

EDUCATION, SCIENCE AND TRAINING

SENATE LEGISLATION COMMITTEE - QUESTIONS ON NOTICE 2006-2007 BUDGET ESTIMATES HEARING

Outcome: CSIRO

Output Group: CSIRO

DEST Question No. E175_07

Senator Wong asked on 31 May 2006, EWRE Hansard page 32.

Question:

What was the difference between your projected capital expenditure and the actual capital expenditure?

Answer:

Estimates of cash balances

CSIRO has provided the following response.

CSIRO makes estimates of cash balances as part of the forward estimates process. These estimates are based on a range of factors including: projected capital spending, projected operating results, timing of projected GST payments to the Australian Taxation Office, projected level of accounts receivable, projected level of accounts payable, project timing of payment of salaries, projected interest receipts, projected proceeds from sale of equity instruments and investments in intellectual property, and projected usage of recreation leave and long service leave by staff.

The actual result may vary from the estimates due to the range of factors involved. The following are relevant factors relating to the estimated reduction in cash in the 2006-07 PBS for the 2005-06 financial year:

- the June 2005 cash balance was \$14m less than the estimate which has flowed into the current 30 June estimate for 2006;
- the anticipated increase in accounts receivables of \$3m at 30 June 2006;
- an approved operating loss in 2005-06 of \$14.7m of which \$6m is an increase in cash outlays;
- an increase in cash outlays for the reduction in employee leave provisions and entitlements of \$18m;
- an increase in capital expenditure of \$3m;
- a decrease in trust funds on deposit by third parties with CSIRO of \$3m; and
- an anticipated decrease in cash outlays as a result of an increase in payables of \$4m.