \$129.653 million by outcome for 2006-07. ANSTO has no administered appropriations.

Figure 5: Departmental appropriations by outcome, 2006-07



Note: Outcome 1 is funded by equity injection and is therefore excluded from the above graph and the following table.

Departmental appropriations by outcome for forward years

	2007-08 \$'000	2008-09 \$'000	2009-10 \$'000
Outcome 2	602	11,032	509
%	0.50%	8.24%	0.41%
Outcome 3	120,494	122,894	124,488
%	99.50%	91.76%	99.59%
Total	121,096	133,926	124,997

Administered appropriations by outcome

Figure 6: Administered appropriations by outcome, 2006-07

ANSTO has no administered appropriations therefore Figure 6 is not presented.

3.3 OUTCOMES AND PERFORMANCE

OUTCOME 1: Nuclear-based Infrastructure

Through ANSTO, the Government is providing access to nuclear-based facilities in Australia and overseas for the benefit of industry and the Australian research and development community. The major such facility is a nuclear research reactor (OPAL) for strategic, industrial, environmental and research purposes, and manufacture of nuclear medicines and other forms of radioisotopes.

Appropriations for Outcome 1 cover the acquisition of the OPAL reactor in order to provide strategic nuclear expertise, accommodate a range of advanced scientific and industrial applications and secure a sufficient supply of radioisotopes for health care and industrial applications over the next 40 to 50 years. It also covers funding for ANSTO's contract management component for the project.

Outcome 1 resourcing

Table 3.1.1 shows how the 2006-07 Budget appropriations translate to total resourcing for outcome 1, including revenue from Government (appropriation), revenue from other sources, and the total price of outputs.

Table 3.1.1: Total resources for Outcome 1 (\$'000)

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000
Departmental appropriations		
Output Group 1.1 – Effective management for the design and construction of the replacement research reactor		
Total revenue from government (appropriations) contributing to price of departmental outputs	0	0
Total revenue from other sources	0	0
Total resources (Total revenue from government and from other sources)	0	0
Total estimated resourcing for Outcome 1 (Total price of outputs and administered appropriations)	0	0
	2005	2006
Average staffing level (number)	15	23

Funding for this outcome is provided by Equity Injection.

Measures affecting Outcome 1

There are no measures affecting Outcome 1.

Performance information for Outcome 1

A detailed project management schedule has been developed that embraces external factors in relation to Government and contractor interaction as well as internal factors in relation to the management procedure.

The following table lists the performance information that ANSTO will use to assess the level of its achievements of Outcome 1 during 2006-07.

Table 3.2.1: Performance information for Outcome 1

Output	Performance Indicator
The replacement research reactor is operational and providing improved core nuclear facilities for medical, industrial and R&D applications during 2006-07	Level of compliance with project plan and achievement of specific milestones: <ul style="list-style-type: none"> - On time, to the extent within ANSTO's control and; - Within budget, to the extent within ANSTO's control
Performance indicators for individual outputs	
Output 1.1 Effective contract management for the design and construction of the OPAL reactor.	<ul style="list-style-type: none"> - Complete Stage B commissioning (July 2006) - Complete Stage C commissioning (August 2006) - Complete performance demonstration and commence normal operation (January 2006)

Evaluations for Outcome 1

The effective contract management of construction and commissioning of the OPAL reactor in line with agreed schedules.

OUTCOME 2: Disposition of Spent Fuel

Spent fuel from the High Flux Australian Reactor (HIFAR) research reactor has been stored in a safe, interim storage facility at Lucas Heights. Disposition of the inventory of spent fuel arising over the lifetime of HIFAR has been made possible through allocated Government funding for this purpose.

Appropriations for Outcome 2 covers removal of spent fuel from the ANSTO site in line with stringent safety arrangements and community views.

Outcome 2 resourcing

Table 3.1.2 shows how the 2006-07 budget appropriations translate to total resourcing for Outcome 2, including revenue from Government (appropriation), revenue from other sources, and the total price of outputs.

Table 3.1.2: Total resources for Outcome 2 (\$'000)

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000
Departmental appropriations		
Output Group 2.1 – A programme of shipments for reprocessing of all HIFAR spent fuel in place.	316	10,260
Total revenue from government (appropriations) contributing to price of departmental outputs	316	10,260
Total revenue from other sources	0.0	0.0
Total resources (Total revenue from government and from other sources)	316	10,260
Total estimated resourcing for Outcome 2 (Total price of outputs and administered appropriations)	316	10,260
	2005-06	2006-07
Average staffing level (number)	3	3

Measures affecting Outcome 2

There are no measures affecting Outcome 2.

Performance information for Outcome 2

The project involves extensive consultation with a range of regulatory authorities and contracting organisations.

The following table lists the performance information that ANSTO will use to assess the level of its achievements of Outcome 2 during 2006-07.

Table 3.2.2: Performance information for Outcome 2

Output	Performance Indicator
Removal of spent fuel from the ANSTO site in line with stringent safety arrangements and community views.	Safety procedures adhered to fully and shipments on time and within budget.
Performance indicators for individual outputs	
Output 2.1 A programme of shipments for reprocessing of all HIFAR spent fuel in place.	<ul style="list-style-type: none"> - An eighth shipment of HIFAR and Moata spent fuel is on schedule for late 2006. - Planning has commenced for the ninth and final shipment to take place in 2009.

Evaluations for Outcome 2

The removal of spent fuel from the ANSTO site in accordance with agreed schedules and stringent safety arrangements.

OUTCOME 3: Science and Technology Solutions

ANSTO develops and provides science and technology solutions that encourage innovation in Australia, support national interests, and meet community and industrial needs for medical, environmental and industrial radioisotopes.

To deliver the Outcome ANSTO will:

- provide timely delivery of valued scientific advice for and on behalf of Government and to other customers and stakeholders;
- fulfil Australia's national and international nuclear obligations and advance Australia's international interests through the application of nuclear science and technology;
- operate, maintain and enhance national nuclear science and technology based facilities and associated infrastructure to produce high quality research, products and services, and to make these facilities available to the Australian research and development community;
- generate and apply new knowledge in selected research areas in nuclear science, the nuclear fuel cycle and related technologies, and utilising ANSTO's unique nuclear-based capabilities;
- focus on business opportunities where innovative solutions or technologies can generate economic, environmental or social benefits;
- seek and foster collaborations that will contribute to the generation of knowledge, commercialisation and Australia's strategic interests;
- empower and motivate staff to be at the cutting edge of their disciplines, pursue research excellence, and be able to adjust to new ideas and information in an evolving internal and external environment; and
- embrace continuous improvement and efficiency in business management.

Outcome 3 resourcing

Table 3.1.3 shows how the 2006-07 Budget appropriations translate to total resourcing for Outcome 3, including revenue from Government (appropriation), revenue from other sources, and the total price of outputs.

Table 3.1.3: Total resources for Outcome 3 (\$'000)

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000
Departmental appropriations		
Output 3.1 – Management of core nuclear facilities, providing Australia with nuclear capability and credibility from which socio-economic benefits flow to Australia, the R&D community and industry.	67,175	67,903
Output 3.2 – Expert scientific and technical services for and on behalf of, Government in support of Australia's national and international strategic and nuclear policy objectives.	15,026	15,300
Output 3.3 – The acquisition of knowledge, through research, and its utilisation, through innovation, to advance the beneficial applications of nuclear science and technology to problems of environmental, medical, social and industrial importance.	31,393	31,966
Output 3.4 – Science and technology services to industry and the Australian research and development community, including training of students in nuclear science and technology and its applications.	1,308	1,332
Output 3.5 – Regular production and sale of radiopharmaceuticals and radioisotopes for medical and industrial applications and other services, through designated business units.	2,000	2,450
Output 3.6 – The exploitation of ANSTO's intellectual and physical assets.	350	442
Total revenue from government (appropriations) contributing to price of departmental outputs	117,252	119,393
Other resources available to be used		
Output 3.1 –	5,096	5,516
Output 3.2 –	1,221	1,277
Output 3.3 –	3,364	3,518
Output 3.4 –	7,602	8,051
Output 3.5 –	21,640	22,348
Output 3.6 –	1,799	1,882
Total revenue from other sources	40,722	42,592
Total resources (Total revenue from government and from other sources)	157,974	161,985
Total estimated resourcing for Outcome 3 (Total price of outputs and administered appropriations)	157,974	161,985
	2005	2006
Average staffing level (number)	832	834

Measures affecting Outcome 3

National security – improving nuclear and radiological security

Expense (\$m)	2006-07	2007-08	2008-09	2009-10
Australian Nuclear Science and Technology Organisation	0.438	0.539	0.458	0.563

Performance information for Outcome 3

ANSTO has developed a value-driven framework to ensure that delivery of specified outputs meets or exceeds anticipated requirements of customers, and opens up opportunities for the further generation of new knowledge, and the growth of knowledge-based enterprises and industries in Australia. Activities are classified as recurrent activities, such as reactor operation and meeting regulatory requirements, or as projects, most notably research and capital investment projects that operate for a limited period. Each activity has defined performance indicators relevant to its objectives, and these indicators are aggregated into output categories.

ANSTO operates within a set of performance indicators agreed with Government to provide an insight into its overall effectiveness and success in achieving the science and technology solutions outcome. Performance indicators are defined as part of the Triennium Funding Agreement that ANSTO has with the Minister for Education, Science and Training, and the Minister for Finance and Administration. ANSTO reports against those indicators in its Annual Report. The current Triennium Funding Agreement commenced in 2004-05, in which ANSTO brought its triennium funding agreement performance indicators into line with its performance indicators for Outcome 3. ANSTO also reports on its implementation of National Research Priorities and commercialisation.

Table 3.2.3 lists the performance information that ANSTO will use to assess the level of its achievements of Outcome 3 during 2006-07.

Table 3.2.3: Performance information for Outcome 3

Output	Performance Indicator
Output 3.1 Management of core nuclear facilities, providing Australia with nuclear capability and credibility from which socio-economic benefits flow to Australia, the R&D community and industry.	<ul style="list-style-type: none"> - Research reactor availability. - Reactor beamline usage. - Accelerator usage.
Output 3.2 Expert scientific and technical services for, and on behalf of, Government, in support of Australia's national and international strategic and nuclear policy objectives.	<ul style="list-style-type: none"> - Leadership role in national and international fora and networked organisations. - Person-years by staff on projects that have as a primary objective providing advice to government.
Output 3.3 The acquisition of knowledge, through research, and its utilisation, through innovation, to advance the beneficial applications of nuclear science and technology to problems of environmental, medical, social and industrial importance.	<ul style="list-style-type: none"> - Publication and conference papers – quantity. - Number of collaborations in research projects. - New inventions per year.
Output 3.4 Science and technology services to industry and the Australian research and development community, including training of students in nuclear science and technology and its applications.	<ul style="list-style-type: none"> - Number of postgraduates and undergraduates supervised. - External earnings from services and contract research. - External earnings from training courses.
Output 3.5 Regular production and sale of radiopharmaceuticals and radioisotopes for medical and industrial applications and other services, through designated business units.	<ul style="list-style-type: none"> - Radioisotope sales. - Radiopharmaceutical doses to patients. - Export sales.
Output 3.6 The exploitation of ANSTO's intellectual and physical assets.	<ul style="list-style-type: none"> - Intellectual property being commercialised. - External earnings from land management, CSIRO site support.

ANSTO employs rigorous business planning and activity approval processes when deciding what activities it will undertake in any given year. The underpinning processes are certified under the ISO 9001-2000 standard. Factors considered when assessing the proposal for a new activity, typically a research project or capital investment project, include ANSTO's charter as defined in the Australian Nuclear Science and Technology Organisation Act 1987; its vision and mission; its strategic directions; and resources required to deliver the activity's objectives.

ANSTO is advised on the relevance, quality and commercial potential of ANSTO's research by an external Technical Advisory Committee that reports to its Board and by external expert committees that review its four research institutes. These committees draw on science and technology leaders from the academic, industrial and scientific communities in Australia and overseas. This external advice, combined with ANSTO's research planning process ensures a balanced portfolio of research projects through which ANSTO believes it can maximise its potential to deliver socio-economic benefits to Australia with the resources it has available.

Performance in terms of producing outputs by specified target dates for each activity and the achievement of outputs is monitored through monthly monitoring, quarterly reporting and annual reviews.

ANSTO has a customer satisfaction process that has been developed to meet requirements of regulators such as the Therapeutic Goods Administration as well as ANSTO customers and end-users and the requirements of ISO 9001.

Evaluations for Outcome 3

The effectiveness of ANSTO in delivering Government outcomes is illustrated in the ANSTO Annual Report, which includes performance against its indicators in the Triennium Funding Agreement. These indicators supplement reports of the achievements of specific research projects, which represent the most direct outcomes of ANSTO's scientific and technological activities.

ANSTO is currently undertaking research performance assessment, as required under its Triennium Funding Agreement. This assessment will support the objectives of the Government's Research Quality Framework that is being developed.

Section 4: Other reporting requirements

4.1 PURCHASER-PROVIDER ARRANGEMENTS

ANSTO has no Purchaser-provider arrangements with any other agency.

4.2 COST RECOVERY ARRANGEMENTS

ANSTO has some small cost recovery activities mainly relating to management of access to major infrastructure at ANSTO and overseas, to services for international organisations and technical assistance to regional countries. These services are done on a cost recovery basis with estimated revenue of \$6.3 million in 2005-06. In relation to the cost recovery activities the method of recovery is fee for service. Direct labour and materials costs are identified by activity and charges also incorporate the costs of ANSTO direct and indirect overheads. However its major commercial activities are more appropriately covered by competitive neutrality (CN) considerations.

Summary of cost recovery impact statement

ANSTO prepared a Cost Recovery Impact Statement (CRIS) for consideration in the March 2006 Expenditure Review Committee process as per the timetable published by the Department of Finance and Administration in Finance Circular 2005/09 titled Australian Cost Recovery Guidelines dated 21 July 2005.

The outcome-output framework provides the context for the CRIS. Under the outcome-output framework, ANSTO is funded through three outcomes. Outcome 1 is for the construction of ANSTO's new research reactor, OPAL. Outcome 2 is for the disposition of spent fuel from the current reactor, HIFAR. Both these outcomes have only one output and neither involve cost recovery or competitive neutrality issues. Outcome 3 has six separate outputs and is the focus of this CRIS.

Agency Budget Statements — Other reporting requirements — ANSTO

ANSTO's vision and mission are set out in its Strategic Directions document, approved by the Minister. Two key parts of its mission are relevant to this CRIS in that they generate most of the revenues. These are:

1. Apply nuclear science, techniques and expertise to address Australia's environmental challenges and increase the competitiveness of Australian industry.
2. Manufacture and advance the use of radiopharmaceuticals which will improve the health of Australians.

ANSTO is funded through both budget appropriation and external earnings. Appropriation under Outcome 3 is through a Triennium Funding Agreement (TFA) that is agreed with the Minister for Education, Science and Training and the Minister for Finance and Administration. The TFA also sets out Government's main expectations of ANSTO over the three years and a set of performance indicators for ANSTO.

ANSTO's total revenue for 2006-07 is estimated to be \$172.2 million, \$129.6 million from appropriation and an estimated \$42.6 million from other sources.

ANSTO derives non-appropriation revenues from:

- Other Government agencies (at all three tiers of Government)
- International bodies, most notably the International Atomic Energy Agency (IAEA)
- Business and Industry
- Government-industry sector partnerships such as Cooperative Research Centres (CRCs)

Paragraph 8(g) of that TFA explicitly provides that ANSTO will retain all external earnings without any related adjustment to direct appropriations. This became Government policy in 1989, to encourage organisations such as ANSTO to commercialise their research and work more closely with research users.

4.3 AUSTRALIAN GOVERNMENT INDIGENOUS EXPENDITURE (AGIE)

Table 4.1: Australian Government Indigenous Expenditure

There is no planned Australian Government Indigenous expenditure for ANSTO in 2006-07 therefore Table 4.1 is not presented.

Section 5: Budgeted financial statements

The budgeted financial statements for the Australian Nuclear Science and Technology Organisation are presented in this section. The budgeted financial statements will form the basis of the financial statements that will appear in the Australian Nuclear Science and Technology Organisation 2006-07 Annual Report and form the basis for the input into the Whole of Government Accounts.

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Statement of Financial Performance

This statement provides a picture of the expected financial results for the Organisation by identifying full accrual expenses and revenues which highlight whether the Agency is operating at a sustainable level.

Total revenue in 2006-07 is estimated to be \$172.2 million, an increase of \$13.9 million from 2005-06.

Analysis of Revenue Movement	2005-06	2006-07	Increase
	\$'000	\$'000	\$'000
Triennium Funding Agreement Base	110,163	112,558	2,395
Measure N152 – Securing Radioactive Sources	1,873	1,030	-843
Measure N181 – RRRP Operating Costs	2,900	3,000	100
Measure Q017 – Aus-US Free Trade Agreement	280	287	7
Measure S086 – CT Package	0	438	438
Spent Fuel Shipment	316	10,260	9,944
Parameter Changes	1,718	1,762	44
Revenue from Independent Sources	40,722	42,592	1,870
		Overall change in revenue	13,955

Total expenses in 2006-07 are estimated to increase by \$23.4 million to \$172.2 million (2005-06 \$148.8 million). The increase is due to \$5.4 million for employee expenses, \$4.6 million for depreciation and \$13.4 million in supplier expenses.

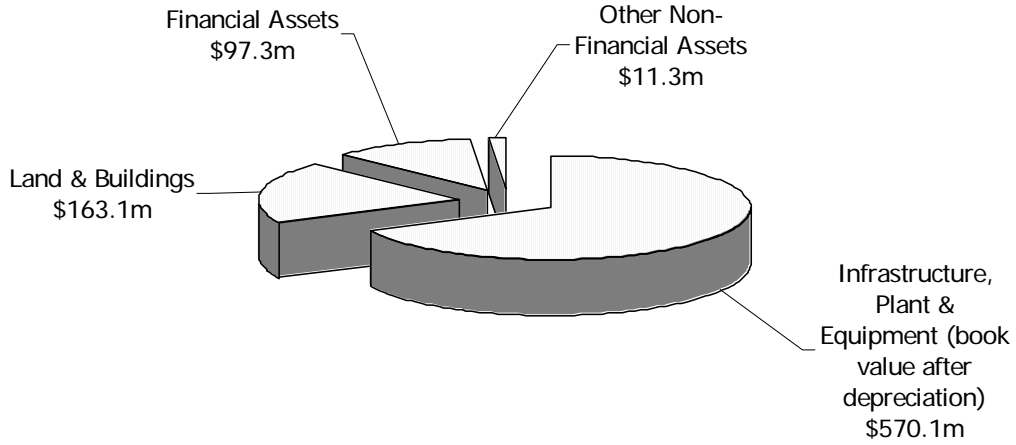
Statement of Financial Position

This statement shows the financial position of the Organisation. It helps decision-makers track the management of the Agency's assets and liabilities.

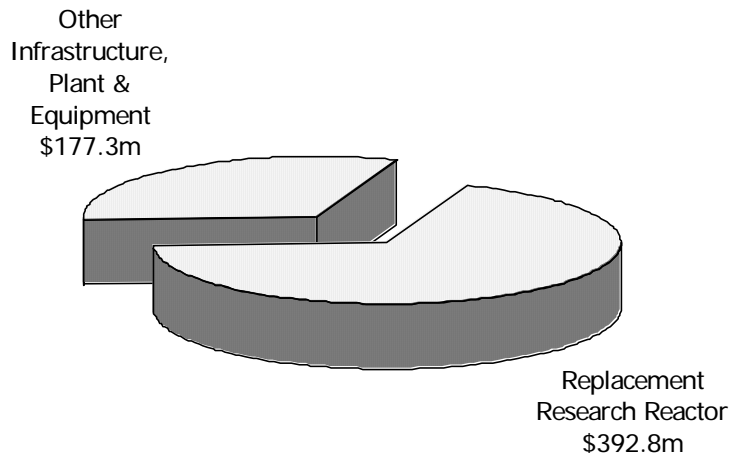
In relation to the primary assets for 2006-07:

- Infrastructure, plant and equipment is projected to increase by \$17.1 million to \$570.1 million due primarily to acquisition of new assets.
- Total financial assets are projected to decrease by \$11.6 million to \$97.3 million due primarily to maturing of investments (\$14.7 million) and increase to cash at end of year (\$2.6 million).

Budgeted Assets for 2006-07



Infrastructure, Plant and Equipment for 2006-07



Total liabilities in 2006-07 are estimated to be \$44.5 million with the primary liabilities being accrued employee leave entitlements of \$28.5 million and supplier payables of \$9.0 million.

Budgeted Agency Statement of Cash flows

Budgeted cash flows, as reflected in the statement of cash flows, provides information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Agency Capital Budget Statement

Shows all planned Organisation capital expenditure (capital expenditure on non-financial assets), whether funded either through capital Appropriations for additional equity or borrowings, or from funds from internal sources.

Agency Non-financial Assets – Summary of Movement

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

BUDGETED FINANCIAL STATEMENTS TABLES

**Table 5.1: Budgeted departmental income statement
for the period ended 30 June**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
INCOME					
Revenue					
Revenues from Government ¹	117,568	129,653	121,096	133,926	124,997
Goods and services	37,000	39,375	42,039	44,106	45,684
Interest	3,000	2,500	2,000	2,000	1,500
Total Revenue	157,568	171,528	165,135	180,032	172,181
Gains					
Net foreign exchange gains	35	30	30	30	30
Net gains from sale of assets	687	687	687	687	687
Total gains	722	717	717	717	717
Total income	158,290	172,245	165,852	180,749	172,898
EXPENSE					
Employees ²	65,389	70,841	74,550	78,078	79,000
Suppliers ³	53,061	66,524	56,112	67,469	58,684
Grants	1,000	1,000	1,000	1,000	1,000
Depreciation & amortisation	29,000	33,594	33,894	33,894	33,894
Finance costs ⁴	220	166	176	188	200
Write-down assets & impairment of assets	120	120	120	120	120
Total expenses	148,790	172,245	165,852	180,749	172,898
Operating result from continuing Operations	9,500				
Operating result	9,500				
Net surplus or (deficit) attributable to the Australian Government	9,500				

**Table 5.2: Budgeted departmental balance sheet
as at 30 June**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
ASSETS					
Financial assets					
Cash	5,231	7,837	9,891	11,831	12,178
Receivables	6,521	7,020	7,520	7,500	8,500
Investments (s.18 CAC Act; s.19 CAC Act)	94,972	80,231	73,332	69,814	63,500
Accrued revenues	139	100	100	100	100
Other	2,123	2,136	2,144	2,222	1,985
Total financial assets	108,986	97,324	92,987	91,467	86,263
Non-financial assets					
Land and buildings	163,080	163,050	161,050	158,050	156,050
Infrastructure, plant and equipment	160,279	177,352	190,936	196,816	201,686
National facility asset under Construction ⁵	392,787	392,787	392,787	392,787	392,787
Inventories ⁶	9,100	10,800	9,000	10,100	13,000
Intangibles	1,605	0	0	0	0
Other	500	500	500	500	500
Total non-financial assets	727,351	744,489	754,273	758,253	764,023
Total assets	836,337	841,813	847,260	849,720	850,286
LIABILITIES					
Interest bearing liabilities					
Leases ⁷	2,770	2,936	3,112	3,300	3,500
Total interest bearing liabilities	2,770	2,936	3,112	3,300	3,500
Provisions					
Employees	26,919	28,479	29,562	30,650	31,000
Other	1,725	1,725	1,725	1,725	1,725
Total provisions	28,644	30,204	31,287	32,375	32,725
Payables					
Suppliers	7,580	7,320	6,800	8,184	8,200
Other ⁸	4,047	4,087	8,795	8,595	8,595
Total payables	11,627	11,407	15,595	16,779	16,795
Liabilities included in disposal groups held for sale					
Total liabilities	43,041	44,547	49,994	52,454	53,020
EQUITY*					
Parent entity interest					
Contributed equity	413,856	413,856	413,856	413,856	413,856
Reserves	295,496	299,466	299,466	299,466	299,466
Retained surpluses or accumulated deficits	83,944	83,944	83,944	83,944	83,944
Total parent entity interest	793,296	797,266	797,266	797,266	797,266

**Table 5.2: Budgeted departmental balance sheet
as at 30 June (cont)**

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
Total equity	793,296	797,266	797,266	797,266	797,266
Current assets	108,986	97,324	92,987	91,467	86,263
Non-current assets	727,351	744,489	754,273	758,253	764,023
Current liabilities	16,232	16,179	20,483	21,784	21,837
Non-current liabilities	26,809	28,368	29,511	30,670	31,183

*Note: 'equity' is the residual interest in assets after deduction of liabilities.

Table 5.3: Budgeted departmental statement of cash flows for the period ended 30 June

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	37,235	38,832	41,569	44,136	44,714
Appropriations	117,568	129,653	121,096	133,926	124,997
Interest	3,000	2,539	2,000	2,000	1,500
Other	13,330	8,110	7,545	7,112	7,455
Total cash received	171,133	179,134	172,210	187,174	178,666
Cash used					
Employees	62,217	69,281	73,467	76,990	78,650
Suppliers	60,770	69,917	49,956	67,777	62,768
Grants	1,000	1,000	1,000	1,000	1,000
Financing costs	791	166	176	188	200
Other	11,968	8,110	7,545	7,112	7,455
Total cash used	136,746	148,474	132,144	153,067	150,073
Net cash from or (used by) operating activities	34,387	30,660	40,066	34,107	28,593
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	687	687	687	687	687
Investments (s.18 CAC Act; s.19 CAC Act)		16,441	6,899	4,040	7,951
Total cash received	687	17,128	7,586	4,727	8,638
Cash used					
Purchase of property, plant and equipment	74,556	45,182	45,598	36,894	36,884
Other	9,500				
Total cash used	84,056	45,182	45,598	36,894	36,884
Net cash from or (used by) investing activities	(83,369)	(28,054)	(38,012)	(32,167)	(28,246)
FINANCING ACTIVITIES					
Cash received					
Appropriations – contributed equity	49,287	0	0	0	0
Total cash received	49,287	0	0	0	0
Cash used					
Total cash used	0	0	0	0	0
Net cash from/(used by) financing activities	49,287	0	0	0	0
Net increase or (decrease) in cash held	305	2,606	2,054	1,940	347
Cash at the beginning of the reporting period	4,926	5,231	7,837	9,891	11,831
Cash at the end of the reporting period	5,231	7,837	9,891	11,831	12,178

Table 5.4: Departmental statement of changes in equity — summary of movement (Budget 2006-07)

	Accumulated results \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2006					
Balance carried forward from previous period	83,944	257,286	38,210	413,856	793,296
Adjusted opening balance	83,944	257,286	38,210	413,856	793,296
Income and expense					
Income and expenses recognised directly in equity:					
Gain/loss on revaluation of property	0	3,970	0	0	3,970
Sub total income and expense	0	3,970	0	0	3,970
Net operating result					
total income and expenses recognised directly in equity	0	3,970	0	0	3,970
Estimated closing balance as at 30 June 2007					
	83,944	261,256	38,210	413,856	797,266

Table 5.5: Departmental capital budget statement

	Estimated Actual 2005-06 \$'000	Budget Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000	Forward Estimate 2009-10 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	20,487				
Total capital appropriations	20,487	0	0	0	0
Represented by:					
Purchase of non-financial assets	20,487				
Total represented by	20,487	0	0	0	0
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation	20,487				
Funded internally by					
Departmental resources	54,069	45,182	45,598	36,894	36,894
Total	74,556	45,182	45,598	36,894	36,894

Table 5.6: Departmental property, plant, equipment and intangibles - summary of movement (Budget year 2006-07)

	Land \$'000	Buildings \$'000	Other infrastructure plant and equipment \$'000	Computer software \$'000	Other intangibles \$'000	Total \$'000
As at 1 July 2006						
Gross book value	83,668	92,120	592,667	9,892	1,078	779,425
Accumulated depreciation		12,708	39,601	8,295	1,070	61,674
Opening net book value	83,668	79,412	553,066	1,597	8	717,751
Additions:						
by purchase		2,000	43,182			45,182
Revaluations and impairment through equity		3,970				3,970
Depreciation/amortisation expense		6,000	25,292	1,597	8	32,897
Disposals:						
Other disposals			817			817
As at 30 June 2007						
Gross book value	83,668	79,382	570,139			733,189
Accumulated depreciation	83,668	98,090	635,032	9,892	1,078	827,760
Estimated closing net book value	83,668	79,382	570,139	9,892	1,078	94,571
						733,189

Table 5.7: Schedule of budgeted income and expenses administered on behalf of government for the period ended 30 June

ANSTO has no administered income and expenses therefore Table 5.7 is not presented.

Table 5.8: Schedule of budgeted assets and liabilities administered on behalf of government as at 30 June

ANSTO has no administered assets and liabilities therefore Table 5.8 is not presented.

Table 5.9: Schedule of budgeted administered cash flows for the period ended 30 June

ANSTO has no administered cash flows therefore Table 5.9 is not presented.

Table 5.10: Schedule of administered capital budget

ANSTO has no administered capital therefore Table 5.10 is not presented.

Table 5.11: Schedule of administered property, plant, equipment and intangibles — summary of movement (Budget year 2006-07)

ANSTO has no administered property, plant, equipment and intangibles therefore Table 5.11 is not presented.

NOTES TO THE FINANCIAL STATEMENTS

Note 1: Revenues from Government

Variation in the funding trends for the forward years is due to the disposition of spent reactor fuel from the ANSTO site. Because of planned schedules, appropriation for shipments is not always required each budget year.

Note 2: Employee Expenses

Employee expenses are based on projected staffing levels and include anticipated salary increases.

Note 3: Supplier Expenses

The movement in supplier costs for the forward years is due to shipment schedules for disposition of spent reactor fuel.

Note 4: Finance Cost Expense

This item reflects interest expense payable on a prepaid lease deposit.

Note 5: National Facility Asset under Construction

This represents the new reactor, OPAL

Note 6: Inventories

This item includes consumable stores and reactor fuel elements.

Note 7: Interest Bearing Liabilities

Represents a prepaid lease arrangement.

Note 8: Other Payables

Includes GST payable and revenue received in advance.