

AUSTRALIAN CENTRE FOR
INTERNATIONAL AGRICULTURAL
RESEARCH
(ACIAR)

SECTION 1

OVERVIEW, APPROPRIATION AND BUDGET MEASURES SUMMARY

OVERVIEW

ACIAR was established by the Australian Government in 1982, to assist and encourage Australia's agricultural scientists to use their skills for the benefit of developing countries while they also work to resolve Australia's own agricultural problems. Australia is in an excellent position to do this. It has an exceptionally strong capacity in agricultural research and development. It is also in the unique position amongst developed countries of possessing large areas of land in the tropics and subtropics, and facing many of the same climatic constraints and technical problems of its partner countries.

ACIAR's principal goals are to reduce poverty, improve food security and conserve and rehabilitate the natural resource base for agriculture through international agricultural research partnerships. Developing countries are the major beneficiaries but there are also spinoffs for Australia. To achieve these goals, ACIAR facilitates and supports bilateral research and development activities in a broad range of agricultural areas, including crop production, animal production, fisheries, forestry, land and water resources management, postharvest technology, and economic studies of agricultural and natural resource utilisation.

ACIAR also administers the Australian Government's contributions to around 20 International Agricultural Research Centres (IARCs). It achieves this through unrestricted contributions to the core funding of the organisations and through small and large restricted grants for projects that link different Centres with Australian research groups.

Closely related to ACIAR's primary function of facilitating international agricultural research is its vital function of strengthening research capacity and transferring technology in developing countries. ACIAR achieves this through support for training opportunities for developing-country scientists and technicians who are involved with ACIAR-funded research. The Centre also supports a scientific publishing program that enables the publication of works in subjects highly relevant to developing country agriculture but less likely to be published in traditional journals and books.

APPROPRIATION

The price of outputs appropriation for the ACIAR in the 2000-2001 Budget is \$44.743m.

AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH — APPROPRIATION 2000-2001

Table 1.1 Appropriation and Other Revenue (\$'000)

OUTCOME	Departmental (Price of Outputs)					Administered				TOTAL APPROPRIATIONS
	Revenue from Government (Appropriation)			Revenue from other Sources	Price of Outputs	Annual Appropriation		Special Approps	Total Administered AppropsS	
	Bill No 1	Special Approps	Total			Bill No 1	Bill No 2 (SPPs & NAOs)			
(A)	(B)	(C=A+B)	(D)	(E=C+D)	(F)	(G)	(H)	(I=F+G+H)	(J=C+I)	
International agricultural research partnerships that reduce poverty, improve food security and sustainably manage natural resources in developing countries and Australia	44,743		44,743 (C1) 93.7%	3,031	47,774 (E1)				(I1)	44,743
TOTALS	44,743		44,743 (K1)	3,031	47,774				(K2)	44,743
Amounts in shading are included in annual appropriation bills					Departmental Capital (Equity Injections and Loans)				(K3)Nil	
					Administered Capital				(K4)Nil	
					TOTAL APPROPRIATIONS				44,743	

MEASURES – AGENCY SUMMARY

ACIAR has no budget measures for 2000-01.

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

ACIAR will not receive either an equity injection or a loan for 2000-01.

ACIAR has not been appropriated any Administered Capital for 2000-01.

SECTION 2

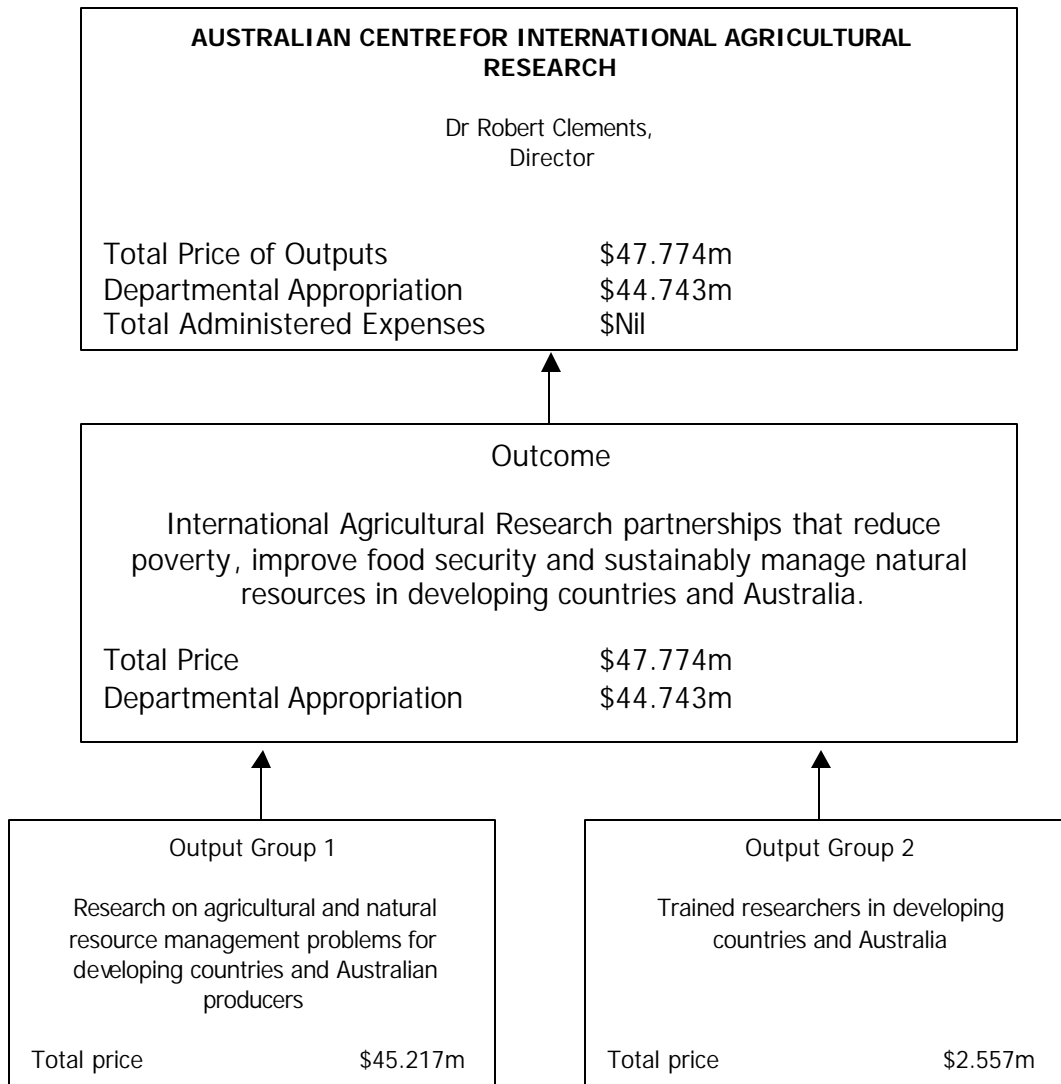
OUTCOME AND OUTPUTS INFORMATION

OUTCOME AND OUTPUT GROUPS

The chart below shows the relationship between the Government outcome and the contributing outputs for the Australian Centre for International Agricultural Research, presented here as output groups.

Financial details for the Outcome by outputs and output groups appear in table 2.1.1, page 151 while non-financial information for the Outcome appears in table 2.2.1, page 152.

CHART 2.1 - OUTCOME AND OUTPUT GROUPS

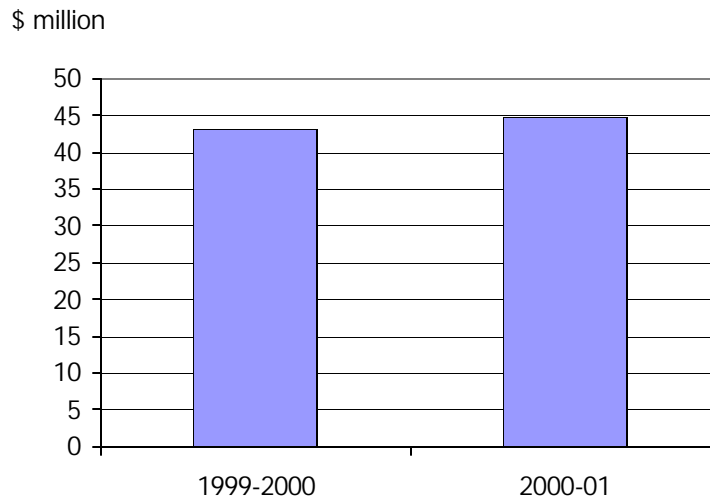


CHANGES TO OUTCOME AND OUTPUTS

ACIAR has made no changes to the number, wording or structure of its outcome and outputs.

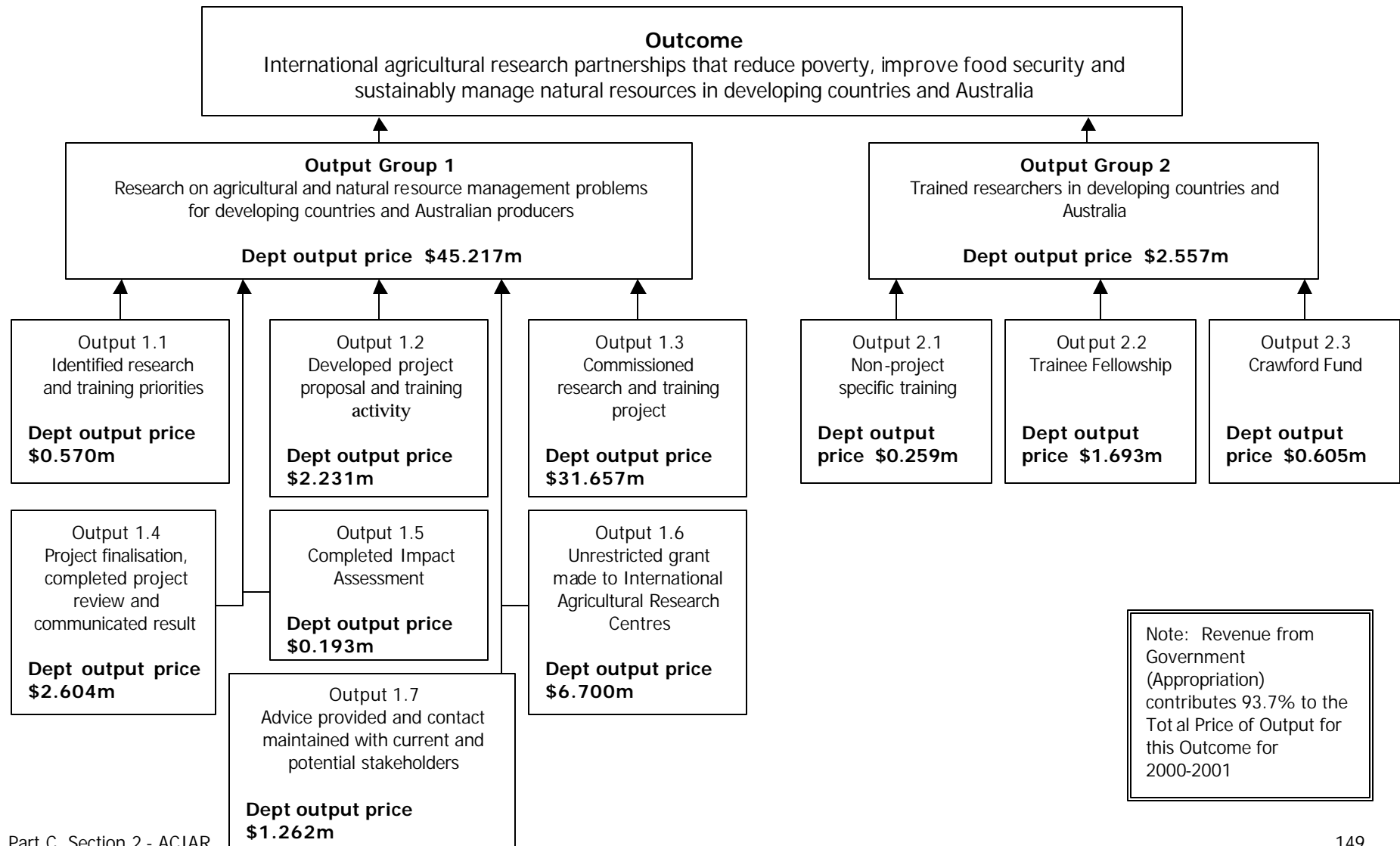
TRENDS IN RESOURCING

Graph 2.1 - Trends in appropriation



Note: Only two years' appropriations have been provided in this graph for comparative purposes, as accrual budgeting commenced in 1999-2000.

Chart 2.2 – Outcome – Contributing Outputs



OUTCOME - DESCRIPTION

Outcome – International Agricultural Research partnerships that reduce poverty, improve food security and sustainably manage natural resources in developing countries and Australia.

ACIAR's goal and program objectives stem from the Centre's functions as prescribed in the Australian Centre for International Agricultural Research Act 1982. These are to:

- formulate programs and policies with respect to agricultural research for either or both of the following purposes:
 - identifying agricultural problems of developing countries
 - finding solutions to agricultural problems of developing countries;
- commission agricultural research by persons or institutions in Australia (whether the research is conducted in Australia or overseas) in accordance with such programs and policies;
- communicate to persons and institutions the results of such agricultural research;
- establish and fund training schemes related to its research programs;
- conduct and fund development activities related to its research programs; and
- fund international agricultural research centres.

MEASURES AFFECTING OUTCOME

There are no new measures in the 2000-01 Budget that affect the Outcome.

OUTCOME — RESOURCING

Table 2.1.1. shows how the 2000-2001 appropriation and program structure translate to total resourcing for the Outcome, Revenue from Government (Appropriation) for Outputs, and the Total Price of Outputs. Cell references **C1** and **E1** show links back to table 1.1, the Appropriation Table, page 144.

Table 2.1.1: Total Resources for Outcome (\$'000)

Agency Appropriation	Estimated Actual 1999-2000 (\$'000)	Budget Estimate 2000-01 (\$'000)
Output Group 1 - Research on agricultural and natural resource management problems for developing countries and Australian producers		
1.1. Identified research and training priorities	550	570
1.2. Developed project proposal and training activity	2,150	2,231
1.3. Commissioned research and training project	30,518	31,657
1.4. Project finalisation, completed project review and communicated results	2,511	2,604
1.5. Completed impact assessment	186	193
1.6. Unrestricted grant made to IARCs	6,684	6,700
1.7. Advice provided and contact maintained with current and potential stakeholders	1,215	1,262
Subtotal Output Group 1	43,814	45,217
Output Group 2 - Trained researchers in developing countries and Australia		
2.1. Non-project specific training	249	259
2.2. Trainee fellowships	1,633	1,693
2.3. Crawford Fund	550	605
Subtotal Output Group 2	2,432	2,557
Total Revenue from Government (Appropriation) Contributing to Price of Agency Outputs	43,280	44,743
	93.6%	C1 93.7%
Revenue from other Sources	2,966	3,031
Total Revenue from Other Sources	2,966	3,031
Total Price of Departmental Outputs (Total revenue from Government and from other sources)	46,246	E1 47,774
TOTAL ESTIMATED RESOURCING FOR OUTCOME	46,246	47,774
STAFF YEARS (NUMBER)	1999-2000	2000-2001
	50	52

OUTCOME — CONTRIBUTION OF OUTPUTS

ACIAR's outputs of research on agricultural and natural resource management problems for developing countries and Australian producers reflect the government's decision to continue to focus on poverty alleviation and sustainable development.

ACIAR monitors and advises on the types of activities that are resourced and the impact these activities have on the community.

Table 2.2.1 provides information on the strategies chosen to deliver the outcome, and shows the links between the outputs and the outcome.

PERFORMANCE INFORMATION FOR THE OUTCOME

Table 2.2.1: Performance Information for the Outcome

Performance Information for Departmental items	Performance Indicators and Targets
Output Group 1 - Research on agricultural and natural resource management problems for developing countries and Australian producers	
Output 1.1 - Identified research and training priorities	<i>Quantity:</i> 3,000 person hours spent <i>Price:</i> \$190 per person hour <i>Quality:</i> % leverage (% contribution by research partners) <i>Total price of output:</i> \$0.570m
Output 1.2 - Developed project proposal and training activity	<i>Quantity:</i> 50 proposals successfully developed <i>Price:</i> \$44,620 per proposal <i>Quality:</i> % successful to phase 4 acceptance <i>Total price of output:</i> \$2.231m
Output 1.3 - Commissioned research and training projects	<i>Quantity:</i> 140 projects in progress <i>Price:</i> \$226,121 per project <i>Quality:</i> % commissioned on planned time <i>Total price of output:</i> \$31.657m
Output 1.4 - Project finalisation, completed project review and communicated result	<i>Quantity:</i> 55 projects completed <i>Price:</i> \$47,345 per completion <i>Quality:</i> % completed by planned time, # completed within budget, # favourable reviews, # ACIAR scientific publications distributed in response to requests <i>Total price of output:</i> \$2.604m
Output 1.5 - Completed impact assessment	<i>Quantity:</i> 7 completed impact assessments <i>Price:</i> \$27,571 per impact assessment <i>Quality:</i> average IRR of projects assessed, # projects having scientific/development impact <i>Total price of output:</i> \$0.193m
Output 1.6 - Unrestricted grant made to International Agricultural Research Centres	<i>Quantity:</i> 19 IARCs in receipt of grants <i>Price:</i> \$352,632 per grant <i>Quality:</i> assessment of effectiveness of IARCs <i>Total price of output:</i> \$6.700m
Output 1.7 - Advice provided and contact maintained with current and potential stakeholders	<i>Quality:</i> ACIAR involvement in and professional reputation within the scientific community <i>Total price of output:</i> \$1.262m

Output Group 2 - Trained researchers in developing countries and Australia	
Output 2.1 - Non-project specific training	<i>Quantity:</i> 9 courses conducted <i>Price:</i> \$28,778 per course <i>Quality:</i> # trainees indicating satisfaction <i>Total price of output:</i> \$0.259m
Output 2.2 - Trainee fellowships	<i>Quantity:</i> 34 fellowships in place <i>Price:</i> \$49,794 per fellowship <i>Quality:</i> % fellows achieving qualifications <i>Total price of output:</i> \$1.693m
Output 2.3 - Crawford Fund	<i>Quantity:</i> 1 maintained Crawford Fund <i>Price:</i> \$605,110 <i>Quality:</i> favourable annual audit report <i>Total price of output:</i> \$0.605m

EVALUATIONS

In the 1999-2000 financial year, seven evaluations of ACIAR projects were completed. In addition, a further two studies (CSIRO – Improved seeds in Thailand, and Evaluating long-term, small holder, decision-making in developing countries) have been initiated. All of these studies were commissioned by the Impact Assessment Program and were outsourced to external consultants. This program will commission around five more evaluations in the 2000-01 financial year.

COMPETITIVE TENDERING AND CONTRACTING

The delivery of agricultural research within the context of the aid program is entirely outsourced. ACIAR's objective is to work with developing countries to reduce poverty, enhance food security and conserve and rehabilitate the natural resources base for agriculture in developing countries. ACIAR's role is to facilitate and fund agricultural research.

ACIAR is systematically reviewing its activities to ensure that activities that can be devolved to a more appropriate level of government or private enterprise are devolved. ACIAR is considering ways in which competitive tendering and contracting can be used to improve efficiency and effectiveness.

SECTION 3

BUDGETED FINANCIAL STATEMENTS

Budgeted Statement of Revenue and Expenses (Budget Operating Statement)

This statement provides a picture of the expected financial results for the Agency by identifying full accrual expenses and revenues, which highlights whether the Agency is operating at a sustainable level in the short run.

Budgeted Statement of Assets and Liabilities (Budget Balance Sheet)

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

Budgeted Cash Flow Statement

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

Capital Budget

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

Non-financial Assets — Summary of Movement

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

Table 3.1 Agency Operating Statement (for period ended 30 June 2000)

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
Operating revenue					
Revenues from government	43,280	44,743	45,781	46,822	47,851
Sales of goods and services	25	25	25	25	25
Interest	350	350	350	350	350
Others (inc Resources received free of charge)	2,591	2,656	2,095	1,360	172
Total operating revenues (before abnormal items)	46,246	47,774	48,251	48,557	48,398
Operating expenses					
Employees	4,381	4,625	4,977	5,056	5,153
Suppliers	7,669	8,320	8,397	8,525	8,522
Grants	33,983	34,465	34,524	34,638	34,396
Depreciation and amortisation	95	156	147	132	121
Interest	3	2			
Net loss on sale of assets	115				
Total operating expenses	46,246	47,568	48,045	48,351	48,192
Operating surplus or deficit before abnormal and extraordinary items	0	206	206	206	206
Abnormal and extraordinary items	0	0	0	0	0
Operating surplus or deficit after abnormal and extraordinary items	0	206	206	206	206
Aggregate of amounts transferred to/from Reserves Capital user charge paid	0	206	206	206	206
Operating surplus or deficit after abnormal and extraordinary items and CUC	0	0	0	0	0

Table 3.2 Agency Balance Sheet (as at 30 June 2000)

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
Assets					
Financial assets					
Cash	2,284	3,109	3,179	3,241	3,332
Receivables	24	24	24	24	24
Investments	500	600	700	800	900
Total Financial assets	2,808	3,733	3,903	4,065	4,256
Non-financial assets					
Infrastructure, plant and equipment	474	447	419	401	335
Intangibles	101	78	144	110	95
Other	100	100	100	100	100
Total non-financial assets	675	625	663	611	530
Total Assets	3,483	4,358	4,566	4,676	4,786
Liabilities					
Debt					
Leases	19	5	0	0	0
Total Debt	19	5	0	0	0
Provisions and payables					
Employees	1,495	1,450	1,673	1,773	1,873
Suppliers	90	300	290	300	310
Grants	160	884	884	884	884
Total provisions and payables	1,745	2,634	2,847	2,957	3,067
Total liabilities	1,764	2,639	2,847	2,957	3,067
Equity					
Accumulated surpluses or deficits	1,719	1,719	1,719	1,719	1,719
Total equity	1,719	1,719	1,719	1,719	1,719
Current liabilities	831	1,756	1,741	1,751	1,761
Non-current liabilities	933	883	1,106	1,206	1,306
Current assets	2,908	3,833	4,003	4,165	4,356
non-current assets	575	525	563	511	430

Table 3.3 Agency Statement of Cash Flows (for period ended 30 June 2000)

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
Operating activities					
Cash received					
Appropriations for outputs	43,280	44,743	45,781	46,822	47,851
Sales of goods and services	25	25	25	25	25
Interest	350	350	350	350	350
Other	3,007	2,636	2,073	1,338	150
Total cash received	46,662	47,754	48,229	48,535	48,376
Cash used					
Employees	-4,127	-4,670	-4,754	-4,956	-5,053
Suppliers	-7,706	-8,104	-8,390	-8,493	-8,490
Grants	-33,854	-33,741	-34,524	-34,638	-34,396
Total cash used	-45,687	-46,515	-47,668	-48,087	-47,939
Net cash from operating activities	975	1,239	561	448	437
Investing activities					
Cash received					
Total Cash Received	0	0	0	0	0
Cash used					
Purchase of property, plant and equipment	-93	-106	-185	-80	-40
Investments	-500	-100	-100	-100	-100
Total cash used	-593	-206	-285	-180	-140
Net cash from investing activities	-593	-206	-285	-180	-140
Financial activities					
Cash received					
Total cash received	0	0	0	0	0
Cash used					
Repayments of debt	-3	-2	0	0	0
Capital use and dividends paid	0	-206	-206	-206	-206
Total cash used	-3	-208	-206	-206	-206
Net cash from financing activities	-3	-208	-206	-206	-206
Net increase in cash held	379	825	70	62	91
Cash at the beginning of the reporting period	1,905	2,284	3,109	3,179	3,241
Cash at the end of the reporting period	2,284	3,109	3,179	3,241	3,332

Table 3.4 Agency Capital Budget Statement

	Estimated Actual 1999-00 \$'000	Budget Estimate 2000-01 \$'000	Forward Estimate 2001-02 \$'000	Forward Estimate 2002-03 \$'000	Forward Estimate 2003-04 \$'000
CAPITAL BUDGET					
Capital appropriations					
Total equity injections	0	0	0	0	0
Total loans	0	0	0	0	0
Represented by:					
Purchase of non-current assets	0	0	0	0	0
Other	0	0	0	0	0
Total	0	0	0	0	0
Purchase of non-funded current assets					
Funded by capital appropriations	0	0	0	0	0
Funded internally by departmental resources	93	106	185	80	40

Table 3.5 Agency Non-financial Assets - Summary of Movement Budget year 2000-01

	Land	Buildings	Total Land and buildings	Specialist Military Equipment	Other Infrastructure, Plant and Equipment	Total Infrastructure, Plant and Equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross value								
<i>As at 1 July 2000 (opening)</i>	0	0	0	0	1,119	1,119	184	1,303
Additions	0	0	0	0	106	106	0	106
Disposals	0	0	0	0	0	0	0	0
Other movements	0	0	0	0	0	0	0	0
<i>As at 30 June 2001 (closing)</i>	0	0	0	0	1,225	1,225	184	1,409
ACCUMULATED DEPRECIATION								
<i>As at 1 July 2000 (opening)</i>	0	0	0	0	546	546	82	628
Disposals	0	0	0	0	0	0	0	0
Charge for the reporting period	0	0	0	0	132	132	24	156
Other movements	0	0	0	0	0	0	0	0
<i>As at 30 June 2001 (Closing)</i>	0	0	0	0	678	678	106	784
Net book value as at 30 June 2001 (closing book value)	0	0	0	0	547	547	78	625
Net book value as at 1 July 2000 (opening book value)	0	0	0	0	574	574	101	675
Total Additions								
Self funded	0	0	0	0	106	106	0	106
Appropriations	0	0	0	0	0	0	0	0
Total	0	0	0	0	106	106	0	106

NOTES TO THE FINANCIAL STATEMENTS

Departmental Financial Statements

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, ACIAR controls all of the agency's transactions. ACIAR is fully accountable for assets, liabilities, revenues and expenses in relation to the agency. ACIAR has no administered transactions.

ACIAR's financial statements are prepared in accordance with schedule 2 under the *Commonwealth Authorities and Companies Act 1997*.

The Centre is a Statutory Authority under the *Australian Centre for International Agricultural Research Act 1982*. The accounts have been prepared in accordance with that Act.

Appropriations in the Accrual Budgeting Framework

Under the Commonwealth's accrual budgeting framework appropriations are provided for:

- Departmental price of outputs appropriations representing the Government's purchase of outputs from ACIAR.

Capital Use Charge

A Capital Use Charge is levied on agencies and authorities to reflect the cost of the Commonwealth's investment in those entities. It is levied on agencies' closing Departmental net assets (equity) at a rate of 12%.

Asset Valuation

Property, plant and equipment are progressively revalued in accordance with the 'deprival' method of valuation.

Assets in each class acquired after the commencement of the progressive revaluation cycle are reported at cost for the duration of the progressive revaluation then in progress.

The application of the deprival method values the Centre's assets at their depreciated replacement cost. Any assets that would not be replaced or are surplus to requirements are valued at net realisable value.

All valuations are independent.

Depreciation/amortisation rates (useful lives) and methods are reviewed at each balance date and necessary adjustments are recognised in the current and future reporting periods, as appropriate. Residual values are re-estimated for a change in prices only when assets are revalued.

Liability for Employee Entitlements

The liability for employee entitlements encompasses provisions for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken by employees is less than the annual entitlement for sick leave.

SECTION 4

PURCHASER/PROVIDER ARRANGEMENTS

CROSS-AGENCY OVERVIEW

The Australian Centre for International Agricultural Research purchases services from the Department of Foreign Affairs and Trade under the common administrative services agreement (CAS).

ACIAR also purchases telecommunications services at overseas missions from the Department of Foreign Affairs and Trade.

ACIAR purchases payroll services from the Australian Agency for International Development.

PERFORMANCE AGAINST OUTCOME AND OUTPUTS

The performance information can be found in table 2.2.1

Actual results against performance targets and indicators for 1999-2000 will be reported in ACIARs 1999-2000 annual report.

APPENDIX 1

Non-Appropriated Agency Revenue

	Estimated Revenue 1999-2000 \$'000	Estimated Revenue 2000-01 \$'000
Resources free of charge	20	20
Sale of goods and services	25	25
Interest	350	350
Other	2,571	2,636
Total Estimated Revenue	2,966	3,031

This table is cross-referenced to table 1.1, note 4 and to the table 2.1.1 (Outcome Resourcing) for the outcome.

APPENDIX 2

Not applicable to ACIAR.

