

Australian Centre for International Agricultural Research (ACIAR)

Agency resources and planned performance

AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

Section 1: Agency overview and resources	141
1.1 Strategic Direction Statement.....	141
1.2 Agency Resource Statement.....	143
1.3 Budget Measures.....	143
Section 2: Outcomes and planned performance	144
2.1 Outcomes and performance information	144
Section 3: Explanatory tables and budgeted financial statements	149
3.1 Explanatory tables	149
3.2 Budgeted Financial Statements.....	151

AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

Section 1: Agency overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

In 2010-11 the Australian Centre for International Agricultural Research (ACIAR) will advance the Government's aid objective of assisting developing countries to reduce poverty and achieve sustainable development, in line with Australia's national interest. In partnership with Australian and developing country research scientists, ACIAR will implement research and development (R&D) programs to increase agricultural productivity and sustainability in developing countries of the Asia-Pacific region and countries in sub-Saharan Africa.

ACIAR will implement five programs, linked to the *Australian Government's Food Security through Rural Development* initiative, to help increase food security in partner countries. The programs 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 complements and where applicable, operates under the umbrella of a number of AusAID development programs, such as the Cambodian Agricultural Value Chain Program (CAVAC) in Cambodia. Total appropriation in 2010-11 will amount to \$70.9m, with an additional \$17.2m from AusAID for specific activities.

Regional allocations for ACIAR's total R&D project budget in 2010-11 are:

- Papua New Guinea (PNG) and Pacific – 18 per cent;

ACIAR Budget Statements

- Indonesia, East Timor and Philippines – 32 per cent;
- Mekong Countries – 23 per cent;
- South Asia – 18 per cent; and
- Sub-Saharan Africa – 9 per 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, and to build capacity, within partner countries. Research strategies integrate and align closely with the Australian Government's broad aid program strategies, and particularly Food Security through Rural Development. Strategies for each partner country are developed in close collaboration with partner country governments, 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 the International Agricultural Research Centres (IARCs) that are supported by many donors, including the Australian Government.

New research partnerships will emphasise the enhancement of smallholder incomes for horticulture, including strengthening the role and effectiveness of women's groups in rural industries in Papua New Guinea, and delivering productivity improvement in the tree crop sector in Solomon Islands. In South-East Asia, new initiatives will include promoting sustainable management of fisheries and forestry resources in Indonesia, improving village livestock production in Laos and introducing improved crop varieties in East Timor. Initiatives in South Asia will include a focus on water management in India and land and water management in Pakistan. An expanded program of research will be delivered in Southern and Eastern Africa.

ACIAR develops the skills of partner country research scientists involved in Centre programs through its training program. Expenditure on training is budgeted at \$2.8 million in 2010-11, 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 Australian Academy of Technological Sciences and Engineering, 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 2010-11 as at Budget May 2010

	Estimate of prior + year amounts available in 2010-11 \$'000	Proposed at Budget = 2010-11 \$'000	Total estimate 2010-11 \$'000	Actual available appropriation 2009-10 \$'000
Ordinary Annual Services¹				
Departmental appropriation				
Prior year departmental appropriation ²	500	-	500	-
Departmental appropriation ³	-	9,853	9,853	9,731 ⁴
s31 Relevant agency receipts ⁵		50	50	50
Total	500	9,903	10,403	9,781
Administered expenses				
Outcome 1	-	61,035	61,035	54,081
Total	-	61,035	61,035	54,081
Total ordinary annual services	500	70,938	71,438	63,862
Total available annual appropriations	500	70,938	71,438	63,862
Special Accounts				
Opening balance ⁶	3,938	-	3,938	3,938
Non-appropriation receipts to Special Accounts	-	17,240	17,240	18,764
Total Special Account	3,938	17,240	21,178	22,702
Total resourcing	4,438	88,178	92,616	86,564
Total net resourcing for ACIAR	4,438	88,178	92,616	86,564

1. Appropriation Bill (No.1) 2010-11.
2. Estimated adjusted balance carried from previous year for annual appropriations.
3. Includes an amount of \$0.315m in 2010-11 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. The actual available appropriation for 2009-10 for Departmental Appropriation is net of an amount of \$0.077m appropriated to ACIAR but quarantined by the Department of Finance and Deregulation pending a review of the funding model for the overseas owned property estate. The outcome of the review will be considered by Government in the context of the 2011-12 Budget. All agencies have their actual available appropriations in the Appropriation Bills presented net of any quarantined amounts.
5. s31 Relevant Agency receipts – estimate.
6. 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

ACIAR has no new budget measures.

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 has 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. 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 2010-11 are described in section one above, and in greater detail in the Centre's Annual Operational Plan 2010-11 (available at www.aciar.gov.au).

ACIAR's programs align closely with the *Overseas Development Assistance - Food Security through Rural Development* initiative. Five programs under the initiative that commenced, either in design or consultation phases, in 2009-10 will become fully operational during 2010-11.

Outcome Expense and Resource Statement

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

Table 2.1: Budgeted Expenses and Resources 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.	2009-10	2010-11
	Estimated actual expenses \$'000	Estimated expenses \$'000
Program 1: International Agricultural Research and Development		
Administered expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	54,081	61,035
Special Accounts	19,764	18,240
Departmental expenses		
Ordinary annual services (Appropriation Bill No. 1)	9,808	9,853
Revenues from independent sources (s31)	50	50
Expenses not requiring appropriation in the Budget year	24	24
Total for Program 1	83,727	89,202
Total expenses for Outcome 1	83,727	89,202
	2009-10	2010-11
Average Staffing Level (number)	64	64

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

- 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;
- Increasing financial support to CGIAR; and
- Support for whole-of-Government and Australian aid program initiatives including CAVAC, and programs in Iraq and PNG.

Departmental program

ACIAR has a 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

	2009-10 Revised budget \$'000	2010-11 Budget \$'000	2011-12 Forward year 1 \$'000	2012-13 Forward year 2 \$'000	2013-14 Forward year 3 \$'000
Annual Administered Expenses:					
Administered Item	54,081	61,035	73,134	79,006	81,913
Special Account Expenses:					
ACIAR Special Account	19,764	18,240	14,797	10,755	4,250
Annual Departmental Expenses:					
Departmental Item	9,808	9,853	9,683	9,664	9,706
Expenses not requiring Appropriation in the Budget year	74	74	74	74	74
Total program expenses	83,727	89,202	97,688	99,499	95,943

Program 1: Deliverables

Administered program

- Increased uptake and application of existing technologies to achieve early improvement in the productivity of key crops in partner countries;
- Utilisation of seasonal climate forecasting, crop modelling and water resource management in rice-based systems in the Mekong, with an initial focus on the Mekong Delta region of Vietnam;
- Identification of markets and supply chains with potential to deliver substantial livelihood benefits to Pacific island communities;
- Increased farm-level food security and productivity by sustainably intensifying maize-legume cropping systems through characterising input and output value chain systems to identify constraints and options for field testing in partner countries of East Africa;
- New funding allocated to the CGIAR system primarily on an unrestricted basis, while respecting previous restricted funding allocations;
- Contribution to whole-of-government programs including:
 - Managing the research and extension component of the CAVAC program, funded on behalf of the Australian Government through AusAID;
 - Enhancing grain production under dryland conditions in northern Iraq through the introduction and evaluation of appropriate modern varieties and improved management techniques;
 - Improving livelihoods of smallholder farmers in PNG through increasing the productivity of coffee-based systems and development of aquaculture systems; and
- Ensure administered costs are maintained within agreed budget parameters.

Departmental program

- Ensure departmental costs are maintained within agreed budget parameters.

Program 1: Key Performance Indicators

Administered Program

- Feasibility and profitability of post-rice legume cropping in three Provinces in Cambodia assessed;
- Field surveys evaluated and field trials established to identify profitable crop and livestock systems for south central coastal Vietnam;
- New market-driven product opportunities (in high-value agriculture, fisheries and forestry sectors) identified addressing constraints in at least four supply chains within the *Pacific Agribusiness Research for Development Initiative* ;
- Assessment of best bet conservation agriculture technologies in exploratory trials in five eastern and southern African countries undertaken;
- CGIAR funding allocations within specified Annual Operational Plan parameters;
- In collaboration with CAVAC, a new project on farm-scale water management in three Cambodian provinces implemented;
- Policy options to enhance farmer uptake of project technologies in northern Iraq identified;
- Inception workshop and socio-economic surveys conducted of the new PNG initiative commenced on improving livelihoods of highlands smallholders through increased productivity of coffee-based farming systems; and
- Administered costs within specified budget parameters.

Departmental program

- Departmental costs within specified 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 2010-11 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, special accounts and government indigenous expenditure.

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. Table 3.1.1 shows the movement of administered funds approved between years.

There has been no movement of administered funds between years for ACIAR since the 2009-10 Additional Estimates.

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 or 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

	Outcome	Opening balance	Receipts	Payments	Adjustments	Closing balance
		2010-11 2009-10	2010-11 2009-10	2010-11 2009-10	2010-11 2009-10	2010-11 2009-10
		\$'000	\$'000	\$'000	\$'000	\$'000
Australian Centre for International Agricultural Research Account (A)	1	3,938	17,240	18,240	-	2,938
		4,938	18,764	19,764	-	3,938
Other Trust Moneys Account (D)		-	-	-	-	-
		-	-	-	-	-
Total Special Accounts						
2010-11 Budget estimate		3,938	17,240	18,240	-	2,938
<i>Total Special Accounts</i>						
<i>2009-10 estimate actual</i>		4,938	18,764	19,764	-	3,938

(A) = Administered
(D) = Departmental

3.1.3 Australian Government Indigenous Expenditure

ACIAR's business model provides opportunities for engagement of Australian indigenous communities as partners in ACIAR projects. Grant administration is ACIAR's primary vehicle for engagement of indigenous communities in its programs.

Table 3.1.3: Australian Government Indigenous Expenditure

Outcome	Appropriations				Other	Total	Program
	Bill No. 1	Bill No. 2	Special approp	Total approp			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
ACIAR							
Outcome 1							
Administered 2010-11	150	-	-	150	-	150	1
<i>Administered 2009-10</i>	200	-	-	200	-	200	1
Departmental 2010-11	-	-	-	-	-	-	
<i>Departmental 2009-10</i>	-	-	-	-	-	-	
Total outcome 2010-11	150	-	-	150	-	150	
<i>Total outcome 2009-10</i>	200	-	-	200	-	200	
Total AGIE 2010-11	150	-	-	150	-	150	
<i>Total AGIE 2009-10</i>	200	-	-	200	-	200	

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Differences in agency resourcing and financial statements

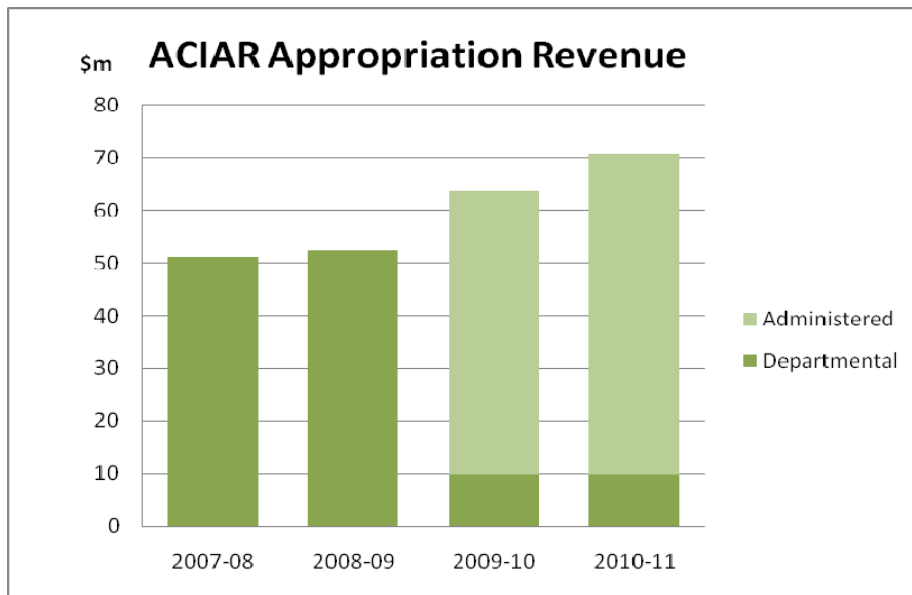
From 2009-10 ACIAR's budget has been split between 'departmental' and 'administered'. Before this time all of ACIAR's appropriation had been deemed to be 'departmental'.

From 2010-11 ACIAR's Comprehensive Income Statement is based on a net cost of services basis which shows a loss of \$315,000. This is offset by a separate departmental capital budget resulting in an operating result attributable to the agency that is budget neutral.

3.2.2 Analysis of budgeted financial statements

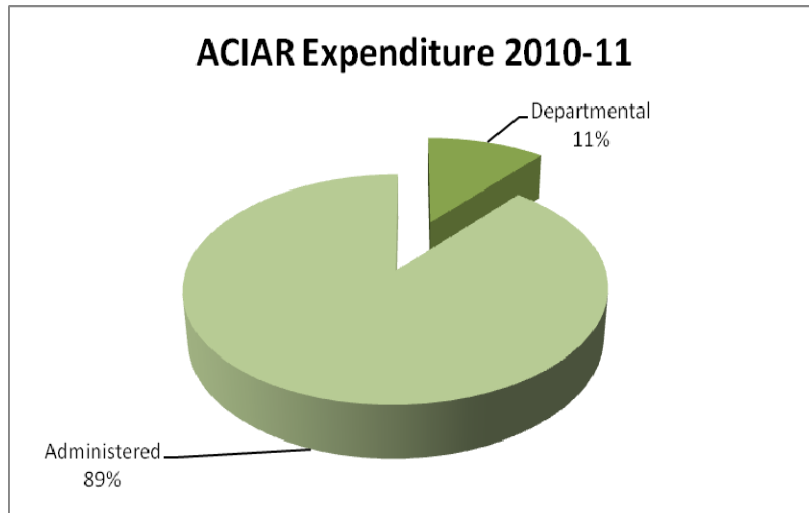
An analysis of ACIAR's budgeted financial statements is provided below.

Total appropriation has increased since 2008-09. The increase represents funding under the *Overseas Development Assistance - Food Security Through Rural Development* initiative that commenced in 2009-10.



ACIAR Budget Statements

The chart below shows the expected split between 'departmental' and 'administered' expenditure for 2010-11.



3.2.3 Budgeted financial statements tables

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
EXPENSES					
Employee benefits	5,850	5,900	5,950	6,000	6,050
Supplier expenses	3,727	3,702	3,482	3,413	3,405
Depreciation and amortisation	295	315	315	315	315
Losses from asset sales	10	10	10	10	10
Total expenses	9,882	9,927	9,757	9,738	9,780
LESS:					
OWN-SOURCE INCOME					
Revenue					
Sale of goods and rendering of services	10	10	10	10	10
Other revenue	40	40	40	40	40
Total revenue	50	50	50	50	50
Gains					
Other gains	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	9,808	9,853	9,683	9,664	9,706
Revenue from Government	9,808	9,538	9,368	9,349	9,391
Surplus (Deficit) attributable to the Australian Government*	-	(315)	(315)	(315)	(315)

Note: Reconciliation of operating result attributable to the agency

	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000	2012-13 \$'000
Operating result attributable to the Australian Government	-	(315)	(315)	(315)	(315)
plus non-appropriated items depreciation, amortisation and make good expenses	-	315	315	315	315
Operating result attributable to the agency	-	-	-	-	-

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS					
Financial assets					
Cash and equivalents	200	200	200	200	200
Trade and other receivables	1,180	1,230	1,280	1,330	1,380
Total financial assets	1,380	1,430	1,480	1,530	1,580
Non-financial assets					
Land and buildings	313	313	313	617	617
Infrastructure, plant and equipment	236	236	236	236	236
Intangibles	126	126	126	126	126
Other	173	173	173	173	173
Total non-financial assets	848	848	848	1,152	1,152
Assets held for sale					
Total assets	2,228	2,278	2,328	2,682	2,732
LIABILITIES					
Payables					
Suppliers	126	126	126	126	126
Total payables	126	126	126	126	126
Provisions					
Employees	1,100	1,150	1,200	1,250	1,300
Total provisions	1,100	1,150	1,200	1,250	1,300
Liabilities included in disposal groups held for sale					
Total liabilities	1,226	1,276	1,326	1,376	1,426
Net assets	1,002	1,002	1,002	1,306	1,306
EQUITY*					
Parent entity interest					
Contributed equity	-	315	630	1,249	1,564
Reserves	325	325	325	325	325
Retained surpluses or accumulated deficits	677	362	47	(268)	(583)
Total parent entity interest	1,002	1,002	1,002	1,306	1,306
Total equity	1,002	1,002	1,002	1,306	1,306

* '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 2010-11)

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2010					
Balance carried forward from previous period	677	325	-	-	1,002
Adjustment for changes in accounting policies	-	-	-	-	-
Adjusted opening balance	677	325	-	-	1,002
Sub-total comprehensive income	-	-	-	-	-
Surplus (deficit) for the period	(315)	-	-	-	(315)
Total comprehensive income recognised directly in equity	-	-	-	-	-
Transactions with owners					
<i>Contribution by owners</i>					
Appropriation (departmental capital budget)	-	-	-	315	315
Sub-total transactions with owners	-	-	-	315	315
Estimated closing balance as at 30 June 2011	362	325	-	315	1,002

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	15	15	15	15	15
Appropriations	9,808	9,538	9,368	9,349	9,393
GST	350	350	350	350	350
Total cash received	10,173	9,903	9,733	9,714	9,758
Cash used					
Employees	5,800	5,850	5,900	5,950	6,000
Suppliers	4,088	4,063	3,843	3,774	3,768
Total cash used	9,888	9,913	9,743	9,724	9,768
Net cash from or (used by) operating activities	285	(10)	(10)	(10)	(10)
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	10	10	10	10	10
Total cash received	10	10	10	10	10
Cash used					
Purchase of property, plant and equipment	295	315	315	619	315
Total cash used	295	315	315	619	315
Net cash from or (used by) investing activities	(285)	(305)	(305)	(609)	(305)
FINANCING ACTIVITIES					
Cash received					
Appropriations - contributed equity	-	315	315	619	315
Total cash received	-	315	315	619	315
Total cash used					
	-	-	-	-	-
Net cash from or (used by) financing activities	-	315	315	619	315
Net increase or (decrease) in cash held					
	-	-	-	-	-
Cash at the beginning of the reporting period	200	200	200	200	200
Effect of exchange rate movements on cash at the beginning of reporting period	-	-	-	-	-
Cash at the end of the reporting period	200	200	200	200	200

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
CAPITAL APPROPRIATIONS					
Equity Injections - Bill 2	-	-	-	304	-
Capital Budget - Bill 1 (DCB)	-	315	315	315	315
Total capital appropriations	-	315	315	619	315
Total new capital appropriations					
Represented by:					
Purchase of non-financial assets	-	315	315	619	315
Total Items	-	315	315	619	315
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations	-	-	-	304	-
Funded by current year DCB ¹ departmental resources ²	- 295	315 -	315 -	315 -	315 -
TOTAL	295	315	315	619	315
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	295	315	315	619	315
Total cash used to acquire assets	295	315	315	619	315

1. Does not include annual finance lease costs.
2. Includes the following sources of funding:
 - annual and prior year appropriations
 - donations and contributions
 - gifts
 - internally developed assets
 - s31 relevant agency receipts
 - proceeds from the sale of assets

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of Asset Movements (2010-11)

	Buildings	Other infrastructure, plant and equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2010				
Gross book value	649	923	439	2,011
Accumulated depreciation/amortisation	(336)	(687)	(313)	(1,336)
Opening net book balance	313	236	126	675
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity	96	188	31	315
Acquisition of entities or operations (including restructuring) sub-total	96	188	31	315
Other movements				
Depreciation/amortisation expense	(96)	(188)	(31)	(315)
As at 30 June 2011				
Gross book value	745	1,111	470	2,326
Accumulated depreciation/amortisation	(432)	(875)	(344)	(1,651)
Closing net book balance	313	236	126	675

The numbers in this table are subject to review under the Government's net cash framework as part of the operation sunlight review.

Proceeds may be returned to the OPA

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 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
INCOME ADMINISTERED ON BEHALF OF GOVERNMENT					
Revenue					
Non-taxation					
Other sources of non-taxation revenues	18,764	17,240	13,797	9,755	4,250
Total non-taxation	18,764	17,240	13,797	9,755	4,250
Total revenues administered on behalf of Government	18,764	17,240	13,797	9,755	4,250
Total gains administered on behalf of Government	18,764	17,240	13,797	9,755	4,250
Total income administered on behalf of Government	18,764	17,240	13,797	9,755	4,250
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
Grants	63,048	68,157	76,810	78,872	76,294
Other	9,797	10,118	10,121	9,889	9,869
Total expenses administered on behalf of Government	72,845	78,275	86,931	88,761	86,163

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 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT					
Financial assets					
Cash and cash equivalents	3,938	2,938	1,938	938	938
Receivables	100	100	100	100	100
Total financial assets	4,038	3,038	2,038	1,038	1,038
Total non-financial assets	-	-	-	-	-
Total assets administered on behalf of Government	4,038	3,038	2,038	1,038	1,038
LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT					
Payables					
Grants	100	100	100	100	100
Other	3,938	2,938	1,938	938	938
Total payables	4,038	3,038	2,038	1,038	1,038
Total interest bearing liabilities	-	-	-	-	-
Total provisions	-	-	-	-	-
Total liabilities administered on behalf of Government	4,038	3,038	2,038	1,038	1,038

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2009-10 \$'000	Budget estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000
OPERATING ACTIVITIES					
Cash received					
Grants received	18,764	17,240	13,797	9,755	4,250
Total cash received	18,764	17,240	13,797	9,755	4,250
Cash used					
Grant payments	64,048	69,157	77,810	79,872	76,294
Other	9,797	10,118	10,121	9,889	9,869
Total cash used	73,845	79,275	87,931	89,761	86,163
Net cash from or (used by) operating activities	(55,081)	(62,035)	(74,134)	(80,006)	(81,913)
INVESTING ACTIVITIES					
Net cash from or (used by) investing activities	-	-	-	-	-
FINANCING ACTIVITIES					
Net cash from or (used by) financing activities	-	-	-	-	-
Net increase or (decrease) in cash held					
Cash at beginning of reporting period	4,938	3,938	2,938	1,938	938
Cash from Official Public Account for: - appropriations	54,081	61,035	73,134	79,006	81,913
Cash at end of reporting period	3,938	2,938	1,938	938	938

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 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.

Appropriations in 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 Department's assets are carried at fair value.