

Australian Centre for International Agricultural Research (ACIAR)

Agency resources and planned performance

AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

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AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

In 2011-12 the Australian Centre for International Agricultural Research (ACIAR) will build on Australia's globally recognised agricultural research and capacity building partnerships, targeting three research themes:

- Agricultural productivity growth in smallholder systems
- Developing market integration for smallholder livelihoods to enable market participation
- Human and institutional capacity building for developing country national research institutions to enable sustainable follow-up research and adoption capabilities.

These overarching research themes advance the Australian Government's aid objective of assisting developing countries to reduce poverty and achieve sustainable development, and enhance food security, in line with Australia's national interest.

ACIAR will continue to implement five programs, linked to the Australian Government's Food Security through Rural Development initiative, to help increase food security in partner countries. These programs, which also advance elements of the overarching research themes, are:

- Safeguarding food security in rice-based farming systems of Mekong countries and South Asia;
- Adaptation to climate change for rice-based systems in the Mekong Delta;
- Developing high-value agriculture, forestry and fishery products in the Pacific;
- Sustainable intensification of maize-legume cropping systems in sub-Saharan Africa; and
- Increasing financial support to the Consultative Group on International Agricultural Research (CGIAR).

ACIAR's R&D investment also compliments, and where applicable, operates under the umbrella of a number of AusAID development programs, such as the Agriculture Sector Linkages Program Phase 2 in Pakistan. ACIAR also manages and administers research initiatives on behalf of AusAID, such as Seeds of Life 3 in East Timor. Total

appropriation in 2011-12 will amount to \$85.4m, with an additional \$15.0m from AusAID for specific activities.

Regional allocations for ACIAR's total research and development (R&D) project budget in 2011-12 are:

- Papua New Guinea and Pacific – 16 per cent;
- Indonesia, East Timor and Philippines – 24 per cent;
- Mekong Countries – 24per cent;
- South and West Asia – 20per cent; and
- Africa – 16per cent

ACIAR operates as part of Australia's Official Development Assistance Program, with a mandate to alleviate poverty through research and development that increases agricultural productivity and sustainability, within partner countries. Research strategies and themes integrate and align closely with the Australian Government's broad aid program strategies, and specifically the policy emphasis on Food Security through Rural Development. Strategies for each partner country are developed in close collaboration with partner country government policy makers, research institutions and agricultural and natural resource systems managers.

Through ACIAR's programs the Centre contributes to the achievement of these strategies within a single outcome: To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships.

Research partnerships may involve Australian universities, the CSIRO, state departments of agriculture and in many cases also involve the International Agricultural Research Centres (IARCs) that are supported by many donors, including the Australian Government.

ACIAR develops the skills of partner country research scientists involved in Centre programs through its training program. Expenditure on training is budgeted at \$6.8m in 2011-12, the majority on two fellowship schemes. The first offers developing country scientists post-graduate study opportunities in Australia in areas relevant to project activities addressing partner country priorities. The second targets emerging leaders in agricultural science through short-term research management training at relevant Australian institutions. Through the ATSE Crawford Fund, ACIAR also supports training activities that complement the Centre's projects.

1.2 AGENCY RESOURCE STATEMENT

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

Table 1.1: ACIAR Resource Statement — Budget Estimates for 2011-12 as at Budget May 2011

	Estimate of prior + year amounts available in 2011-12 \$'000	Proposed at Budget = 2011-12 \$'000	Total estimate 2011-12 \$'000	Actual available appropriation 2010-11 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	1,218	-	1,218	-
Departmental appropriation ³	-	9,917	9,917	9,853
s31 Relevant agency receipts ⁴	-	50	50	50
Total	1,218	9,967	11,185	9,903
Administered expenses				
Outcome 1	-	75,381	75,381	61,035
Total	-	75,381	75,381	61,035
Total ordinary annual services	1,218	85,348	86,566	70,938
Total available annual appropriations	1,218	85,348	86,566	70,938
Special Accounts				
Opening balance ⁵	21,067	-	21,067	28,159
Non-appropriation receipts to Special Accounts	-	15,000	15,000	30,000
Total Special Account	21,067	15,000	36,067	58,159
Total resourcing	22,285	100,348	122,633	129,097
Total net resourcing for ACIAR	22,285	100,348	122,633	129,097

1 Appropriation Bill (No.1) 2011-12.

2 Estimated adjusted balance carried forward from previous year.

3 Includes an amount of \$0.316m in 2011-12 for the Departmental Capital Budget (refer to table 3.2.5 for further details). For accounting purposes this amount has been designated as 'contributions by owners'.

4 s31 Relevant Agency receipts — estimate.

5 Estimated opening balance for special accounts. For further information on special accounts see Table 3.1.2.

Reader note: All figures are GST exclusive.

1.3 BUDGET MEASURES

Budget measures relating to ACIAR are detailed in Budget Paper No. 2 and are summarised below.

Table 1.2: Agency 2011-12 Budget measures

	Program	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
Expense measure						
Efficiency dividend - temporary increase in the rate	DP*					
Departmental expenses		-	(49)	(98)	(122)	(145)
Total		-	(49)	(98)	(122)	(145)
Total expense measures						
Departmental		-	(49)	(98)	(122)	(145)
Total		-	(49)	(98)	(122)	(145)
Capital measure						
Efficiency dividend - temporary increase in the rate	DP*					
Departmental capital		-	(2)	(3)	(4)	(5)
Total		-	(2)	(3)	(4)	(5)
Total capital measures						
Departmental		-	(2)	(3)	(4)	(5)
Total		-	(2)	(3)	(4)	(5)

DP* = Departmental Program

Prepared on a Government Finance Statistics (fiscal) basis

Section 2: Outcomes and planned performance

2.1 OUTCOMES AND PERFORMANCE INFORMATION

Government outcomes are the intended results, impacts or consequences of actions by the Government on the Australian community. Commonwealth programs are the primary vehicle by which government agencies achieve the intended results of their outcome statements. Agencies are required to identify the programs which contribute to Government outcomes over the Budget and forward years.

Each outcome is described below together with its related programs, specifying the performance indicators and targets used to assess and monitor the performance of ACIAR in achieving Government outcomes.

Outcome 1: To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships.

Outcome 1 Strategy

ACIAR will deliver against its single outcome, by developing, implementing and managing project and program partnerships between Australian agricultural research organisations and individuals and their counterparts in developing countries in the Asia-Pacific region and Africa. This is achieved through a single administered program: Program 1: International agricultural research for development for more productive and sustainable agriculture. The key strategic directions ACIAR will adopt in 2011-12 are described in section 1 above, and in greater detail in the Centre's Annual Operational Plan 2011-12 (www.aciar.gov.au).

The Centre will continue to manage and administer Australia's contribution to the centres of the Consultative Group on International Agricultural Research, through funding of projects, untied funding directed to the core activities of those centres and support for emerging mega-programs. ACIAR will also administer and manage on behalf of AusAID, strategic and special initiatives and project activities, where the Centre's expertise offers a comparative advantage. ACIAR's programs will also align closely with the *Overseas Development Assistance – Food Security through Rural Development* initiative. All programs which commenced either in design or consultation phases, in 2009-10 are fully operational during 2011-12.

Outcome Expense Statement

Table 2.1 provides an overview of the total expenses for Outcome 1, by program.

Table 2.1: Budgeted Expenses for Outcome 1

Outcome 1: To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships.	2010-11	2011-12
	Estimated actual expenses	Estimated expenses
	\$'000	\$'000
Program 1: International Agricultural Research and Development		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	61,035	75,381
Special Accounts	37,078	20,840
Departmental expenses		
Departmental appropriation ¹	9,538	9,601
Revenues from independent sources (s31)	50	50
Special Accounts		
Expenses not requiring appropriation in the Budget year ²	339	340
Total for Program 1	108,040	106,212
Total expenses for Outcome 1	108,040	106,212
<hr/>		
	2010-11	2011-12
Average Staffing Level (number)	64	66

¹ Departmental Appropriation comprises 'Ordinary annual services (Appropriation Bill No. 1)'.

² Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, and Audit Fees.

Note: Departmental appropriation splits and totals are indicative estimates and may change in the course of the budget year as government priorities change.

Contributions to Outcome 1

Program 1: International agricultural research for development for more productive and sustainable agriculture

Program objective

Administered program

ACIAR has the single administered program of International agricultural research for development for more productive and sustainable agriculture, delivered through a number of initiatives aligning closely with the Overseas Development Assistance – Food Security through Rural Development initiative:

- Agricultural productivity growth in smallholder systems;
- Developing market integration for smallholder livelihoods to enable market participation;
- Human and institutional capacity building for developing country national research institutions to enable sustainable follow-up research and adoption capabilities;
- Safeguarding food security in rice-based farming systems of Mekong countries and South Asia;
- Adaptation to climate change for rice-based systems in the Mekong Delta;
- Developing high-value agriculture, forestry and fishery products in the Pacific;
- Sustainable intensification of maize-legume cropping systems in sub-Saharan Africa; and
- Increasing financial support to the Consultative Group on International Agricultural Research (CGIAR).

Departmental Program

ACIAR has the single departmental program of Portfolio management:

- Sound administration that underpins ACIAR's collaborative, international project partnerships, and requires liaison with a diverse range of research providers and government instrumentalities and other stakeholders.

Program expenses

	2010-11 Revised budget \$'000	2011-12 Budget \$'000	2012-13 Forward year 1 \$'000	2013-14 Forward year 2 \$'000	2014-15 Forward year 3 \$'000
Annual administered expenses:					
Administered item	61,035	75,381	80,846	82,978	84,801
Special Account Expenses:					
ACIAR Special Account	37,078	20,840	14,922	12,285	7,737
Annual departmental expenses:					
Departmental item	9,538	9,601	9,757	9,740	9,641
Expenses not requiring appropriation in the Budget year ¹	389	390	396	399	398
Total program expenses	108,040	106,212	105,921	105,402	102,577

¹ Expenses not requiring appropriation in the Budget year is made up of Depreciation Expense, Amortisation Expense, Audit Fees and expenditure of s31 Agency Receipts.

Program 1. Deliverables

Administered Program

- Enhanced productivity and profitability of cattle and pigs through improved practices, and policy environments in Indonesia;
- Mango and citrus production and marketing in Pakistan;
- Improving the livelihoods of Papua New Guinea (PNG) women in agriculture by developing their business acumen;
- Improving on-farm productivity and enhancing supply chains for a range of fruit and vegetable products in the southern Philippines;
- Smallholder engagement in competitive value chains associated with maize, temperate fruits and vegetables from Vietnam's north-western highlands;
- Training and capacity building activities in the Pacific region;
- Capacity building in Indonesian research institutions;
- Introduction, management and evaluation of improved crop varieties to East Timor;
- Productivity of rice-based lowland systems in southern Laos, particularly extension, marketing and policy;
- A new program of research to assist adaptation to climate change at the farm scale, developing capacity for more-efficient use of soil and water resources in Cambodia;
- Intensification and diversification of mixed smallholder maize-legume farming systems in southern and eastern Africa;
- Identification, development and adoption of new, market-driven opportunities for improving the quality, accessibility, diversity and quantity of food and other agricultural crops in the Pacific; and
- New funding allocated to the CGIAR system primarily on an unrestricted basis through the relevant Windows.

Departmental Program

- Departmental costs are maintained within agreed budget parameters.

Program 1 Key Performance Indicators

Administered Program

- Research program developed for smallholder cattle livelihoods in West Nusa Tenggara, Indonesia, linking productivity improvements to policy support;
- New/adapted integrated production technologies to enhance productivity, field-tested under commercial conditions in citrus and mangoes in Pakistan;
- Social, economic and environmental constraints to industry development by smallholder farmers identified in PNG women's business acumen project;
- Increased access to institutional markets by vegetable-growing smallholders in selected regions of Mindanao, Philippines;
- Approaches tested to improve smallholder farmer livelihoods in Vietnam's north western highlands for improved productivity and market engagement;
- At least 12 postgraduate thesis projects developed in collaboration with USP, and two John Allwright postgraduate scholarships in five research programs;
- Capacity of Indonesian national and regional R&D agencies strengthened through formal and on-the-job capacity building of at least 100 individuals;
- At least one new staple food crop variety identified for release in East Timor;
- Trans-disciplinary research program implemented for rice-based farming systems in southern provinces in Laos;
- Enhanced capacity of farming households in Svay Rieng, Cambodia, to enable them to adapt their systems to climate change;
- Evidence of farmers adopting and testing new conservation agriculture technologies in five farming systems in southern and eastern Africa;
- At least three projects designed and initiated to increase agricultural production or investigate diversification in crops, fisheries and forestry in the Pacific; and
- CGIAR funding allocations match funding Windows and fall within ACIAR Annual Operational Plan parameters.

Departmental Program

- Departmental costs are maintained within agreed budget parameters.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of agency finances for the 2011-12 budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and program expenses, movements in administered funds and special accounts.

3.1 EXPLANATORY TABLES

3.1.1 Movement of administered funds between years

Administered funds can be provided for a specified period, for example under annual Appropriation Acts. Funds not used in the specified period with the agreement of the Finance Minister may be moved to a future year.

There has been no movement of administered funds between years for ACIAR since the 2010-11 Budget.

3.1.2 Special Accounts

Special Accounts provide a means to set aside and record amounts used for specified purposes. Special Accounts can be created by a Finance Minister's Determination under the FMA Act under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for each account used by ACIAR.

Table 3.1.2: Estimates of Special Account Flows and Balances

		Opening balance 2011-12 2010-11	Receipts 2011-12 2010-11	Payments 2011-12 2010-11	Adjustments 2011-12 2010-11	Closing balance 2011-12 2010-11
Outcome		\$'000	\$'000	\$'000	\$'000	\$'000
Australian Centre for International Agricultural Research Account (A)	1	21,067	15,000	20,840	-	15,227
Other Trust Moneys Account (D)*		-	-	-	-	-
Total Special Accounts 2011-12 Budget estimate		21,067	15,000	20,840	-	15,227
<i>Total Special Accounts 2010-11 estimate actual</i>		<i>28,159</i>	<i>30,000</i>	<i>37,092</i>	<i>-</i>	<i>21,067</i>

(A) = Administered

(D)* = Departmental. This account was closed in 2010-11.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Budgeted financial statements tables

**Table 3.2.1 Comprehensive Income Statement (Showing Net Cost of Services)
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	6,360	6,563	6,760	6,910	7,109
Supplier expenses	3,252	3,112	2,973	2,782	2,461
Depreciation and amortisation	315*	316*	319*	321*	319*
Total expenses	9,927	9,991	10,052	10,013	9,889
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	10	10	10	10	10
Other	40	40	40	40	40
Total own-source revenue	50	50	50	50	50
Gains					
Sale of assets					
Other	24	24	24	24	24
Total gains	24	24	24	24	24
Total own-source income	74	74	74	74	74
Net cost of (contribution by) services	9,853	9,917	9,978	9,939	9,815
Revenue from Government	9,538	9,601	9,659	9,618	9,496
Surplus (Deficit) attributable to the Australian Government	(315)	(316)	(319)	(321)	(319)

Note: Reconciliation of comprehensive income attributable to the agency*

	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (Loss) Attributable to the Australian Government	(315)	(316)	(319)	(321)	(319)
plus non-appropriated expenses depreciation and amortisation expenses	315	316	319	321	319
Total Comprehensive Income (Loss) Attributable to the agency	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2010-11 \$'000	Budget estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	90	90	90	90	90
Trade and other receivables	2,754	2,804	2,854	2,904	2,904
GST input credits receivable	40	40	40	40	40
Total financial assets	2,884	2,934	2,984	3,034	3,034
Non-financial assets					
Land and buildings	207	207	511	511	511
Property, plant and equipment	249	249	249	249	249
Intangibles	91	91	91	91	91
Other	74	74	74	74	74
Total non-financial assets	621	621	925	925	925
Total assets	3,505	3,555	3,909	3,959	3,959
LIABILITIES					
Payables					
Suppliers	265	265	265	265	265
Other	352	352	352	352	352
Total payables	617	617	617	617	617
Provisions					
Employee provisions	1,345	1,395	1,445	1,495	1,495
Total provisions	1,345	1,395	1,445	1,495	1,495
Total liabilities	1,962	2,012	2,062	2,112	2,112
Net assets	1,543	1,543	1,847	1,847	1,847
EQUITY*					
Parent entity interest					
Contributed equity	315	631	1,254	1,575	1,894
Reserves	325	325	325	325	325
Retained surplus (accumulated deficit)	903	587	268	(53)	(372)
Total parent entity interest	1,543	1,543	1,847	1,847	1,847
Total Equity	1,543	1,543	1,847	1,847	1,847

* 'Equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

Table 3.2.3: Departmental statement of changes in equity — summary of movement (Budget year 2011-12)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Other reserves \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2011					
Balance carried forward from previous period	903	325	-	315	1,543
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	903	325	-	315	1,543
Comprehensive income					
Surplus (deficit) for the period	(316)	-	-	-	(316)
Total comprehensive income	(316)	-	-	-	(316)
of which:					
Attributable to the Australian Government	(316)	-	-	-	(316)
Transactions with owners					
Departmental Capital Budget (DCBs)	-	-	-	316	316
Sub-total transactions with owners	-	-	-	316	316
Estimated closing balance as at 30 June 2012	585	325	-	633	1,543
Closing balance attributable to the Australian Government	585	325	-	633	1,543

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Budgeted departmental statement of cash flows
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	50	50	50	50	50
Appropriations	9,360	9,551	9,609	9,568	9,496
Net GST received	325	316	307	290	261
Total cash received	9,735	9,917	9,966	9,908	9,807
Cash used					
Employees	6,310	6,513	6,710	6,860	7,109
Suppliers	3,553	3,404	3,256	3,048	2,698
Total cash used	9,863	9,917	9,966	9,908	9,807
Net cash from (used by) operating activities	(128)	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	315	316	623	321	319
Total cash used	315	316	623	321	319
Net cash from (used by) investing activities	(315)	(316)	(623)	(321)	(319)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	315	316	623	321	319
Total cash received	315	316	623	321	319
Net cash from (used by) financing activities	315	316	623	321	319
Cash and cash equivalents at the beginning of the reporting period	218	90	90	90	90
Cash and cash equivalents at the end of the reporting period	90	90	90	90	90

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	315	316	319	321	319
Equity injections - Bill 2	-	-	304	-	-
Total capital appropriations	315	316	623	321	319
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	315	316	623	321	319
Total Items	315	316	623	321	319
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	-	304	-	-
Funded by capital appropriation - DCB ¹	315	316	319	321	319
TOTAL	315	316	623	321	319
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	315	316	623	321	319
Total cash used to acquire assets	315	316	623	321	319

¹ Does not include annual finance lease costs.

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2011-12)

	Buildings	Other property, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2011				
Gross book value	651	911	439	2,001
Accumulated depreciation/amortisation and impairment	(444)	(662)	(348)	(1,454)
Opening net book balance	207	249	91	547
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation ordinary annual services ¹	96	189	31	316
Total additions	96	189	31	316
Other movements				
Depreciation/amortisation expense	(96)	(189)	(31)	(316)
As at 30 June 2012				
Gross book value	747	1,100	470	2,317
Accumulated depreciation/amortisation and impairment	(540)	(851)	(379)	(1,770)
Closing net book balance	207	249	91	547

1 "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1)

2011-12 for depreciation / amortisation expenses, DCBs / ACBs or other operational expenses.

Prepared on Australian Accounting Standards basis.

Table 3.2.7: Schedule of budgeted income and expenses administered on behalf of Government (for the period ended 30 June)

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation revenue					
Other	37,078	20,840	14,922	12,285	7,737
Total non-taxation revenue	37,078	20,840	14,922	12,285	7,737
Total revenues administered on behalf of Government	37,078	20,840	14,922	12,285	7,737
Total income administered on behalf of Government	37,078	20,840	14,922	12,285	7,737
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Research Grants	88,217	85,948	85,563	85,440	82,815
Other	9,896	10,273	10,205	9,823	9,723
Total expenses administered on behalf of Government	98,113	96,221	95,768	95,263	92,538

Prepared on Australian Accounting Standards basis.

Table 3.2.8: Schedule of budgeted assets and liabilities administered on behalf of Government (as at 30 June)

	Estimated actual	Budget estimate	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	21,067	15,227	10,305	3,020	283
Taxation receivables	1,000	1,000	1,000	1,000	1,000
Receivables	100	100	100	100	100
Total financial assets	22,167	16,327	11,405	4,120	1,383
Non-financial assets					
Other	125	125	125	125	125
Total non-financial assets	125	125	125	125	125
Total assets administered on behalf of Government	22,292	16,452	11,530	4,245	1,508
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Suppliers	119	119	119	119	119
GST payables	900	900	900	900	900
Grants	603	603	603	603	603
Other	150	150	150	150	150
Total payables	1,772	1,772	1,772	1,772	1,772
Provisions					
Unearned Income	21,209	15,369	10,447	3,162	425
Total provisions	21,209	15,369	10,447	3,162	425
Total liabilities administered on behalf of Government	22,981	17,141	12,219	4,934	2,197

Prepared on Australian Accounting Standards basis.

**Table 3.2.9: Schedule of budgeted administered cash flows
(for the period ended 30 June)**

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2010-11	2011-12	2012-13	2013-14	2014-15
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Net GST received	3,929	4,000	4,000	4,000	3,800
Other	37,200	20,840	14,922	12,285	7,737
Total cash received	41,129	24,840	18,922	16,285	11,537
Cash used					
Grant payments	98,446	95,388	94,085	96,325	88,952
Other	10,810	10,673	10,605	10,223	10,123
Total cash used	109,256	106,061	104,690	106,548	99,075
Net cash from (used by) operating activities	(68,127)	(81,221)	(85,768)	(90,263)	(87,538)
Net increase (decrease) in cash held					
Cash and cash equivalents at beginning of reporting period	28,159	21,067	15,227	10,305	3,020
Cash from Official Public Account for: - Appropriations	61,035	75,381	80,846	82,978	84,801
	89,194	96,448	96,073	93,283	87,821
Cash and cash equivalents at end of reporting period	21,067	15,227	10,305	3,020	283

Prepared on Australian Accounting Standards basis.

3.2.4 Notes to the financial statements

Departmental financial statements and schedule of administered activity

Under the Australian Government's budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (departmental transactions) are budgeted for, and reported on, separately to transactions which 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.

Appropriations in the budgeting framework

Under the Australian Government's budgeting framework, separate annual appropriations are provided for:

- Departmental appropriations: representing the Government's funding for agency programs;
- Departmental capital budget appropriations: representing the Government's funding through additional equity for the replacement of existing agency assets as they reach the end of their useful life;
- Departmental capital appropriations: for new investments by the Government through additional equity; and
- Administered expense appropriations: for the estimated administered expenses relating to specific programs.

Asset valuation

In accordance with current Australian accounting standards and the Finance Minister's Orders, the Agency's assets are carried at fair value.