



INDEPENDENT AUDITOR'S REPORT

To the Minister for Agriculture, Water and the Environment

Opinion

In my opinion, the financial statements of the Fisheries Research and Development Corporation ('the Entity') for the year ended 30 June 2021:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2021 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following statements as at 30 June 2021 and for the year then ended:

- Statement by the Accountable Authority (Chair and Chair Finance, Audit and Risk Management Committee), Managing Director and Chief Financial Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Directors are responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Directors are also responsible for such internal control as the Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Directors are also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Jodi George
Senior Executive Director
Delegate of the Auditor-General

Canberra

18 August 2021



FRDC

**Financial statements
the year ended
30 June 2021**

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FISHERIES RESEARCH AND DEVELOPMENT CORPORATION (FRDC)

STATEMENT BY THE ACCOUNTABLE AUTHORITY (CHAIR AND CHAIR FINANCE, AUDIT AND RISK MANAGEMENT COMMITTEE), MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

In our opinion, the attached financial statements for the period ended 30 June 2021 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), and are based on properly maintained financial records as per subsection 41(2) of the PGPA Act.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the FRDC will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the directors.



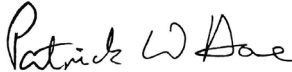
Signed.....
Mr John Williams
Chair
Accountable Authority

18-August-2021
Date



Signed.....
[S Cooke \(Aug 18, 2021 12:14 GMT+10\)](#)
Dr Saranne Cooke
Chair Finance, Audit and Risk Management Committee

18-August-2021
Date



Signed.....
Dr Patrick Hone
Managing Director

18-August-2021
Date



Signed.....
Ms Cheryl Cole
Chief Financial Officer

18-August-2021
Date

Statement of Comprehensive Income

for the period ended 30 June 2021

	Notes	2020-21 \$	2019-20 \$	Original Budget PBS 2020-21 \$
NET COST OF SERVICES				
Expenses				
Employee benefits	1.1A	3,192,246	3,036,925	3,119,000
Suppliers	1.1B	1,106,650	1,512,070	1,322,000
Projects	1.1C	28,243,412	28,937,131	27,572,000
Depreciation and amortisation	2.2A	341,387	364,297	323,000
Finance costs	1.1D	8,277	10,018	-
Write-down and impairment of assets	1.1E	6,820	5,001	-
Other expenses	1.1F	629,347	575,246	780,000
Total expenses		33,528,139	34,440,688	33,116,000
Own-source income				
Own-source revenue				
Revenue from contracts with customers	1.2A	191,520	817,717	-
Interest	1.2B	93,213	302,329	200,000
Contributions	1.2C	9,280,433	8,424,865	9,173,000
Other revenue	1.2D	150,530	1,403,353	2,010,000
Total own-source revenue		9,715,696	10,948,264	11,383,000
Total own-source income		9,715,696	10,948,264	11,383,000
Net cost of services		23,812,443	23,492,424	21,733,000
Revenue from the Australian Government	1.2E	23,210,498	22,083,577	21,778,000
(Deficit)/Surplus on continuing operations		(601,945)	(1,408,847)	45,000
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation reserves	2.2A	35,214	115,315	-
Total other comprehensive income		35,214	115,315	-
Total comprehensive (loss)/income		(566,731)	(1,293,532)	45,000

The above statement should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2021

	Notes	2020-21 \$	2019-20 \$	Original PBS Budget 2020-21 \$
ASSETS				
Financial assets				
Cash and cash equivalents	2.1A	25,182,254	26,411,348	27,090,000
Trade and other receivables	2.1B	4,760,593	2,306,370	1,597,000
Total financial assets		29,942,847	28,717,718	28,687,000
Non-financial assets ¹				
Buildings	2.2A	670,188	834,433	835,000
Plant and equipment	2.2A	121,200	129,400	143,000
Computer software	2.2A	488,140	601,095	661,000
Other non-financial assets	2.2B	-	14,070	14,000
Total non-financial assets		1,279,528	1,578,998	1,653,000
Total assets		31,222,375	30,296,716	30,340,000
LIABILITIES				
Payables				
Suppliers	2.3A	169,068	193,836	204,000
Projects	2.3B	2,954,056	1,414,377	1,414,000
Other payables	2.3C	6,588	-	-
Total payables		3,129,712	1,608,213	1,618,000
Interest bearing liabilities				
Leases	2.4A	694,555	847,595	849,000
Total interest bearing liabilities		694,555	847,595	849,000
Provisions				
Employee provisions	3.1A	819,369	695,438	683,000
Total provisions		819,369	695,438	683,000
Total liabilities		4,643,636	3,151,246	3,150,000
Net assets		26,578,739	27,145,470	27,190,000
EQUITY				
Asset revaluation reserve		561,765	526,551	526,000
Retained earnings		26,016,974	26,618,919	26,664,000
Total equity		26,578,739	27,145,470	27,190,000

¹ Right-of-use assets are included in the following line item - Buildings.

The above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
for the period ended 30 June 2021

	2020-21	2019-20	Original PBS Budget 2020-21
	\$	\$	\$
RETAINED EARNINGS			
Opening balance			
Balance carried forward from previous period	26,618,919	28,259,516	26,619,000
Adjustment on initial application of AASB 15/AASB 1058/AASB 16	-	(231,750)	-
Adjusted opening balance	26,618,919	28,027,766	26,619,000
Comprehensive income			
(Deficit)/Surplus for the period	(601,945)	(1,408,847)	45,000
Total comprehensive (loss)/income	(601,945)	(1,408,847)	45,000
Closing balance as at 30 June	26,016,974	26,618,919	26,664,000
ASSET REVALUATION RESERVE			
Opening balance			
Balance carried forward from previous period	526,551	411,236	526,000
Opening balance	526,551	411,236	526,000
Comprehensive income			
Other comprehensive income	35,214	115,315	-
Total comprehensive income	35,214	115,315	-
Closing balance as at 30 June	561,765	526,551	526,000
TOTAL EQUITY			
Opening balance			
Balance carried forward from previous period	27,145,470	28,670,752	27,145,000
Adjustment on initial application of AASB 15/AASB 1058/AASB 16	-	(231,750)	-
Adjusted opening balance	27,145,470	28,439,002	27,145,000
Comprehensive income			
(Deficit)/Surplus for the period	(601,945)	(1,408,847)	45,000
Other comprehensive income	35,214	115,315	-
Total comprehensive (loss)/income	(566,731)	(1,293,532)	45,000
Closing balance as at 30 June	26,578,739	27,145,470	27,190,000

The above statement should be read in conjunction with the accompanying notes.

Cash Flow Statement

for the period ended 30 June 2021

			Original PBS Budget 2020-21
	Notes	2020-21 \$	2019-20 \$
OPERATING ACTIVITIES			
Cash received			
Receipts from the Australian Government		22,389,086	24,215,784
Contributions		8,794,352	10,563,053
Grants		1,978,011	59,798
Interest		93,052	322,680
Net GST received		2,013,746	2,524,007
Other		165,583	1,543,688
Total cash received		35,433,830	39,229,010
Cash used			
Employees		(3,061,727)	(3,361,332)
Suppliers		(1,213,920)	(2,534,291)
Projects expenditure		(31,506,085)	(30,627,253)
Interest payments on lease liabilities		(8,277)	(10,018)
Other		(692,282)	(632,771)
Total cash used		(36,482,291)	(37,165,665)
Net cash (used by)/from operating activities		(1,048,461)	1,061,000
INVESTING ACTIVITIES			
Cash used			
Purchase of property, plant and equipment		-	-
Purchase of intangibles		(27,593)	(43,556)
Total cash used		(27,593)	(43,556)
Net cash (used by) investing activities		(27,593)	(43,556)
FINANCING ACTIVITIES			
Cash used			
Principal payments of lease liabilities		(153,040)	(161,884)
Total cash used		(153,040)	(161,884)
Net cash (used by) financing activities		(153,040)	(161,884)
Net (decrease)/increase in cash held		(1,229,094)	1,857,905
Cash and cash equivalents at the beginning of the reporting period		26,411,348	24,553,443
Cash and cash equivalents at the end of the reporting period	2.1A	25,182,254	27,090,000

The above statement should be read in conjunction with the accompanying notes.

Overview

Objectives of the FRDC

The FRDC is an Australian Government controlled entity. It is a not-for-profit entity established as a statutory corporation on 2 July 1991 under the provisions of the *Primary Industries Research and Development Act 1989* (PIRD Act). The FRDC's mission is to act as a national thought leader, facilitating knowledge creation, collaboration and innovation to shape the future of fishing and aquaculture in Australia for the benefit of the Australian people. To achieve this, the FRDC plans, invests in and manages research and development for fishing and aquaculture, and the wider community, and ensures that the resulting knowledge and innovation is adopted for impact. The FRDC also undertakes monitoring of key indicators of change across fishing and aquaculture. This helps in the evaluation of impact that results from the FRDC's investments. Information collected is also of use to decision makers, to understand and respond to emerging issues.

The FRDC's strong relationships with sectors, managers and researchers are fundamental to enable the needs of key stakeholders to be identified and addressed.

The FRDC is structured to meet the following outcome:

Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing.

The continued existence of the FRDC in its present form, and with its present outcome, is dependent on Australian Government policy, and on continuing funding from the Australian Government for the FRDC's outcome.

The basis of preparation

The financial statements are general purpose financial statements, and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements have been prepared in accordance with:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR); and
- b) Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period.

The financial statements have been prepared on an accrual basis, and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

New Australian Accounting Standards

Adoption of new Australian Accounting Standard requirements

No accounting standard has been adopted earlier than the application date as stated in the standard.

The new standards, revised standards, interpretations and amending standards that were issued prior to the signing of the statements by the: Board Chair; Finance, Audit and Risk Management Committee Chair; Managing Director; and Chief Financial Officer; and are applicable to the current reporting period, did not have a material impact, and are not expected to have a future material impact, on the FRDC's financial statements.

Taxation

The FRDC is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST).

Comparative

Comparative figures have been adjusted so they conform with changes in the presentation of these financial statements at Note 2.1B - Trade and other receivables.

Events after the reporting period

Departmental

No reportable events have occurred after the Statement of Financial Position date.

FRDC budgetary explanation of major variances

The following information provides a comparison of the original budget as presented in the 2020-21 Portfolio Budget Statements (PBS) to the 2020-21 final outcome as presented in accordance with Australian Accounting Standards - reduced disclosure requirements for the FRDC. The Budget is not audited. Explanations of major variances are provided below.

Major Variance and Explanations from original budget to actual result for 2020-21

Statement of Comprehensive Income

Supplier expenses were lower than budget due to reduced ICT and external providers engaged.

Project contractual commitments originally forecast can vary due to the timing of completion of project deliverables. Project deliverables are subject to significant variation due to research delays. In 2020-21 project expenses were higher than budget, largely driven by the timing of achieved project deliverables.

Other expenses were lower than budget due to reduced Communications External Provider costs that were originally forecast.

Other revenue originally forecast allowed for additional increased project contributions, the contributions were received and classified applying the Accounting Standard AASB 15 *Revenue from Contracts with Customers*, and are disclosed in project contract liabilities.

Revenue from Australian Government were higher than budget due to the 2020-21 Australian Gross Value Production (AGVP)

Determination from the Department Agriculture, Water and the Environment, which was higher than originally forecast.

The original PBS budget has been reclassified under AASB 1055 *Budgetary Reporting* (6 and 12) to represent the actual result for the following line items:

- Contributions were increased \$1.1m to include the industry levy contributions for the Australian Fisheries Management Authority R&D levies, and the Australian Prawn Farmers Association levies
- Revenue from Australian Government has been reduced by \$1.1m to remove the industry levy contributions for the Australian Fisheries Management Authority R&D levies, and the Australian Prawn Farmers Association prawn levies

The changes in the asset revaluation reserves were higher due to the annual revaluation of fixed assets.

Statement of Financial Position

Cash and cash equivalents were lower due to an increase in cash used, mainly driven by contractual project commitment expenditure, where the spend was higher than originally forecast.

Trade and other receivables may vary due to the timing of the Department of Agriculture, Water and the Environment AGVP Determination, which can result in increases to aged debtors at financial year end. The increase for 2020-21 is largely due to revenue from Australian Government final AGVP and State industry contribution invoices at the end of the financial year.

Building and Interest bearing liabilities decreased as a result of the current lease term for the Adelaide office expiring on 30 March 2021 and was not renewed as at 30 June 2021.

Intangibles varied due to the intangible costs and extent of works were lower than forecast.

Project payables were higher than budget due to the application of the Accounting Standard AASB 15 *Revenue from Contracts with Customers*, resulting in the increase to project liabilities. At the time of preparing the budget, this increase was not anticipated.

Employee Provisions were higher than budget due to higher employee leave balances than forecast and changes in leave provision parameters.

Retained earnings decreased due to the decrease in net income as a result from the higher project expenditure.

Statement of Cash Flows

The variance between actual and forecast cash and cash equivalents for the period is explained in the Statement of Comprehensive Income and Statement of Financial Position.

Financial performance

	2020-21	2019-20
Note 1.1: Expenses	\$	\$
Note 1.1A: Employee benefits		
Wages and salaries	2,439,316	2,174,828
Superannuation		
Defined contribution plans	168,007	186,191
Defined benefit plans	312,536	364,549
Leave and other entitlements	272,387	311,357
Total employee benefits	3,192,246	3,036,925

Accounting policy

Accounting policies for employee related expenses are contained in the People and relationship section Note 3.1A.

Note 1.1B: Suppliers

Goods and services supplied or rendered

Asset purchases less than \$5,000	53,053	20,589
Audit fees	36,000	36,000
External service providers	222,364	483,853
Insurance	38,976	32,640
Information technology	410,212	503,612
Joint research and development corporation (RDC) activities	20,506	72,390
Legal	26,997	27,247
Office supplies	10,926	14,292
Postage and couriers	1,328	1,883
Property	25,250	22,424
Recruitment/director selection costs	39,116	-
Representation	8,738	31,728
Representative organisations consultation	42,777	46,699
Telecommunications	31,329	34,882
Training	27,374	79,031
Travel	78,814	70,178
Other	10,313	17,814
Total goods and services supplied or rendered	1,084,073	1,495,262

Other suppliers

Workers compensation expenses	6,907	11,236
Operating lease rentals ¹	15,670	5,572
Total other suppliers	22,577	16,808
Total suppliers	1,106,650	1,512,070

¹ Operating lease

The FRDC has no short term lease commitments as at 30 June 2021.

Adelaide office

The lease term for the office accommodation at Wine Australia, corner Botanic and Hackney Roads, Adelaide, South Australia, expired 30 March 2021, and remains on a month to month arrangement. A new lease will be finalised with the new lessor National Wine Centre Australia by August 2021.

Accounting Policy

Short-term leases and leases of low-value assets

The FRDC has no right-of-use assets and lease liabilities for short-term leases or leases of low value assets, that have a lease term of 12 months or less.

	2020-21	2019-20
<i>Note 1.1: Expenses continued</i>	\$	\$
Note 1.1C: Projects		
Australian Government entities (related parties)	1,909,634	2,979,893
State and territory governments	7,068,334	5,227,433
Universities and educational bodies	10,921,752	8,546,062
Cooperative research centres	178,200	-
Research and development corporations	51,065	175,622
Industry (commercial, recreational and Indigenous)	5,967,315	8,185,701
Overseas research entities	12,689	27,106
Private providers	2,134,423	3,795,314
Total projects	28,243,412	28,937,131

Accounting policy

The FRDC recognises project liabilities through project agreements that require research partners to perform services or provide facilities, or to meet eligibility criteria. In these cases, liabilities are recognised only to the extent that the services required have been performed, an invoice issued consistent with the contractual requirements, and the eligibility criteria have been satisfied by the research partner to the FRDC's satisfaction and approved invoice payment by the relevant delegate.

Project commitments

Project commitments comprise the future funding of approved projects that are contingent on the achievement of agreed deliverables over the life of those projects (project agreements are exchanged prior to release of the first payment on a project). Projects, where amounts were payable but were unpaid at the end of the period, have been brought to account as project payables. The FRDC contracts to fund projects in future years in advance of receipt of the income needed to fund them. FRDC manages this risk by having the project agreement allow for termination at its sole discretion for any reason. If the FRDC were to terminate a project agreement, it would only be liable to compensate the research partner for any reasonable costs in respect of unavoidable loss incurred by the research provider and directly attributable to the termination of the agreement, provided that the costs are fully substantiated to the FRDC.

Project commitments for the period ending 30 June 2021 are payable as follows:

Within 1 year (unpaid deliverables up to 30 June 2022)	34,041,806	36,613,413
Greater than 1 year (1 July 2022 onwards)	21,829,635	22,289,485
Total project commitments	55,871,441	58,902,897

Note: Project commitments are GST inclusive.

Note 1.1D: Finance costs

Finance leases ¹	8,277	10,018
Total finance costs	8,277	10,018

¹ The above lease disclosures should be read in conjunction with the accompanying Notes 1.1B, 2.2A and 2.4A.

Note 1.1E: Write down and impairment of assets

Write down of intangible assets ¹	6,820	-
Write down of Asco Shareholding investment ²	-	5,001
Total write down and impairment of assets	6,820	5,001

¹ FRDC software was written down at 30 June 2021 (refer note 2.2 Non-financial assets).

² FRDC's One-eighteenth share in Australian Seafood Co-Products Pty Ltd (Assoc) was written down to zero at 30 June 2020, due the closure of the Company.

Note 1.1F: Other expenses

Communications		
Annual report	24,020	25,321
Factsheets	-	11,922
Communications External Provider	99,698	159,682
Media monitoring and releases	25,396	33,600
Other stakeholder consultation	5,079	25,500
FISH Magazine	454,823	277,510
Sponsorship	10,500	8,446
Corporate Merchandise	-	2,300
Photos and Videos	735	368
Education materials and events	9,096	30,597
Total other expenses	629,347	575,246

	2020-21	2019-20
	\$	\$
Note 1.2: Own-source income and revenue from the Australian Government		
Own-source revenue		
Note 1.2A: Revenue from contracts with customers		
Australian Government entities (related parties) - over time	191,520	817,717
Total revenue from contracts with customers	191,520	817,717

Accounting policy

The FRDC receives revenue from the Australian Government under which it manages a suite of research activities. These activities are listed at Note 3.4B. FRDC has specific funding agreements with the Australian Government that include enforceable rights and performance obligations. The FRDC initially recognises the funding received as a credit liability entry to recognise the contract liability (refer Note: 2.3B). Once the performance obligations have been satisfied as per the funding agreement milestones over time, it is then recognised as revenue from contracts with customers, unwinding the liability.

Note 1.2B: Interest

Deposits	93,213	302,329
Total interest	93,213	302,329

Accounting policy

Interest revenue is recognised using the effective interest method.

Note 1.2C: Contributions

Fisheries

Australian Prawn Farmers Association	292,421	161,555
Australian Fisheries Management Authority	937,483	826,902
New South Wales	526,005	584,581
Northern Territory	212,189	217,807
Queensland	730,000	683,776
South Australia	1,437,361	1,148,332
Tasmania	2,287,523	2,728,387
Victoria	317,471	281,108
Western Australia	2,539,980	1,792,417
Total contributions	9,280,433	8,424,865

Accounting policy

Contributions are recognised when:

- a) the FRDC obtains control of the contribution or the right to receive the contribution;
- b) it is probable that the economic benefits comprising the contribution will flow to the FRDC; and
- c) the amount of the contribution can be reliably measured.

Note 1.2D: Other revenue

Project funds received	47,586	1,213,991
Project refunds of prior years expenditure	102,944	189,072
Other	-	290
Total other revenue	150,530	1,403,353

Accounting policy

Project funds received are recognised when they are entitled to be received by the FRDC. Project refunds from research partners are brought to account when received.

Note 1.2E: Revenue from the Australian Government

Department of Agriculture Water and the Environment		
Corporate Commonwealth entity payment item of 0.50% of AGVP ¹	15,613,565	14,893,460
Matching of industry contributions ²	7,596,933	7,190,117
Total revenue from the Australian Government	23,210,498	22,083,577

¹ AGVP is the average gross value of fisheries production for the current year and the two preceding financial years. The Australian Government's contribution of 0.50% of AGVP is made on the grounds that the FRDC exercises a stewardship role in relation to fisheries resources on behalf of the Australian community.

² Matching of industry contributions (up to 0.25% of AGVP) by the Australian Government.

Accounting policy

Revenue from the Australian Government

Revenues from the Australian Government are recognised when they are entitled to be received by the FRDC. Funding received or receivable from non-corporate Commonwealth entities (appropriated to the non-corporate Commonwealth entity as a corporate Commonwealth entity payment item for payment to this entity) is recognised as Revenue from Government by the corporate Commonwealth entity unless the funding is in the nature of an equity injection or a loan.

Financial position

	2020-21	2019-20
Note 2.1: Financial assets	\$	\$
Note 2.1A: Cash and cash equivalents		
Cash on hand or at call	5,182,254	6,411,348
Cash on deposit:		
Fixed term deposit - original term 3 months	15,000,000	-
Fixed term deposit - original term 2 months	5,000,000	15,000,000
Fixed term deposit - original term 1 months	-	5,000,000
Total cash and cash equivalents	25,182,254	26,411,348

Accounting policy

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- cash on hand; and
- demand deposits in bank accounts with an original maturity of three months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Note 2.1B: Trade and other receivables

Goods and services receivables		
Goods and services ¹	2,195,298	712,968
Total goods and services receivables	2,195,298	712,968
Department of Agriculture, Water and the Environment		
Receivables	2,442,562	1,429,630
Total receivables from Department of Agriculture, Water and the Environment	2,442,562	1,429,630
Other receivables		
GST receivable from the Australian Taxation Office	120,600	156,484
FBT receivable from the Australian Taxation Office ¹	1,973	2,148
Interest receivable from the Commonwealth Bank ¹	161	5,140
Total other receivables	122,733	163,772
Total trade and other receivables	4,760,593	2,306,370
Trade and other receivables are expected to be recovered		
No more than 12 months	4,760,593	2,306,370
Total trade and other receivables	4,760,593	2,306,370
Trade and other receivables aged as follows		
Not overdue ²	4,232,593	2,239,601
Overdue by		
0 to 30 days	528,000	-
31 to 60 days	-	66,769
Total trade and other receivables	4,760,593	2,306,370

¹ Goods and services in relation to FBT receivable and interest receivable were reclassified in the comparative year, and are now disclosed in other receivables.

² Credit terms for goods and services are within 30 days (2019-20: 30 days).

Accounting policy

Financial assets

Trade receivables, loans and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest method adjusted for any loss allowance.

Note 2.2: Non-financial assets**Note 2.2A: Reconciliation of the opening and closing balances of property, plant and equipment and intangibles****Reconciliation of the opening and closing balances of property, plant and equipment and intangibles**

	Buildings ¹	Plant and equipment	Intangibles (computer software)	Total
	\$	\$	\$	\$
As at 1 July 2020				
Gross book value	1,009,479	129,400	1,315,630	2,454,509
Accumulated depreciation and amortisation	(175,046)	-	(714,535)	(889,581)
Total as at 1 July 2020	834,433	129,400	601,095	1,564,928
Additions				
Internally developed	-	-	27,593	27,593
Revaluations recognised in other comprehensive income ²	-	35,214	-	35,214
Write down recognised in net cost of services ³	-	-	(6,820)	(6,820)
Depreciation and amortisation	-	(43,414)	(133,728)	(177,142)
Depreciation on right-of-use assets	(164,245)	-	-	(164,245)
Total as at 30 June 2021	670,188	121,200	488,140	1,279,528
Total as at 30 June 2021 represented by				
Gross book value	1,009,479	121,200	1,321,362	2,452,041
Accumulated depreciation and amortisation	(339,291)	-	(833,222)	(1,172,513)
Total as at 30 June 2021	670,188	121,200	488,140	1,279,528
Carrying amount of right-of-use assets	670,188	-	-	670,188

¹ **Right-of-use-assets (Building leases)**Canberra office

The lease for the office accommodation at 25 Geils Court, Deakin, Australian Capital Territory expires 31 July 2023, with a 3 year right of renewal until 31 July 2026. Lease payments are subject to a 3 percent annual increase in accordance with the lease agreement.

Adelaide office

The lease term for the office accommodation at Wine Australia, corner Botanic and Hackney Roads, Adelaide, South Australia, expired 30 March 2021, and remains on a month to month arrangement. A new lease will be finalised with the new lessor National Wine Centre Australia by August 2021.

Revaluations of non-financial assets

² As at 30 June 2021, Jones Lang LaSalle Public Sector Valuations conducted a revaluation of plant and equipment. A revaluation increment of \$35,214 for 2020-21 (2019-20: increment of \$115,315) was applied to the asset revaluation reserve by asset class and included in the equity section of the Statement of Financial Position.

³ FRDC software was written down at 30 June 2021 (refer note 1.1E).

No indicators of impairment were found for plant and equipment or intangibles.

No plant and equipment is expected to be sold or disposed of within the next 12 months.

Accounting policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate. Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset recognition threshold

Purchases of property, plant and equipment are recognised initially at cost in the Statement of Financial Position, except for purchases costing less than \$5,000 that are expensed in the year of acquisition (other than where they form part of a group of similar items where the value is greater than \$5,000).

Lease right of use (ROU) assets

Lease ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16 the FRDC has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right-of-use lease asset that shows indicators of impairment and an impairment loss is recognised against any right-of-use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition in Commonwealth agency, GGS and whole of government financial statements.

Revaluations

Following initial recognition at cost, property, plant and equipment (excluding ROU assets) are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations are conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depend on the volatility of movements in market values for the relevant assets.

Revaluation adjustments are made on a class basis. Any revaluation increment is credited to equity under the heading of asset revaluation reserve except to the extent that it reverses a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluation decrements for a class of assets are recognised directly in the surplus/deficit except to the extent that they reversed a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset, and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written off to their estimated residual values over their estimated useful lives to the FRDC using, in all cases, the straight-line method of depreciation.

Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

Depreciation rates applying to each class of depreciable asset are based on the following useful lives:

	2020-21	2019-20
Buildings (including ROU assets)	Lease term	Lease term
Leasehold improvements	Lease term	Lease term
Plant and equipment	up to 5 years	up to 5 years

Impairment

All assets were assessed for impairment at 30 June 2021. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if the entity were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal, or when no further future economic benefits are expected from its use or disposal.

Intangibles

The FRDC's intangibles comprise internally developed software and purchased software for internal use. These assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised on a straight-line basis over its anticipated useful life. The useful lives of the FRDC's software is 10 years (2019-20: 10 years).

All software assets were assessed for indications of impairment as at 30 June 2021.

	2020-21	2019-20
	\$	\$
<i>Note 2.2: Non-financial assets continued</i>		
Note 2.2B: Other non-financial assets		
Prepayments	-	14,070
Total other non-financial assets	-	14,070

No indicators of impairment were found for other non-financial assets.

	2020-21	2019-20
	\$	\$
Note 2.3: Payables		
Note 2.3A: Suppliers and other payables		
Trade creditors and accruals	104,504	122,158
FBT payable	1,328	1,866
PAYG payable	63,236	69,812
Total suppliers and other payables	169,068	193,836

Settlement is usually made within 30 days.

Note 2.3B: Projects		
State and territory government expense	-	535,609
Universities and educational bodies	46,230	-
Industry (commercial, recreational and Indigenous)	5,500	-
Contract liability ¹	2,795,559	817,548
Other	106,767	61,220
Total projects	2,954,056	1,414,377

¹ The contract liability is associated with funding provided for Research & Development activities under Funding Agreements with the Department of Agriculture, Water and the Environment, Department of Primary Industries NSW, Australian Maritime Safety Authority and Great Barrier Reef Marine Park Authority as detailed below.

Department of Agriculture, Water and the Environment

- Assist with data generation to support APVMA application
- Development of on-farm biosecurity plan implementation support programs for aquaculture industry
- AQUAPLAN Development Workshop Publication
- Aquatic Animal Health Training Scheme 2019 - 2022
- Compilation of Information for the Marine Mammal Protection Act Comparability Finding Process
- Indigenous Engagement Strategy
- Finfish - Ectoparasites - Ag Vet 6 - 4-G1AHKTN

The FRDC recognised a contract liability in 2020-21 totalling: \$261,621 (2019-20 \$291,548)

Department of Primary Industries NSW

- NSW seafood product development program
- Research Project to investigate and develop a framework to establish Aboriginal commercial fishing, aquaculture and other related businesses in NSW
- Research and Development for Harvest Strategies in NSW

The FRDC recognised a contract liability in 2020-21 totalling: \$799,900 (2019-20 \$526,000)

Australian Maritime Safety Authority

- Seafood Industry Safety Initiative SISI funding support

The FRDC recognised a contract liability in 2020-21 totalling: \$690,000 (2019-20 \$Nil)

Great Barrier Reef Marine Park Authority

- Habitat ecological risk assessment for eco-regions with high trawl footprints, in southern Queensland

The FRDC recognised a contract liability in 2020-21 totalling: \$300,000 (2019-20 \$Nil)

Accounting policy

Project payables are recognised at their nominal amounts, being the amounts at which the liabilities will be settled. They relate to payments approved on achievement of agreed deliverables, but which were unpaid at the end of the reporting period. Settlement is usually made within 30 days.

As per AASB 15 *Revenue from Contracts with Customers*, contract liabilities are recognised at their nominal amounts, being the amounts at which the liabilities are not yet settled. They relate to payments received for funding provided for research and development activities, of which specific performance obligations were not met at the end of the reporting period.

Note 2.3C: Other payables		
Other	6,588	-
Total other payables	6,588	-

	2020-21	2019-20
	\$	\$
Note 2.4: Interest Bearing Liabilities		
Note 2.4A: Leases		
Lease liabilities ¹	694,555	847,595
Total leases	694,555	847,595

¹ Total cash outflow for leases for the year ended 30 June 2021 was \$153,040 plus finance costs of \$8,277.

Maturity analysis - contractual undiscounted cash flows

Within 1 year	132,166	161,318
Between 1 to 5 years	581,948	714,114
Total leases	714,114	875,432

The FRDC in its capacity as lessee has leased office accommodation located at 25 Geils Court, Deakin, Australian Capital Territory, which expires 31 July 2023, and has a 3 year right of renewal until 31 July 2026. Lease payments are paid on a monthly basis and subject to a 3 percent annual increase in accordance with the lease agreement.

The above lease disclosures should be read in conjunction with the accompanying Notes 1.1B, 1.1D, 2.2A and 2.4A.

Accounting Policy

For all new contracts entered into, the FRDC considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the department's incremental borrowing rate.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

People and relationships

	2020-21	2019-20
	\$	\$
Note 3.1: Employee Provisions		
Note 3.1A: Employee provisions		
Leave	819,369	695,438
Total employee provisions	819,369	695,438
Employee provisions that could be settled		
No more than 12 months	689,122	615,674
More than 12 months	130,247	79,764
Total employee provisions	819,369	695,438

Accounting policy

Liabilities for short-term employee benefits and termination benefits expected within 12 months of the end of reporting period are measured at their nominal amounts. Other long-term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligations are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including the entity's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination. The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

The FRDC's staff are members of the Public Sector Superannuation Scheme (PSS), or the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government.

The PSS is a defined benefit scheme for the Australian Government. The PSSap and any other superannuation funds are defined contribution schemes.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported in the Department of Finance's administered schedules and notes.

The FRDC makes employer contributions to the employee's defined benefit superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Australian Government. The entity accounts for the contributions as if they were contributions to defined contribution plans.

	2020-21	2019-20
	\$	\$

Note 3.2: Key management personnel remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the FRDC, directly or indirectly, including any director of the board (whether executive or otherwise) of the FRDC. The FRDC has determined the key management personnel to be the non-executive directors, the Managing Director and senior general managers. Key management personnel remuneration is reported in the table below:

Short-term employee benefits (salary plus annual leave expense)	1,548,977	1,518,401
Post-employment benefits (superannuation)	245,057	243,247
Other long-term employee benefits (long service leave)	47,599	44,265
Total key management personnel remuneration expenses ¹	1,841,634	1,805,913

The total number of key management personnel that are included in the above table is 15 (2019-20: 14). They are made up of:

- one non-executive director (Chair)
- seven non-executive directors
- one Managing Director
- four senior general managers
- one senior general manager (retired 7 July 2020)
- one senior general manager (resigned 31 May 2021)

	2020-21	2019-20
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Note 3.3: Annual total remuneration ranges (including superannuation) paid to key management personnel

Nil to \$39,999	1	2
\$40,000 to \$69,999	8	7
\$160,000 to \$239,999	5	3
\$280,000 to \$309,999	0	1
\$360,000 to \$389,999	1	1
Total number of key management personnel	15	14

Note 3.4: Related party disclosures

Related party relationships

The FRDC is an Australian Government controlled entity. Related parties to this entity are non-executive directors, the Managing Director, and senior general managers and other Australian Government entities.

The non-executive directors and the Managing Director of the FRDC during the year were:

Mr John Williams	Chair (Member People and Culture Committee)
Dr Kathryn Brooks	Director (Member Finance, Audit and Risk Management Committee)
Professor Colin D. Buxton	Director (Deputy Chair)
Dr Saranne Cooke	Director (Chair Finance, Audit and Risk Management Committee - commenced 1 September 2020) (Member Finance, Audit and Risk Management Committee)
Ms Katina Hodson-Thomas	Director (Member People and Culture Committee)
Dr Patrick Hone	Managing Director
Mr Mark King	Director (Chair People and Culture Committee)
Mr John Lloyd	Director (Member Finance, Audit and Risk Management Committee)
Dr Lesley MacLeod	Director (Member Finance, Audit and Risk Management Committee) (Chair Finance, Audit and Risk Management Committee - ceased 31 August 2020)

Note 3.4A: Transactions with director-related entities

The FRDC's practice is to disclose all transactions with an entity with whom a director has an association. This means that where directors have disclosed a material personal interest, all the transactions with that entity will be disclosed. Typically, the FRDC will not transact with all the entities for which a director has made such a declaration. The transactions that are not with related parties as defined by AASB124 Related Party Disclosures, are identified below with an asterisk (*)

The FRDC's 'Board governance policy' provides guidance to directors on how the FRDC deals with material personal interests. Where a director has an association with an entity where a conflict has the potential to arise, in addition to the duty to disclose that association, the director absents him/herself from both the discussion and the decision-making process.

Given the breadth of Australian Government activities, related parties may transact with the government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of a Medicare rebate or higher education loans. These transactions have not been separately disclosed in this note.

The Directors disclosed material personal interests during the directors' related period.

Director	Organisation and position held	Nature of interest
Dr K. Brooks	OzFish Unlimited <i>Non-Executive Director</i> 1 July 2020 to current	Research projects or work undertaken by the organisation
	Kal Analysis Pty Ltd <i>Director</i> 1 July 2020 to 30 June 2021	Research projects or work undertaken by the organisation
	School of Humanities and Social Sciences, Faculty of Arts and Education Deakin University <i>Adjunct Associate Professor</i> 1 July 2020 to current	Research projects or work undertaken by the organisation
Professor C. D. Buxton	Southern Rock Lobster Ltd <i>Chair</i> 1 July 2020 to current	Research projects or work undertaken by the organisation
	Institute from Marine and Antarctic Studies University of Tasmania * <i>Adjunct Professor</i> 1 July 2020 to current	Research projects or work undertaken by the organisation
Dr P. Hone	Council of Rural Research & Development Corporation <i>Member of the Executive and CEO's Committee</i> 1 July 2020 to 30 April 2021	Research projects or work undertaken by the organisation

The following transactions occurred during the directors' related period with these entities.

Transactions with related entities	2020-21		2019-20	
	Expenditure	Income	Expenditure	Income
OzFish Unlimited	-	-	2,454	-
Kal Analysis Pty Ltd	-	-	38,566	-
School of Humanities and Social Sciences, Faculty of Arts and Education Deakin University	87,885	-	345,652	-
Southern Rock Lobster Ltd	264,000	-	191,290	852
Institute from Marine and Antarctic Studies University of Tasmania	6,235,271	-	3,840,665	-
Council of Rural Research & Development Corporation	22,159	-	51,940	-

All transactions were conducted under normal terms and conditions and include GST.

Note 3.4B: Other related party disclosures**Department of Agriculture, Water and the Environment**

The FRDC has a Research & Development Funding Head Agreement with the Department of Agriculture, Water and the Environment under which it manages the suite of activities detailed below:

- Assist with data generation to support APVMA application
- National Carp Control Program
- Development of on-farm biosecurity plan implementation support programs for aquaculture industry
- AQUAPLAN Development Workshop Publication
- Aquatic Animal Health Training Scheme 2019 - 2022
- Compilation of Information for the Marine Mammal Protection Act Comparability Finding Process
- Indigenous Engagement Strategy
- Finfish - Ectoparasites - Ag Vet 6 - 4-G1AHKTN
- Rural R&D for Profit : Growing a profitable, innovative and collaborative Australian Yellowtail Kingfish aquaculture industry: bringing 'white' fish to the market

The FRDC has received new funding from Department of Agriculture, Water and the Environment in 2020-21 totalling: \$310,271 (2019-20: \$877,515).

Agriculture Innovation Australia (AIA)

The FRDC is one of 15 members of the Agriculture Innovation Australia (AIA), a company limited by guarantee. The constitution of AIA prohibits the distribution of any assets and income to its members. FRDC has no ownership or controlling interest in AIA that would require recognition or disclosure within FRDC's Financial Statements. In 2020-21, FRDC paid membership fees of \$65,000 to AIA.

Financial instrument and fair value measurements

	2020-21	2019-20
	\$	\$
Note 4.1: Financial instruments		
Note 4.1A: Categories of financial instruments		
Financial assets at amortised cost		
Cash and cash equivalents	25,182,254	26,411,348
Trade and other receivables	2,197,431	720,256
Total Financial assets at amortised cost	27,379,685	27,131,604
Total financial assets	27,379,685	27,131,604
Financial liabilities		
Financial liabilities measured at amortised cost		
Suppliers and other payables	104,504	122,158
Projects	2,954,056	1,414,377
Total Financial liabilities measured at amortised cost	3,058,560	1,536,535
Total financial liabilities	3,058,560	1,536,535

Accounting policy

Financial assets

As per *AASB 9 Financial Instruments*, the FRDC classifies its financial assets in the following category:

- financial assets measured at amortised cost.

The classification depends on both the entity's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the entity becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash flows from the financial asset expire or are transferred upon trade date.

Comparatives have not been restated on initial application.

Financial Assets at Amortised Cost

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest method.

Effective Interest Method

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities.

Financial liabilities are recognised and derecognised upon 'trade date'.

Financial Liabilities at Amortised Cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Supplier and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (and irrespective of having been invoiced).

	2020-21	2019-20
	\$	\$
Note 4.1B: Net gain or loss from financial assets		
Financial assets at amortised cost		
Interest revenue (Note 1.2B)	93,213	302,329
Net gains on financial assets at amortised cost	93,213	302,329

There are no gains or losses on financial liabilities.

Note 4.2: Fair value measurement

Accounting policy

FRDC engaged Jones Lang LaSalle Public Sector Valuations (JLL) to conduct an asset revaluation of all non-financial assets as at 30 June 2021. An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. Comprehensive valuations are carried out at least once every three years. JLL has provided written assurance to the FRDC that the models developed are in compliance with AASB 13.

The methods utilised to determine and substantiate the unobservable inputs are derived and evaluated as follows.

Physical depreciation and obsolescence - assets that do not transact with enough frequency or transparency to develop objective opinions of value from observable market evidence that have been measured using the depreciated replacement cost approach. Under the depreciated replacement cost approach, the estimated cost to replace the asset is calculated and then adjusted to take into account physical depreciation and obsolescence. Physical depreciation and obsolescence has been determined based on professional judgement regarding physical, economic and external obsolescence factors relevant to the asset under consideration. For all leasehold improvement assets, the consumed economic benefit / asset obsolescence deduction is determined based on the term of the associated lease.

FRDC's policy is to recognise transfers into, and transfers out of, fair value hierarchy levels as at the end of the reporting period.

Note 4.2A: Fair value measurement

	Fair value measurements at the end of the reporting period	
	2020-21 \$	2019-20 \$
Non-financial assets		
Leasehold improvements	107,600	111,450
Plant and equipment	13,600	17,950
Total non-financial assets	121,200	129,400

The FRDC did not measure any non-financial assets at fair value on a non-recurring basis as at 30 June 2021.

As at 30 June 2021, Jones Lang LaSalle Public Sector Valuations conducted a revaluation of plant and equipment. The table above summarises the results of the valuation at fair value. A revaluation increment was applied to the asset revaluation reserve by asset class and included in the equity section of the Statement of Financial Position. Refer Note: 2.2A.

Other information

	2020-21 \$	2019-20 \$
Note 5.1: Current/non-current distinction for assets and liabilities	\$	\$
Note 5.1A: Current/non-current distinction for assets and liabilities		
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	25,182,254	26,411,348
Trade and other receivables	4,760,593	2,306,370
Other non-financial assets	-	14,070
Total no more than 12 months	29,942,847	28,731,788
More than 12 months		
Buildings	670,188	834,433
Plant and equipment	121,200	129,400
Computer software	488,140	601,095
Total more than 12 months	1,279,528	1,564,928
Total assets	31,222,375	30,296,716
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	169,068	193,836
Projects	2,954,056	1,414,377
Other payables	6,588	-
Leases	132,166	161,318
Employee provisions	689,122	615,674
Total no more than 12 months	3,951,000	2,385,205
More than 12 months		
Leases	562,389	686,277
Employee provisions	130,247	79,764
Total more than 12 months	692,636	766,041
Total liabilities	4,643,636	3,151,246