

**AUSTRALIAN CENTRE  
FOR INTERNATIONAL  
AGRICULTURAL  
RESEARCH**

**(ACIAR)**



## **AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH**

### **Section 1: Overview, appropriations and budget measures summary**

#### **AGENCY OVERVIEW**

The Australian Centre for International Agricultural Research was established by the Australian Government in 1982 to assist and encourage Australian scientists and institutions to use their skills to develop solutions to agricultural problems in developing countries, as well as Australia. Australia, unlike other developed countries, has a diversity of climates from tropical through to temperate, that match climatic constraints in developing countries. It also has exceptionally strong capacity in agricultural research and development. ACIAR utilises this combination of expertise and climatic diversity through research partnerships with developing countries.

ACIAR's mission is to achieve more productive and sustainable agricultural systems, for the benefit of developing countries and Australia, through international agricultural research partnerships. To facilitate this ACIAR plans, funds and manages bilateral research and development activities across and within a broad range of agricultural areas, including crop production and protection, animal production and health, fisheries, forestry, land and water resources management, post-harvest technology and economic studies of agricultural and natural resource utilisation.

ACIAR works with partner governments mainly across the Asia-Pacific region, to identify agricultural and natural resource research priorities, and develop research and development projects responding to these problems. Collaboration with partners includes the application of research results through extension and technology transfer.

ACIAR also administers the Australian Government's contribution to the International Agricultural Research Centres (IARCs). These are internationally funded, autonomous, non-profit organisations that conduct research and related activities aimed at reducing poverty and improving food security in developing countries through sustainable agriculture that also conserves the natural resource base.

ACIAR will contribute unrestricted core funding to 13 IARCs this year. ACIAR will also fund small and large grants tied to specific projects to link the centres with

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Australian research groups. Major funding criteria are relevant to Australia's geopolitical interests in the context and objectives of Australia's global aid programme.

Closely related to ACIAR's primary function of facilitating international agricultural research is its vital function of strengthening research capacity and transferring technology to developing countries. ACIAR supports training courses and specific opportunities for developing-country scientists and technicians involved with ACIAR-funded research. The Centre also publishes and distributes research results in subjects highly relevant to developing country agriculture but less likely to be published through traditional channels.

**APPROPRIATIONS AND RESOURCING**

The total appropriation for ACIAR in the 2003-04 Budget is \$46.832 million.

Table 1.1 shows the total appropriation for ACIAR for 2003-04 by the one outcome.

Section 1: Overviews, appropriations and budget measures summary

Australian Centre for International Agricultural Research — appropriations 2003-04

Table 1.1: Appropriations and other revenue ('000)

Outcome	Departmental (price of outputs) ('000)					Administered (\$'000)			Total appropriations (\$'000)
	Revenue from Government (appropriations)		Revenue from other sources <sup>(4)</sup>	Price of outputs <sup>(3)</sup>	Annual appropriations (\$'000)	Special appropriations <sup>(5)</sup>	Total administered appropriations		
	Bill No. 1	Special approps <sup>(5)</sup>	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs) <sup>(2)</sup>		
	(A)	(B)	(C = A+B) (C1) <sup>(1)</sup>	(D)	(E = C+D) (E1) <sup>(1)</sup>	(F)	(G)	(H)	(I = F+G+H) (I1) <sup>(1)</sup>
<b>Outcome 1 - Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems</b>	46,832		46,832	2,160	48,992				
<b>Total</b>	46,832		46,832 (K1) <sup>(1)</sup>	2,160	48,992				(K2) <sup>(1)</sup> 48,992
			96%						
						Departmental capital (equity injections and loans)			(K3) <sup>(1)</sup> 0
						Administered capital			(K4) <sup>(1)</sup> 0
						Total appropriations			48,992

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1. Cells C1, E1 and I1 refer to information provided in Total Resources for Outcome tables. Amounts K1, K2 to Budgeted Statement of Financial Performance, and amounts K3, K4 to Capital Budget Statements.
  2. Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPP's), new agency Outcomes (NAO's), administered capital and departmental capital via departmental injections and loans.
  3. Refer to Budgeted Statement of Financial Performance for application of agency revenue.
  4. Revenue from other sources includes other revenue from government (for example, resources free of charge) and revenue from other sources (for example, sales of goods and services. Non-appropriated departmental and administered revenues are details in Appendix 1.
- Note: Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs, by outcome.

## MEASURES — DEPARTMENT SUMMARY

**Table 1.2: Summary of measures disclosed in the 2003-04 Budget**

ACIAR has no new measures.

## RECEIPTS FROM INDEPENDENT SOURCES

**Table 1.3: Receipts from independent sources**

	Estimated revenue 2002-03 \$'000	Estimated revenue 2003-04 \$'000
Sale of goods and services	30	30
Interest	32	0
Proceeds from sale of assets	15	20
External funds (e.g. AusAID)	2,733	2,090
<b>Total estimated revenue</b>	<b>2,810</b>	<b>2,140</b>

Note: Total excludes \$20,000 resources received free of charge which is included in Table 1.1 and Table 2.1.1. under Revenue from other sources.

## SPECIAL ACCOUNTS

Table 1.5: Estimates of special account flows and balances

Estimate - 2003-04, Heavy figures

Estimated Actual - 2002-03. Light figures

	Opening Balance <b>2003-04</b> <sup>(1)</sup> 2002-03 <sup>(1a)</sup>	Receipts <b>2003-04</b> 2002-03	Payments <b>2003-04</b> 2002-03	Adjustments <b>2003-04</b> 2002-03	Closing Balance <b>2003-04</b> 2002-03
	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Centre for International Agricultural Research Account	<b>1,220</b>	<b>48,733</b>	<b>48,723</b>	<b>0</b>	<b>1,230</b>
- s21 FMA Act (D)	1,023	48,862	49,465	0	1,220
Other Trust Moneys Account	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
- s20 FMA Act (D)	0	0	0	0	0
Services for Other Governments and Non-Agency Bodies Account	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
- s20 FMA Act (D)	0	0	0	0	0
<b>Total Special Accounts</b>	<b>1,220</b>	<b>48,733</b>	<b>48,723</b>	<b>0</b>	<b>1,230</b>
	1,023	48,862	49,465	0	1,220

(D = Departmental)

FMA Act = *Financial Management and Accountability Act 1997*

Note 1 The Opening Balance for 2003-04 is the same as the closing balance for 2002-03

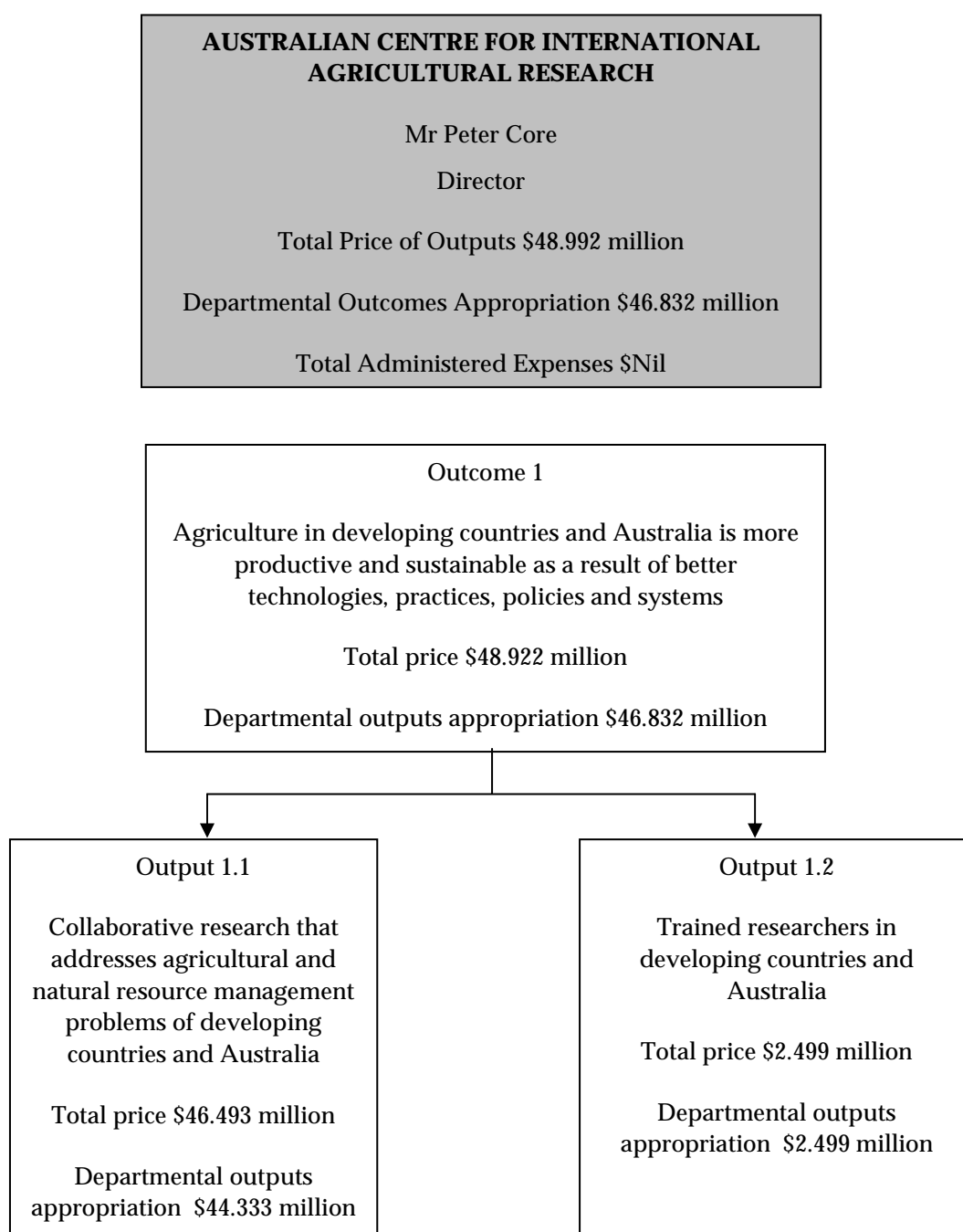
Note 2 Receipts from appropriations and other sources are further specified in the Total Resources for Outcome - Table 2.1.1

## Section 2: Outcomes and outputs information

### OUTCOMES AND OUTPUTS

ACIAR works to achieve the one outcome specified by Government.

**Map 1: Outcome and outputs**



### Output cost attribution

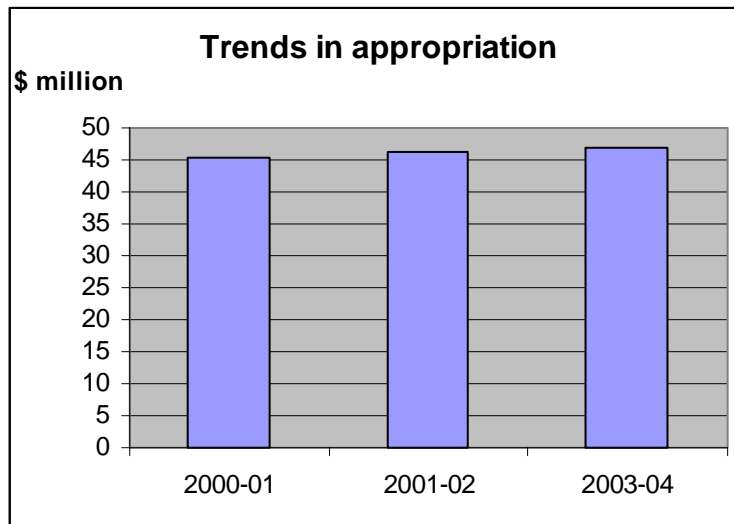
ACIAR costs have been attributed between the two outputs on the basis of direct programme expenditure and salary costs plus a proportion of other running costs based on staff numbers.

### CHANGES TO OUTCOMES AND OUTPUTS

There has been no change in the outcome / output structure.

### TRENDS IN RESOURCING ACROSS OUTCOMES

Chart 1: Trends in appropriations for Outcome 1



## OUTCOME 1 — DESCRIPTION

### **Outcome - Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems**

ACIAR's outcome reflects the unique role of the Centre within the Government's Aid programme and its contribution to the Government's objectives through agricultural research.

ACIAR's goal and programme 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 (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 program;
- conduct and fund development activities related to its research programs, and
- fund international agricultural research centres.

### **Measures affecting Outcome 1<sup>6</sup>**

There are no new measures in the 2003-04 Budget that affect this outcome.

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<sup>6</sup> This relates to measures disclosed in the 2003-04 budget context (that is, measures agreed since the *Mid-Year Economic and Fiscal Outlook* (MYEFO)).

## OUTCOME 1 — RESOURCING

Table 2.1.1 shows how the 2003-04 Budget appropriations translate to total resourcing for outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources, and the total price of outputs. Cell references **C1**, **E1** And **I1** show the links back to Table 1.1 (the Appropriations Table).

**Table 2.1.1: Total resources for Outcome 1 (\$'000)**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000
<b>from Special Accounts (estimated payments from Special Account balances)</b>		
Australian Centre for International Agricultural Research Account	49,465	48,723
<b>Total Special Account Outflows</b>	<b>49,465</b>	<b>48,723</b>
<b>Departmental appropriations</b>		
<b>Output 1.1</b>		
Collaborative research that addresses agricultural and natural resource management problems of developing countries and Australia	43,862	44,333
<b>Subtotal Output Group 1.1</b>	<b>43,862</b>	<b>44,333</b>
<b>Departmental appropriations</b>		
<b>Output 1.2</b>		
Trained researchers in developing countries and Australia	2,416	2,499
<b>Subtotal Output Group 1.2</b>	<b>2,416</b>	<b>2,499</b>
<b>Total revenue from government (appropriations)</b>	<b>46,278</b>	<b>46,832</b> (C1) <sup>(1)</sup>
<b>Contributing to price of departmental outputs</b>	<b>94.2%</b>	<b>95.6%</b>
<b>Revenue from other sources</b>		
Resources received free of charge	20	20
Sale of goods and services	30	30
Sale of assets	15	20
Interest	32	0
External funds	2,733	2,090
<b>Total revenue from other sources</b>	<b>2,830</b>	<b>2,160</b>
<b>Total price from departmental outputs</b> (Total revenue from government and from other sources)	<b>49,108</b>	<b>48,992</b> (E1) <sup>(1)</sup>
<b>Total estimated resourcing for Outcome 1</b> (Total price of outputs and administered appropriations)	<b>49,108</b>	<b>48,992</b>
	<b>2002-03</b>	<b>2003-04</b>
<b>Average staffing level (number)</b>	<b>50</b>	<b>47</b>

Note 1. Flows into Special Accounts are also shown in the receipts column of the Special Accounts table in Table 1.5

Note 2. Special Account outflows are shown in the payments column of the Special Account table in Table 1.5

Note 3. Special Account cash payments shown in the box are given for information only and do not form part of agency's resourcing.

## OUTCOME 1 — CONTRIBUTION OF OUTPUTS

ACIAR's outputs reflect the Government's aim of reducing poverty and achieving sustainable development through partnerships that facilitate the provision of effective assistance.

ACIAR's outputs also reflect the specific role of the Centre within the aid programme to help achieve the Government's aims: in Output 1 through collaborative bilateral and multilateral research, and in Output 2 through capacity building to extend and transfer research results.

Table 2.2.1 outlines the indicators and measures adopted by ACIAR to assess the Centre's performance in achieving the two outputs to deliver against its Outcome. The chosen indicators also reflect the critical success factors outlined in the 2001-06 Corporate Plan.

## PERFORMANCE INFORMATION FOR OUTCOME 1

**Table 2.2.1: Performance information for Outcome**

<p><b>Output 1</b> - Collaborative research that addresses agricultural and natural resource management problems of developing countries and Australia</p>	<p><b>Quality:</b></p> <ul style="list-style-type: none"> <li>• Regional investment profile is consistent with Australian Government aid priorities</li> <li>• Research partners are contributing 40-55% of project costs</li> <li>• &gt;90% of concluding projects are assessed by external reviews as having achieved their main objectives</li> <li>• There is further substantiated evidence of significant economic, social and environmental impacts from completed ACIAR projects</li> <li>• Support for multilateral research providers is concentrated on those international agricultural research centres with greatest comparative advantage</li> </ul> <p><b>Quantity:</b></p> <ul style="list-style-type: none"> <li>• 235-245 research projects are delivering outputs during 2003-04</li> <li>• &gt;10,000 copies of ACIAR research publications and papers are requested or downloaded</li> </ul> <p>Price: \$46.493m</p>
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<b>Output 2</b> - Trained researchers in developing countries and Australia	<b>Quality:</b> <ul style="list-style-type: none"><li>• &gt;80% of trainees indicate satisfaction with training</li></ul> <b>Quantity:</b> <ul style="list-style-type: none"><li>• &gt;100 trainees are in formal, ACIAR-supported training courses</li></ul> <p>Price: \$2.499m</p>
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## **EVALUATIONS**

In the 2003-04 financial year, evaluations of a number of ACIAR projects will be completed. All studies are commissioned by ACIAR's Impact Assessment Unit and are outsourced to external consultants. Results will be published in the ACIAR Annual Report.

## Section 3: Budgeted financial statements

### **DEPARTMENTAL FINANCIAL STATEMENTS**

#### **Budgeted Departmental Statement of Financial Performance**

This statement provides a picture of the expected financial results for ACIAR by identifying full accrual expenses, revenues and capital use charge, which highlights whether ACIAR is operating at a sustainable level.

#### **Budgeted Departmental Statement of Financial Position**

This statement shows the financial position of ACIAR. It helps decision makers to track the management of ACIAR's assets and liabilities.

#### **Budgeted Departmental Statement of Cash Flows**

Budgeted cash flows, as reflected in the statement of cash flows, provide 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.

#### **Departmental Capital Budget Statement**

Shows all planned capital acquisitions that are funded from internal sources.

#### **Departmental Non Financial Assets — Summary of Movement**

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

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**Table 3.1: Budgeted Departmental Statement of Financial Performance  
for the period ended 30 June**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>REVENUE</b>					
<b>Revenues from ordinary activities</b>					
Revenues from government	46,298	46,852	47,787	48,739	49,754
Goods and services	30	30	30	30	30
Interest	32	0	0	0	0
Dividends	0	0	0	0	0
Revenue from sales of assets	15	20	20	20	20
Reversals of previous asset write-downs	0	0	0	0	0
Net foreign exchange gains	0	0	0	0	0
Correction of fundamental error	0	0	0	0	0
Other	2,733	2,090	1,559	1,275	1,180
<b>Revenues from ordinary activities</b>	<b>49,108</b>	<b>48,992</b>	<b>49,396</b>	<b>50,064</b>	<b>50,984</b>
<b>EXPENSE</b>					
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>					
Employees	4,939	5,084	5,184	5,288	5,394
Suppliers	3,381	3,227	3,295	3,367	3,482
Grants	35,330	35,789	35,924	36,324	36,928
Subsidies	0	0	0	0	0
Depreciation and amortisation	255	310	310	310	310
Write-down of assets	0	0	0	0	0
Value of assets sold	20	20	20	20	20
Net foreign exchange losses	0	0	0	0	0
Correction of fundamental error	0	0	0	0	0
Other	5,182	4,562	4,663	4,755	4,850
<b>Expenses from ordinary activities (excluding borrowing costs expense)</b>	<b>49,107</b>	<b>48,992</b>	<b>49,396</b>	<b>50,064</b>	<b>50,984</b>
Borrowing costs expense	1	0	0	0	0
Share of net profits/losses of associates and joint ventures accounted for using the equity method	0	0	0	0	0
Correction of fundamental error	0	0	0	0	0
<b>Operating surplus or deficit from ordinary activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Gain or loss on extraordinary items	0	0	0	0	0
Correction of fundamental error	0	0	0	0	0
<b>Net surplus or deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Capital Use Charge Paid	0	0	0	0	0
<b>Net surplus or deficit after CUC</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* The Capital Use Charge has been abolished from 1 July 2003

Section 3: Budgeted financial statements

**Table 3.1: Budgeted Departmental Statement of Financial Performance  
for the period ended 30 June - continued**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
Outside equity interests in net surplus or deficit	0	0	0	0	0
<b>Net surplus or deficit attributable to the Commonwealth</b>	0	0	0	0	0
Net credit (debit) to asset revaluation reserve	0	0	0	0	0
Net exchange difference recognised as a direct debit (credit) to equity	0	0	0	0	0
Adjustments arising from Standards recognised as direct debit (credit) to equity	0	0	0	0	0
Initial adjustments from transitional UIG consensus view recognised as direct debit (credit) to equity	0	0	0	0	0
<b>Total revenues, expenses and valuation adjustments attributable to members of the parent entity and recognised directly in equity</b>	0	0	0	0	0

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**Table 3.2: Budgeted Departmental Statement of Financial Position *as at 30 June***

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash	1,220	1,230	1,220	1,210	1,200
Receivables	480	580	670	760	860
Investments accounted for under the equity method	0	0	0	0	0
Other investments	0	0	0	0	0
Accrued revenues	0	0	0	0	0
Other	0	0	0	0	0
<b>Total financial assets</b>	<b>1,700</b>	<b>1,810</b>	<b>1,890</b>	<b>1,970</b>	<b>2,060</b>
<b>Non-financial assets</b>					
Land and buildings	0	0	0	0	0
Infrastructure, plant and equipment	840	840	840	840	840
Heritage and cultural assets	0	0	0	0	0
Inventories	0	0	0	0	0
Intangibles	175	175	175	175	175
Other	170	160	150	150	150
<b>Total non-financial assets</b>	<b>1,185</b>	<b>1,175</b>	<b>1,165</b>	<b>1,165</b>	<b>1,165</b>
<b>Total assets</b>	<b>2,885</b>	<b>2,985</b>	<b>3,055</b>	<b>3,135</b>	<b>3,225</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Loans	0	0	0	0	0
Leases	0	0	0	0	0
Deposits	0	0	0	0	0
Overdraft	0	0	0	0	0
Other	0	0	0	0	0
<b>Total interest bearing liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Provisions</b>					
Employees	1,700	1,800	1,900	2,000	2,100
Other	0	0	0	0	0
<b>Total Provisions</b>	<b>1,700</b>	<b>1,800</b>	<b>1,900</b>	<b>2,000</b>	<b>2,100</b>
<b>Payables</b>					
Suppliers	55	50	50	50	50
Grants	95	100	100	100	100
Dividends	0	0	0	0	0
Borrowing Costs	0	0	0	0	0
Other	160	160	130	110	100
<b>Total Payables</b>	<b>310</b>	<b>310</b>	<b>280</b>	<b>260</b>	<b>250</b>
<b>Total liabilities</b>	<b>2,010</b>	<b>2,110</b>	<b>2,180</b>	<b>2,260</b>	<b>2,350</b>

Section 3: Budgeted financial statements

**Table 3.2: Budgeted Departmental Statement of Financial Position  
as at 30 June**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>EQUITY</b>					
<b>Parent entity interest</b>					
Contributed equity	0	0	0	0	0
Reserves	0	0	0	0	0
Statutory funds	0	0	0	0	0
Retained surpluses or accumulated deficits	875	875	875	875	875
<b>Total parent entity interest</b>	<b>875</b>	<b>875</b>	<b>875</b>	<b>875</b>	<b>875</b>
<b>Outside equity interest</b>					
Contributed equity	0	0	0	0	0
Reserves	0	0	0	0	0
Retained surpluses or accumulated deficits	0	0	0	0	0
<b>Total outside equity interest</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total equity</b>	<b>875</b>	<b>875</b>	<b>875</b>	<b>875</b>	<b>875</b>
<b>Total assets and liabilities by maturity</b>					
<b>Current assets</b>	1,870	1,970	2,040	2,120	2,210
<b>Non-current assets</b>	1,015	1,015	1,015	1,015	1,015
<b>Current liabilities</b>	1,050	1,150	1,220	1,240	1,290
<b>Non-current liabilities</b>	1,030	960	990	1,020	1,060

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**Table 3.3: Budgeted Departmental Statement of Cash Flows  
for the period ended 30 June**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and Services	20	20	20	20	20
Appropriations	46,278	46,832	47,767	48,719	49,734
Interest	44	0	0	0	0
Dividends	0	0	0	0	0
Other	2,500	1,861	1,559	1,275	1,180
Extraordinary items	0	0	0	0	0
<b>Total cash received</b>	<b>48,842</b>	<b>48,713</b>	<b>49,346</b>	<b>50,014</b>	<b>50,934</b>
<b>Cash used</b>					
Employees	4,789	4,838	4,964	5,093	5,226
Suppliers	3,097	3,141	3,235	3,305	3,375
Grants	36,346	35,523	35,870	36,231	36,837
Borrowing costs	1	0	0	0	0
Other	4,749	4,891	4,997	5,105	5,216
Extraordinary items	0	0	0	0	0
<b>Total cash used</b>	<b>48,982</b>	<b>48,393</b>	<b>49,066</b>	<b>49,734</b>	<b>50,654</b>
<b>Net cash from/ (used by) operating activities</b>	<b>(140)</b>	<b>320</b>	<b>280</b>	<b>280</b>	<b>280</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	20	20	20	20	20
Proceeds from sales of financial instruments	0	0	0	0	0
Bills of exchange and promissory notes	0	0	0	0	0
Repayments of loans made	0	0	0	0	0
Other	0	0	0	0	0
Extraordinary items	0	0	0	0	0
<b>Total cash received</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	450	330	310	310	310
Purchase of financial Instruments	0	0	0	0	0
Bills of exchange and promissory notes	0	0	0	0	0
Loans made	0	0	0	0	0
Other	0	0	0	0	0
Extraordinary items	0	0	0	0	0
<b>Total cash used</b>	<b>450</b>	<b>330</b>	<b>310</b>	<b>310</b>	<b>310</b>
<b>Net cash from/ (used by) investing activities</b>	<b>(430)</b>	<b>(310)</b>	<b>(290)</b>	<b>(290)</b>	<b>(290)</b>

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**Table 3.3: Budgeted Departmental Statement of Cash Flows  
for the period ended 30 June**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000	Forward estimate 2005-06 \$'000	Forward estimate 2006-07 \$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	0	0	0	0	0
Proceeds from issuing financial instruments	0	0	0	0	0
Proceeds from loans	0	0	0	0	0
Other	0	0	0	0	0
Extraordinary items	0	0	0	0	0
<b>Total cash received</b>	0	0	0	0	0
<b>Cash used</b>					
Repayments of debt	1	0	0	0	0
Capital use charge paid	32	0	0	0	0
Dividends paid	0	0	0	0	0
Other	0	0	0	0	0
Extraordinary items	0	0	0	0	0
<b>Total cash used</b>	33	0	0	0	0
<b>Net cash from/ (used by) financing activities</b>	(33)	0	0	0	0
<b>Net increase/(decrease) in cash held</b>	(603)	10	(10)	(10)	(10)
Cash at the beginning of the reporting period	1,023	420	430	420	410
Effect of exchange rate movements on cash at the beginning of reporting period	0	0	0	0	0
<b>Cash at the end of the reporting period</b>	420	430	420	410	400

Part C: Agency Budget Statements - ACIAR

**Table 3.4: Departmental Capital Budget Statement**

	Estimated actual 2002-03 \$'000	Budget estimate 2003-04 \$'000	Forw ard estimate 2004-05 \$'000	Forw ard estimate 2005-06 \$'000	Forw ard estimate 2006-07 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	0	0	0	0	0
		(K3)			
Total loans	0	0	0	0	0
<b>Represented by</b>		(K3) <sup>1</sup>			
Purchase of non-current assets	0	0	0	0	0
Other	0	0	0	0	0
<b>Total</b>	0	0	0	0	0
<b>PURCHASE OF NON CURRENT ASSETS</b>					
Funded by capital appropriation	0	0	0	0	0
Funded internally by					
Departmental resources	450	330	310	310	310

1 These two lines link to (K3) in Table 1.1

Section 3: Budgeted financial statements

**Table 3.5: Departmental Non-financial Assets — Summary of Movement  
(Budget year 2003-04)**

	Other infrastructure plant and equipment \$'000	Computer software \$'000	Total \$'000
Carrying amount at the start of year	840	175	1,015
Additions	260	70	330
Disposals	10	10	20
Revaluation increments	0	0	0
Recoverable amount write-downs	0	0	0
Net transfers free of charge	0	0	0
Depreciation/amortisation expense	250	60	310
Write-off of assets	0	0	0
Carrying amount at the end of year	840	175	1,015
<b>Total additions</b>	<b>260</b>	<b>70</b>	<b>330</b>
Self funded	260	70	330
Appropriations	0	0	0
<b>Total</b>	<b>260</b>	<b>70</b>	<b>330</b>

## **NOTES TO THE FINANCIAL STATEMENTS**

### **Departmental Financial Statements and Notes**

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

Departmental items are those assets, liabilities, revenues and expenses in relation to an agency or authority that are controlled by the agency. Departmental expenses include employee and supplier expenses and other administrative costs, which are incurred by the agency in providing its goods and services.

Administered items are revenues, expenses, assets and liabilities that are managed by an agency or authority on behalf of the Government according to set Government directions. Administered expenses include subsidies, grants and personal benefit payments and Administered revenues include taxes, fees, fines and excises.

ACIAR's financial statements are required by section 49 of the *Financial Management and Accountability Act 1997* and are prepared in accordance with the Financial Management and Accountability (FMA) Orders.

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, annual appropriations are provided for Departmental price of outputs representing the Government's purchase of outputs from agencies.

### **Capital Use Charge**

The Government has agreed to discontinue the Capital Use Charge from 1 July 2003.

### **Asset valuation**

From 1 July 2002 Commonwealth agencies and authorities are required to use either the cost basis or the fair value basis to measure Property, Plant and Equipment. The shift from the deprival method of valuation to fair value should occur gradually over a three-year period. Fair value essentially reflects the current market value of an asset.

## Section 4: Purchaser/Provider and Cost Recovery arrangements

### **PURCHASER/PROVIDER ARRANGEMENTS**

#### **CROSS AGENCY OVERVIEW**

ACIAR purchases services from the Department of Foreign Affairs and Trade under a Service Level Agreement (SLA).

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 OUTCOMES OF PURCHASED OUTPUTS**

The performance information can be found in Table 2.2.1.

Actual results against performance targets and indicators for 2002-03 will be reported in ACIAR's 2002-03 annual report.

