

Financial Performance

For the financial year ending 30 June 2016, ARPANSA reported an operating deficit of \$3.093m. This deficit is a result of the write-down of obsolete inventory due to the introduction of the new occupational dosimetry system within the Personal Radiation Monitoring Service and depreciation and amortisation expense not requiring appropriation.

Excluding the approved write-down of inventory and the depreciation and amortisation expenses (where appropriation funding has ceased), ARPANSA reported an operating surplus of \$0.042m

Revenue for the year totalled \$24.4m, of which government appropriated 53 per cent. The remaining 47 per cent related to regulatory licence fees and charges and from the sale of goods and provision of services.

ARPANSA's expenses totalled \$27.5m. Employee benefits account for 59 per cent, supplier's expenses – 30 per cent, depreciation and amortisation expense – 9 per cent and the remaining 2 per cent to the write-down of assets.

The agency continues to review the efficiency and effectiveness by which it delivers its program, to ensure it operates within its available resourcing.

MANAGEMENT AND ACCOUNTABILITY

ASSETS MANAGEMENT

The agency manages non-financial assets totalling \$34.6 million and its asset management strategy emphasises whole-of-life asset management. The major categories include land, buildings, infrastructure, plant maintenance and renovation; equipment purchases and information technology infrastructure upgrades to meet future research and operational requirements.

PURCHASING

The agency's procurement policies and practices reflect the principles set out in the Commonwealth Procurement Rules (CPRs), and focus on encouraging competition, value for money, transparency and accountability as well as the efficient, effective and ethical use of Commonwealth resources. During 2015-16, ARPANSA procurement activities complied with the CPRs.

CONSULTANTS

During 2015-16, 14 new consultancy contracts were entered into involving total actual expenditure of \$336 314. In addition, five ongoing consultancy contracts were active during the 2015-16 year, involving total actual expenditure of \$44 143.

The agency policy on selection and engaging consultants is in accordance with the CPRs, based on the core rule of value for money and underpinned by:

- encouraging competitive and non-discriminatory processes
- using Commonwealth resources in an efficient, effective, economical and ethical manner that is not inconsistent with the policies of the Commonwealth
- making decisions in an accountable and transparent manner
- considering the risks
- conducting a process commensurate with the scale and scope of the procurement.

ARPANSA engaged consultants where there was a requirement for specialist expertise that was not available within the agency, or where an independent assessment was required. The selection process included selection from a panel or direct engagement of a recognised or pre-eminent expert.

The annual report contains information about actual expenditure on contracts for consultancies. Information on the value of contracts and consultancies is available on the AusTender website www.tenders.gov.au.



PROCUREMENT INITIATIVES TO SUPPORT SMALL BUSINESS

ARPANSA supports small business participation in the Commonwealth Government procurement market. Small and Medium Enterprises (SME) and Small Enterprise participation statistics are available on the Department of Finance website: www.finance.gov.au/procurement/statistics-on-commonwealth-purchasing-contracts/

ARPANSA's engagement with SMEs is predicated on communicating in clear, simple language and presenting information in an accessible format. Additionally, ARPANSA has adopted the use of the Commonwealth Contracting Suite for low risk procurements valued under \$200 000 to reduce the burden on SMEs entering into contractual relations with the Commonwealth.

ADVERTISING AND MARKET RESEARCH

Under section 311A of the *Commonwealth Electoral Act 1918* ARPANSA is required to disclose details of payments of \$12 700 or more (inclusive of GST) relating to advertising and market research.

During 2015-16, total expenditure on market research was \$17 611 (inclusive of GST), and details are contained in table 1.1. Expenditure on media advertising and public notices was below the threshold.

ARPANSA did not commission any work from creative advertising agencies, polling organisations or direct mail organisations.

The agency did not conduct any advertising campaigns in this reporting period.

TABLE 1.1: MARKET RESEARCH EXPENDITURE DURING 2015-16

Organisation	Purpose	Expenditure
Orima Research Pty Ltd	Community Stakeholder Survey	\$17 611