

# IP AUSTRALIA

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# IP AUSTRALIA

## Section 1: Agency overview and resources

### 1.1 STRATEGIC DIRECTION

IP Australia is the agency responsible for administering Australia's intellectual property rights system, including trade marks, inventions (patents), designs and plant breeder's rights. IP Australia has a key role in promoting awareness of intellectual property and providing policy advice to government, including the development of legislation to support Australia's intellectual property system. IP Australia also regulates the intellectual property profession and engages in international fora to influence the global intellectual property system for the benefit of all Australians.

IP Australia's strategic statement 2007-2012 outlines the priorities for the agency. These are directed at sustaining an effective, efficient, consistent and accessible global intellectual property system that promotes innovation, investment and international competitiveness. The key strategic themes that underpin IP Australia's strategic statement are:

- Stakeholder confidence and market relevance;
- International influence;
- Organisational effectiveness; and
- People and workplace.

IP Australia's key initiatives and challenges for 2008-09 are:

- To implement intellectual property related recommendations resulting from the Government's review of the National Innovation System.
- A revised public education and awareness program that addresses gaps and limitations identified in current programs, including market penetration. A key initiative planned for the forthcoming year is establishing units of competency in intellectual property for the vocational education and training (VET) sector.
- Improvements to the regulatory and disciplinary regimes for Australian Patent and Trade Mark Attorneys. This will include enhancements to the disciplinary processes which will take effect from 1 July 2008 and will also include the

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introduction of continuing professional education for all Patent and Trade Mark Attorneys.

- To develop and pursue policy positions in international fora on key industrial property issues to influence the development of effective intellectual property systems in line with Australia's interests. In 2008-09 IP Australia will continue to work on improving the Madrid System for trade mark registration and will develop positions on geographical indications and traditional knowledge.
- An ongoing commitment to improving the capability of intellectual property systems in key developing countries in our region. This will include implementation of an intellectual property cooperation plan for India and in the second half of 2008-09 joint intellectual property activities with China, probably incorporating an industry forum to be conducted in Beijing.
- As part of its commitment to quality and service excellence, demonstrated by ISO 9001:2000 certification for its key intellectual property rights areas, IP Australia has revised the work processes and technology solutions that underpin the agency's core products and services. In 2008-09 IP Australia will embark on the first stage of work programs directed at:
  - providing greater integration of customer business channels, including strengthening the available electronic options for customers; and
  - enhancing our trade mark processes and supporting IT infrastructure.
- To develop attraction, retention and learning strategies. Key to these initiatives will be the implementation of a new collective agreement and revised program of rewards and recognition for staff. These strategies will help to enhance the agency's attractiveness and will further develop the intellectual capital capabilities of IP Australia's employees.

## **1.2 AGENCY RESOURCE STATEMENT**

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

**Table 1.1: IP Australia resource statement — Budget estimates for 2008-09 as at Budget May 2008**

		Estimate of prior <sup>+</sup> year amounts available in 2008-09 \$'000	Proposed at Budget <sup>=</sup> 2008-09 \$'000	Total Estimate 2008-09 \$'000	Estimated Appropriation Available 2007-08 \$'000
<b>Ordinary Annual Services</b>					
<b>Departmental outputs</b>					
	1	-	5,953	5,953	5,402
		-	<b>5,953</b>	<b>5,953</b>	<b>5,402</b>
<b>Administered expenses</b>					
	3	-	-	-	77
		-	-	-	<b>77</b>
<b>Total ordinary annual services</b>	<b>A</b>	-	<b>5,953</b>	<b>5,953</b>	<b>5,479</b>
<b>Other services</b>					
<b>Departmental non-operating</b>					
	2	-	238	238	159
		-	<b>238</b>	<b>238</b>	<b>159</b>
<b>Total other services</b>	<b>B</b>	-	<b>238</b>	<b>238</b>	<b>159</b>
<b>Total Available Annual Appropriations</b>		-	<b>6,191</b>	<b>6,191</b>	<b>5,638</b>
<b>Special Appropriations</b>					
<b>Total Special Appropriations</b>	<b>C</b>	-	-	-	-
<b>Total Appropriations excluding Special Accounts</b>		-	<b>6,191</b>	<b>6,191</b>	<b>5,638</b>

**Table 1.1: IP Australia resource statement — Budget estimates for 2008-09 as at Budget May 2008 (continued)**

	Estimate of prior <sup>+</sup> year amounts available in	Proposed at Budget <sup>=</sup>	Total Estimate	Estimated Appropriation Available
	2008-09 \$'000	2008-09 \$'000	2008-09 \$'000	2007-08 \$'000
<b>Special Accounts</b>				
Opening balance	4 92,245	-	92,245	65,721
Appropriation Receipts	-	6,191	6,191	5,561
Appropriation Receipts - other agencies	-	-	-	-
Non-Appropriation receipts to Special Accounts	-	146,996	146,996	141,720
<b>Total Special Account</b>	<b>D 92,245</b>	<b>153,187</b>	<b>245,432</b>	<b>213,002</b>
<b>Total resourcing</b>	<b>92,245</b>	<b>159,378</b>	<b>251,623</b>	<b>218,640</b>
A+B+C+D				
Less appropriations drawn from annual or special appropriations above and credited to special accounts	-	-	(6,191)	(5,561)
<b>Total net resourcing for IP Australia</b>	<b>-</b>	<b>-</b>	<b>245,432</b>	<b>213,079</b>

<sup>1</sup> Appropriation Bill (No.1) 2008-09.

<sup>2</sup> Appropriation Bill (No.2) 2008-09.

<sup>3</sup> Administered funds will be transferred to Departmental Outputs from 2008-09.

<sup>4</sup> Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.3, Section 3.

Reader note: all figures are GST exclusive. Also, the total available departmental operating appropriation (outputs) may not equal the total of all outputs in the Outcome Budget, for the reconciliation see table 3.1.1 Reconciliation of Total available Appropriation and Outcome Budget.

### Third Party Drawdowns from and on behalf of other agencies

IP Australia has no Third Party Drawdowns from and on behalf of other agencies.

### **1.3 BUDGET MEASURES**

There are no new Budget measures for IP Australia for the 2008-09 Budget.

## Section 2: Outcomes and planned performance

### **2.1 OUTCOMES AND PERFORMANCE INFORMATION**

The Australian Government requires agencies to measure their intended and actual performance in terms of outcomes. Government outcomes are the results, impacts or consequences of actions by the Government on the Australian community. Agencies are required to identify the output groups which demonstrate their contribution to Government outcomes over the coming year.

Each outcome is described below by output groups, specifying the performance indicators and targets used to assess and monitor the performance of IP Australia in achieving government outcomes.

#### **2.1.1 Outcome 1: Australians benefit from the effective use of intellectual property, particularly through increased innovation, investment and trade.**

##### **Outcome 1 Strategy**

IP Australia has only one outcome. Reference is made to the 'Strategic Direction' in Section 1 in relation to IP Australia's strategies for 2008-09 in relation to this outcome.

**Outcome 1 Resource statement**

Table 2.1 provides additional detail of Budget appropriations and the total resourcing for outcome 1.

**Table 2.1: Total resources for Outcome 1**

<b>Outcome 1: Australians benefit from the effective use of intellectual property, particularly through increased innovation, investment and trade.</b>		2008-09 Total estimate of available resources \$'000	2007-08 Estimated actual \$'000
<b>Output Group 1.1 IP Rights Administration and Professional Registration</b>			
Administered Items	B1	-	77
Departmental Outputs	B1 & 1	77	-
Special Accounts			
IP Australia Special Account			
Opening balance	2	92,245	65,721
Appropriation receipts	3	77	-
Non-Appropriation receipts to Special Accounts		143,144	137,999
<b>Subtotal for Output Group 1.1</b>		<b>235,543</b>	<b>203,797</b>
<b>Output Group 1.2: Awareness, Education and International Engagement</b>			
Departmental Outputs	B1,B2,1,3	1,819	1,492
Special Accounts			
IP Australia Special Account			
Opening balance	2	-	-
Appropriation receipts	3	1,819	1,492
Non-Appropriation receipts to Special Accounts		3,852	3,721
<b>Subtotal for Output Group 1.2</b>		<b>7,490</b>	<b>6,705</b>
<b>Output Group 1.3: Advice to Government</b>			
Departmental Outputs	3	4,295	4,069
Special Accounts			
IP Australia Special Account			
Opening balance	2	-	-
Appropriation receipts	3	4,295	4,069
Non-Appropriation receipts to Special Accounts		-	-
<b>Subtotal for Output Group 1.3</b>		<b>8,590</b>	<b>8,138</b>
<b>Less Department Outputs in Output Groups</b>	3	<b>(6,191)</b>	<b>(5,561)</b>
<b>Total resources for Outcome 1</b>		<b>245,432</b>	<b>213,079</b>
		<b>2008-09</b>	<b>2007-08</b>
<b>Average staffing level (number)</b>		966	910

<sup>1</sup> Administered funds will be transferred to Departmental Outputs from 2008-09.

<sup>2</sup> Opening Balance for IP Australia Special Account has been attributed to Output Group 1.1 only.

<sup>3</sup> Appropriation item receipted into IP Australia Special Account is shown twice in this table.

(B1) – Annual Appropriation Bill (Ordinary annual Services)

(B2) – Annual Appropriation bill 2 (Other Services)

Note: Departmental Appropriation splits and totals, by outcome and output, are indicative estimates and may change in the course of the budget year as government priorities change.

**Contributions to Outcome 1**

**Output Group 1.1: IP Rights Administration and Professional Registration**

<b>Output Group 1.1: IP Rights Administration and Professional Registration</b>	
<b>Components of Output Group 1.1</b>	
<u>Intellectual property rights</u> IP rights administration, search and examination.	
<u>Professional registration</u> Registration processing. Professional Standards Board secretariat.	
<b>Results to be achieved by Output Group 1.1</b>	
<u>Intellectual property rights:</u> IP Australia will deliver intellectual property rights that are valued in the community and are enforceable when required. IP Australia will strive to create an intellectual property system that is simple, open, fair and which offers value for money.	
<u>Professional registration:</u> IP Australia will successfully undertake its functions associated with persons wishing to qualify for registration as Patents and/or Trade Marks Attorneys and will provide effective secretariat support to the Professional Standards Board.	
Key Performance Indicators	2008-09 Target
Compliance with agreed Customer Charter standards.	80 per cent or greater compliance with agreed Customer Service Standards.
Receipt of Patent applications and provision of Patent examination services.	Applications: 37,595. Examinations: 17,000.
Receipt of Trade Mark applications and provision of Trade Mark registration services.	Applications: 115,253. Registrations: 67,723.
Receipt of Design registrations and provision of Design examination services.	Applications: 5,969. Examinations: 1,204.
Receipt of Plant Breeder's Rights applications and provision of Plant Breeder's Rights examination services.	Applications: 328. Examinations: 320.
Receipt of Professional Standards Board applications and provision of Professional Standards Board registration services.	Applications: 457. Registrations: 1,206.
Cost of delivering services for this output group.	\$122.980 million.

**Output Group 1.2 Awareness, Education and International Engagement**

<b>Output Group 1.2: Awareness, Education and International Engagement</b>	
<p><b>Components of Output Group 1.2</b></p> <p>Awareness and education.</p> <p>International engagement.</p> <p><b>Results to be achieved by Output Group 1.2</b></p> <p><u>Awareness and education:</u> IP Australia will facilitate understanding of the value of and access to the domestic and international intellectual property system among its stakeholders in line with Australia's interests.</p> <p><u>International engagement:</u> IP Australia will influence the development of effective intellectual property systems internationally in line with Australia's interests.</p>	
Key Performance Indicators	2008-09 Target
Awareness and education – actual participation in awareness and education activities compared with plan.	90 per cent of planned activities conducted and implemented.
International engagement – actual participation in international engagement activities compared with the plan.	90 per cent of planned activities conducted and implemented.
Cost of delivering services for this output group.	\$5.671 million.

**Output Group 1.3 Advice to Government**

<b>Output Group 1.3: Advice to Government</b>	
<p><b>Components of Output Group 1.3</b></p> <p>Policy and legislation.</p> <p>IP research and ministerial responses.</p> <p>Support for Advisory Boards.</p> <p><b>Results to be achieved by Output Group 1.3</b></p> <p><u>Policy and legislation:</u> IP Australia's program of policy and legislative change will assist in the development of a strong, more harmonised international intellectual property system that is in line with Australia's interests.</p> <p><u>IP research:</u> IP Australia will contribute to research in intellectual property issues to support its legislative and policy effort and its advisory boards.</p> <p><u>Support for Advisory Boards:</u> IP Australia will provide effective support to the Advisory Council on Intellectual Property.</p>	
Key Performance Indicators	2008-09 Target
Quality of advice to government.	Less than 10 per cent of ministerial responses are returned for rework or are overdue.
Policy and legislative program - actual participation in policy and legislative activities compared with plan.	90 per cent of planned activities conducted and implemented.
IP Research – actual participation in research activities compared with plan.	90 per cent of planned activities conducted and implemented.
Cost of delivering services for this output group.	\$4.295 million.

**Note:** Key Performance Indicators are currently being reviewed and may change during 2008-09.

## Section 3: Explanatory tables and budgeted financial statements

Section 3 presents budgeted financial statements which provide a comprehensive snapshot of agency finances for the budget year 2008-09. It explains how budget plans are incorporated into the financial statements and provides further details of movements in administered funds, special accounts and government Indigenous expenditure.

### 3.1 EXPLANATORY TABLES

#### 3.1.1 Reconciliation of total available appropriation and outcomes

The Agency Resource Statement (Table 1.1) details the total available appropriation available to an agency from all sources. For departmental operating appropriations (outputs) this includes carry-forward amounts as well as amounts appropriated at Budget. As agencies incur and are funded for future liabilities, generally depreciation and employee entitlements, the total amount of departmental operating appropriation available to an agency is unlikely to be fully utilised in the Budget year. The difference between the agency resource statement and the sum of all payments made at the departmental outputs level is the expected carry-forward amount of resources for the 2009-10 Budget year, including amounts related to meeting future obligations to maintain the agency's asset base and to meet employee entitlement liabilities.

**Table 3.1.1: Reconciliation of total available appropriation and outcomes**

	\$'000
<b>Total available departmental operating appropriation (outputs)</b>	5,953
Less estimated payments in 2008-09	5,953
<b>Estimated departmental outputs carried forward and available for 2009-10</b>	-

### 3.1.2 Movement of administered funds between years

IP Australia has no movement of administered funds from 2007-08 to 2008-09.

### 3.1.3 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 the *Financial Management and Accountability Act 1997* or under separate enabling legislation. Table 3.1.3 shows the expected additions (receipts) and reductions (payments) for each account used by IP Australia.

**Table 3.1.3: Estimates of Special Account cash flows and balances**

	Outcome	Opening	Receipts	Payments	Adjustments	Closing
		balance	2008-09	2008-09	2008-09	balance
		2007-08	2007-08	2007-08	2007-08	2007-08
		\$'000	\$'000	\$'000	\$'000	\$'000
IP Australia Special Account	1	<b>92,245</b>	<b>153,187</b>	<b>135,316</b>	-	<b>110,116</b>
- FMA Act (D)		65,721	147,281	120,757	-	92,245
Services for other Governments and Non-Departmental Bodies Account	1	<b>113</b>	<b>2,100</b>	<b>2,100</b>	-	<b>113</b>
- FMA Act (D)		113	2,100	2,100	-	113
Other Trust Monies Account	1	<b>453</b>	<b>8,500</b>	<b>8,500</b>	-	<b>453</b>
FMA Act (D)		453	8,500	8,500	-	453
<b>Total special accounts</b>						
<b>2008-09 Budget estimate</b>		<b>92,811</b>	<b>163,787</b>	<b>145,916</b>	-	<b>110,682</b>
Total special accounts						
2007-08 estimate actual		66,287	157,881	131,357	-	92,811

(A) = Administered.

(D) = Departmental.

### 3.1.4 Australian Government Indigenous Expenditure.

IP Australia has no Australian Government Indigenous Expenditure to report for 2008-09.

## **3.2 BUDGETED FINANCIAL STATEMENTS**

### **3.2.1 Differences in agency resourcing and financial statements**

Please note that there are no material differences between the agency resourcing tables and the financial statements.

### **3.2.2 Analysis of budgeted financial statements**

IP Australia is budgeting for an operating surplus of \$18.865 million for 2008-09, compared to an estimated surplus of \$24.341 million for 2007-08.

#### **Departmental - Income Statement**

Changes impacting on the income statements since the 2007-08 revised Budget are summarised as follows:

- Revenue growth in 2007-08 has been revised to reflect current trends and anticipated additional examiner recruitment in 2008-09 will assist in improving revenue returns.
- Increased appropriation reflects the transfer of \$0.077 million from administered to departmental in 2008-09.
- Employee costs have increased for 2008-09 to cater for the additional costs of examiner recruitment and the provisions for salary increases.
- The suppliers cost estimate for 2007-08 has been reduced to reflect reprogramming of a number of initiatives and some projects being completed under budget. In 2008-09 the increase in supplier costs relate mainly to project scheduling and parameter increases.
- Depreciation and amortisation expense estimates are expected to have a net decrease in 2008-09 due to the timing of the current capital replacement and investment program.

#### **Departmental - Balance Sheet**

Budget changes impacting on the balance sheet since the 2007-08 revised Budget are summarised as follows:

- The increase in the financial assets between each year is mainly due to an increase in funds held in the Official Public Account to cover increased provisions and to reflect continued budgeted operating surpluses.

- The change in the non-financial assets is mainly due to planned investment in IT Infrastructure, internally developed software and new accommodation arrangements.
- The change in the unearned revenue forecast is a reflection of the growth in the work for IP Australia services, offset by examiner recruitment to assist in meeting this demand.

#### Departmental - Statement of Cash flow

The same reasons for the movements in the income statement apply to the movements in the cash flow statement except for depreciation.

### 3.2.3 Budgeted financial statements tables

**Table 3.2.1: Budgeted departmental income statement  
(for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME</b>					
<b>Revenue</b>					
Revenues from Government	5,402	5,953	6,176	5,866	5,866
Goods and services	138,513	145,743	146,472	147,205	147,941
Other	115	115	115	115	115
<b>Total revenue</b>	<b>144,030</b>	<b>151,811</b>	<b>152,763</b>	<b>153,186</b>	<b>153,922</b>
<b>Total income</b>	<b>144,030</b>	<b>151,811</b>	<b>152,763</b>	<b>153,186</b>	<b>153,922</b>
<b>EXPENSE</b>					
Employees	74,778	84,774	85,043	90,091	94,033
Suppliers	36,864	42,692	42,016	41,398	41,955
Depreciation and amortisation	8,047	5,480	6,927	8,639	9,735
<b>Total expenses</b>	<b>119,689</b>	<b>132,946</b>	<b>133,986</b>	<b>140,128</b>	<b>145,723</b>
<b>Surplus attributable to the Australian Government</b>	<b>24,341</b>	<b>18,865</b>	<b>18,777</b>	<b>13,058</b>	<b>8,199</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.2: Budgeted departmental balance sheet  
(as at 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	1,866	2,659	3,544	4,412	5,254
Trade and other Receivables	92,334	109,412	127,839	141,399	151,077
<b>Total financial assets</b>	<b>94,200</b>	<b>112,071</b>	<b>131,383</b>	<b>145,811</b>	<b>156,331</b>
<b>Non-financial assets</b>					
Land and buildings	17,867	17,085	16,253	15,371	14,456
Infrastructure, plant and equipment	4,496	6,349	7,363	8,575	9,259
Intangibles	23,119	27,346	30,455	33,404	35,318
Other	1,984	1,984	1,984	1,984	1,984
<b>Total non-financial assets</b>	<b>47,466</b>	<b>52,764</b>	<b>56,055</b>	<b>59,334</b>	<b>61,017</b>
Assets held for sale	2	2	2	2	2
<b>Total assets</b>	<b>141,668</b>	<b>164,837</b>	<b>187,440</b>	<b>205,147</b>	<b>217,350</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	20,259	21,143	22,019	22,947	23,465
Other	1,584	1,584	1,584	1,584	1,584
<b>Total provisions</b>	<b>21,843</b>	<b>22,727</b>	<b>23,603</b>	<b>24,531</b>	<b>25,049</b>
<b>Payables</b>					
Suppliers	8,078	10,122	11,886	13,374	14,578
Unearned Revenues	14,718	15,856	17,042	19,275	21,557
<b>Total payables</b>	<b>22,796</b>	<b>25,978</b>	<b>28,928</b>	<b>32,649</b>	<b>36,135</b>
<b>Total liabilities</b>	<b>44,639</b>	<b>48,705</b>	<b>52,531</b>	<b>57,180</b>	<b>61,184</b>
<b>Net assets</b>	<b>97,029</b>	<b>116,132</b>	<b>134,909</b>	<b>147,967</b>	<b>156,166</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	5,409	5,647	5,647	5,647	5,647
Reserves	3,720	3,720	3,720	3,720	3,720
Retained surpluses or accumulated deficits	87,900	106,765	125,542	138,600	146,799
<b>Total parent entity interest</b>	<b>97,029</b>	<b>116,132</b>	<b>134,909</b>	<b>147,967</b>	<b>156,166</b>
<b>Total equity</b>	<b>97,029</b>	<b>116,132</b>	<b>134,909</b>	<b>147,967</b>	<b>156,166</b>
<b>Current assets</b>	<b>96,186</b>	<b>114,057</b>	<b>133,369</b>	<b>147,797</b>	<b>158,317</b>
<b>Non-current assets</b>	<b>45,482</b>	<b>50,780</b>	<b>54,071</b>	<b>57,350</b>	<b>59,033</b>
<b>Current liabilities</b>	<b>40,827</b>	<b>44,795</b>	<b>48,525</b>	<b>53,072</b>	<b>57,019</b>
<b>Non-current liabilities</b>	<b>3,812</b>	<b>3,910</b>	<b>4,006</b>	<b>4,108</b>	<b>4,165</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.  
Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows  
(for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	141,720	146,996	147,772	149,553	150,338
Appropriations	5,402	5,953	6,176	5,866	5,866
GST received	5,554	5,128	5,324	5,059	5,156
<b>Total cash received</b>	<b>152,676</b>	<b>158,077</b>	<b>159,272</b>	<b>160,478</b>	<b>161,360</b>
<b>Cash used</b>					
Employees	74,277	83,891	84,167	89,164	93,515
Suppliers	35,074	40,647	40,251	39,909	40,751
GST	5,554	5,128	5,324	5,059	5,156
Other	26,224	17,078	18,427	13,560	9,678
<b>Total cash used</b>	<b>141,129</b>	<b>146,744</b>	<b>148,169</b>	<b>147,692</b>	<b>149,100</b>
<b>Net cash from or (used by) operating activities</b>	<b>11,547</b>	<b>11,333</b>	<b>11,103</b>	<b>12,786</b>	<b>12,260</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash used</b>					
Purchase of property, plant and equipment and intangibles	11,407	10,778	10,218	11,918	11,418
<b>Total cash used</b>	<b>11,407</b>	<b>10,778</b>	<b>10,218</b>	<b>11,918</b>	<b>11,418</b>
<b>Net cash from or (used by) investing activities</b>	<b>(11,407)</b>	<b>(10,778)</b>	<b>(10,218)</b>	<b>(11,918)</b>	<b>(11,418)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Other	159	238	-	-	-
<b>Total cash received</b>	<b>159</b>	<b>238</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>159</b>	<b>238</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>299</b>	<b>793</b>	<b>885</b>	<b>868</b>	<b>842</b>
Cash at the beginning of the reporting period	1,567	1,866	2,659	3,544	4,412
<b>Cash at the end of the reporting period</b>	<b>1,866</b>	<b>2,659</b>	<b>3,544</b>	<b>4,412</b>	<b>5,254</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2008-09)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2008</b>					
Balance carried forward from previous period	87,900	3,720	-	5,409	97,029
<b>Adjusted opening balance</b>	<b>87,900</b>	<b>3,720</b>	<b>-</b>	<b>5,409</b>	<b>97,029</b>
Surplus (deficit) for the period	18,865	-	-	-	18,865
<b>Total income and expenses recognised directly in equity</b>	<b>18,865</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,865</b>
<b>Transactions with owners</b>					
<i>Contribution by owners</i>					
Appropriation (equity injection)	-	-	-	238	238
Other:					
Restructuring	-	-	-	-	-
<b>Sub-total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>238</b>	<b>238</b>
<b>Estimated closing balance as at 30 June 2009</b>	<b>106,765</b>	<b>3,720</b>	<b>-</b>	<b>5,647</b>	<b>116,132</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Total income administered on behalf of Government</b>	-	-	-	-	-
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Suppliers	77	-	-	-	-
<b>Total expenses administered on behalf of Government</b>	77	-	-	-	-

**Table 3.2.6: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)**

There is no schedule of budgeted assets and liabilities administered on behalf of government for IP Australia therefore Table 3.2.6 is not presented.

**Table 3.2.7: Schedule of budgeted administered cash flows  
(for the period ended 30 June)**

	Estimated actual 2007-08 \$'000	Budget estimate 2008-09 \$'000	Forward estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
<b>Total cash received</b>	-	-	-	-	-
<b>Cash used</b>					
Suppliers	77	-	-	-	-
<b>Total cash used</b>	77	-	-	-	-
<b>Net cash from or (used by) operating activities</b>	(77)	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	(77)	-	-	-	-
Cash at beginning of reporting period					
Cash from Official Public Account for:					
- appropriations	77	-	-	-	-
<b>Cash at end of reporting period</b>	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

### **3.2.4 Notes to the financial statements**

The Analysis of Budgeted Financial Statements at the beginning of this section provides an overview of the key elements of IP Australia's financial statements, including variations in major aggregates from 2007-08 to 2008-09.

#### **Basis of accounting**

IP Australia's budget statements are prepared in accordance with Australian Accounting Standards, Accounting Guidance Releases and having regard to Statements of Accounting Concepts.