

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 2012–13 the Australian Centre for International Agricultural Research (ACIAR) will continue to enhance bilateral and multilateral agricultural research for development to underpin the Australian Government's ongoing food security policy priorities through the following thematic areas:

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

In 2012–13 ACIAR will continue to support Australia's commitment to the United Nation's Millennium Development Goals, with particular focus on ending poverty and hunger.

ACIAR's strategic plan is designed to fit within the provisions of the Comprehensive Aid Policy Framework (CAPF), with particular emphasis on the core strategic goal of sustainable economic development, as announced in the Australian Government's response to the review of aid effectiveness (policy statement as described in '*An Effective Aid Program for Australia*', 2011). Consistent with this strategic goal, ACIAR's program will focus on the key development objective: improving food security by investing in agricultural productivity, infrastructure, social protection and the opening of markets.

ACIAR's research and development investment also complements and, where applicable, operates under the umbrella of a number of AusAID programs.

The overarching themes will be implemented through agreed programs and projects with partners in the Asia-Pacific region and Africa. In the case of Africa the current programs will be enhanced and complemented by the commencement of the Australian International Food Security Centre (AIFSC). In the Asia-Pacific region a continuing focus on productivity, climate-change, crop intensification and value-adding systems will be progressed.

As a new initiative in the Asia-Pacific region, ACIAR will scope and implement new approaches to assist Burma to improve food security and livelihoods for smallholders. The new program is targeting the immediate needs of the generally vulnerable rural

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people. There will also be a focus on capacity building as many of Burma's agricultural scientists have been isolated from international cooperation in recent years.

In the case of Indonesia, ACIAR will be expanding and diversifying the strong existing research partnerships to include a greater emphasis on institutional capacity building and new initiatives to assist smallholder beef producers to enhance productivity and marketability in the future. These initiatives are currently being assessed for commencement in 2012-13, and will be additional to the other multidisciplinary research undertakings with Indonesia.

Regional allocations for ACIAR's total research and development (R&D) project budget in 2012-13 are:

- Papua New Guinea and Pacific island countries – 15 per cent;
- Indonesia, East Timor and Philippines – 18 per cent;
- Mekong countries and China – 24 per cent;
- South and West Asia – 22 per cent; and
- Africa – 21 per cent.

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. 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.

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.

ACIAR develops the skills of partner country research scientists involved in Centre programs through its training program. Expenditure on training is budgeted at \$7 million in 2012-13, the majority on two fellowship schemes. Through the ATSE Crawford Fund, ACIAR also supports training activities that complement the Centre's projects.

ACIAR will also continue to administer Australia's increasing contributions to and involvement with the reformed Consultative Group on International Agricultural Research. Additional unrestricted funding has been earmarked to underpin Australia's commitment and influence in this important multilateral research-for-development system.

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 2012-13 \$'000	Proposed at Budget 2012-13 \$'000	Total estimate 2012-13 \$'000	Actual available appropriation 2011-12 \$'000
Ordinary annual services¹				
Departmental appropriation				
Prior year departmental appropriation ²	1,505	-	1,505	1,320
Departmental appropriation ³	-	10,731	10,731	10,229
s31 Relevant agency receipts ⁴	-	10	10	10
Total	1,505	10,741	12,246	11,559
Administered expenses				
Outcome 1	-	89,932	89,932	78,881
Total	-	89,932	89,932	78,881
Total ordinary annual services	A 1,505	100,673	102,178	90,440
Other services⁵				
Departmental non-operating				
Equity injections	-	304	304	200
Total other services	B -	304	304	200
Total available annual appropriations	1,505	100,977	102,482	90,640
Total appropriations excluding Special Accounts	1,505	100,977	102,482	90,640
Special Accounts				
Opening balance ⁶	9,871	-	9,871	10,866
Non-appropriation receipts to Special Accounts	-	34,572	34,572	31,179
Total Special Account	C 9,871	34,572	44,443	42,045
Total resourcing				
A+B+C	11,376	135,549	146,925	132,685
Total net resourcing for ACIAR	11,376	135,549	146,925	132,685

1 Appropriation Bill (No.1) 2012-13.

2 Estimated adjusted balance carried forward from previous year.

3 Includes an amount of \$0.254m in 2012-13 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 Appropriation Bill (No.2) 2012-13.

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.

ACIAR's outcome is described below together with its related program, 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 researchers and their counterparts 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 2012–13 are described in greater detail in the Centre's Annual Operational Plan 2012–13 (aciarc.gov.au).

Increased focus in Africa has resulted from the announcement by the Australian Prime Minister, the Hon. Julia Gillard MP, at the October 2011 Commonwealth Heads of Government Meeting that the government had committed program funding of \$33 million over 4 years to establish a new Australian International Food Security Centre (AIFSC).

ACIAR will continue to manage and administer Australia's increasing 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 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.

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	2011-12	2012-13
	Estimated actual expenses	Estimated expenses
	\$'000	\$'000
Program 1: International Agricultural Research and Development		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	78,881	89,932
Special Accounts	30,950	34,572
Departmental expenses		
Departmental appropriation ¹	9,924	10,487
Expenses not requiring appropriation in the Budget year ²	354	338
Total for Program 1	120,109	135,329
	2011-12	2012-13
Average Staffing Level (number)	70	74

1 Departmental Appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and "Revenue from Independent sources [s31]".

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 Australian Aid policy statement as described in '*An Effective Aid Program for Australia*', 2011:

- 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;
- Safeguarding food security and facilitating adaptation to climate change in rice-based farming systems of Mekong countries and South Asia;
- Developing high-value agriculture, forestry and fishery products in the Pacific;
- Advancing food security in Africa by establishing new research partnerships and projects; 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.

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Program expenses

	2011-12 Revised budget \$'000	2012-13 Budget \$'000	2013-14 Forward year 1 \$'000	2014-15 Forward year 2 \$'000	2015-16 Forward year 3 \$'000
Annual administered expenses:					
Administered item	78,881	89,932	92,872	97,703	99,852
Special Account Expenses:					
ACIAR Special Account	30,950	34,572	28,871	27,347	13,987
Annual departmental expenses:					
Departmental items	9,924	10,477	10,452	10,334	10,432
Expenses not requiring appropriation in the Budget year ¹	354	338	340	338	342
Total program expenses	120,109	135,319	132,535	135,722	124,613

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

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, and improving livelihoods of dairy farmers 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;
- Better integration of smallholders into profitable markets for high-value crops and agroforestry in the north-western highlands of Vietnam;
- 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;
- Sustainable agricultural intensification pathways for improving food security in maize systems in eastern and southern Africa: socioeconomic dynamics, drivers of change and policy options for inclusive growth;
- 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
- Continued 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

- Trilateral collaboration between Indonesia, East Timor and Australia developed, initially through livestock and horticulture research, and subsequently expanded into other sectors;
- Capacity of lead farmers, researches and extension staff in the horticulture and dairy sectors increased in Pakistan;
- Social, economic and environmental constraints to industry development by smallholder farmers identified in PNG women's business acumen project;
- Postharvest constraints and issues for selected Philippines fruit and vegetable crops identified and documented;
- 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, and two 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;
- A new program established to improve productivity in the crop, fisheries and livestock sectors in Burma;
- Diversification options for rice-based farming systems within countries of the Mekong basin;
- Australian International Food Security Centre launched and operational;
- 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 2012-13 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 2011-12 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 or under separate enabling legislation. Table 3.1.2 shows the expected additions (receipts) and reductions (payments) on ACIAR's Special Account.

Table 3.1.2: Estimates of Special Account Flows and Balances

		Opening balance 2012-13 2011-12	Receipts 2012-13 2011-12	Payments 2012-13 2011-12	Adjustments 2012-13 2011-12	Closing balance 2012-13 2011-12
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Centre for International Agricultural Research Account (A)	1	9,871	34,572	34,572	-	9,871
Total Special Accounts 2012-13 Budget estimate		9,871	34,572	34,572	-	9,871
<i>Total Special Accounts 2011-12 estimate actual</i>		10,866	31,179	32,174	-	9,871

(A) = Administered

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	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES					
Employee benefits	6,583	7,174	7,317	7,463	7,538
Suppliers	3,365	3,337	3,169	2,905	2,928
Depreciation and amortisation	330*	314*	316*	314*	318*
Total expenses	9,948	10,825	10,802	10,682	10,784
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	10	10	10	10	10
Total own-source revenue	10	10	10	10	10
Gains					
Other	24	24	24	24	24
Total gains	24	24	24	24	24
Total own-source income	34	34	34	34	34
Net cost of (contribution by) services	9,914	10,791	10,768	10,648	10,750
Revenue from Government	9,914	10,477	10,452	10,334	10,432
Surplus (deficit) attributable to the Australian Government	(330)*	(314)*	(316)*	(314)*	(318)*
Total comprehensive income (loss) attributable to the Australian Government	(330)*	(314)*	(316)*	(314)*	(318)*
*Note: Impact of Net Cash Appropriation Arrangements					
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Comprehensive Income (loss) less depreciation/amortisation expenses previously funded through revenue appropriations.	-	-	-	-	-
plus depreciation/amortisation expenses previously funded through revenue appropriations ¹	330	314	316	314	318
Total Comprehensive Income (loss) - as per the Statement of Comprehensive Income	(330)	(314)	(316)	(314)	(318)

¹ From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of FMA Act agencies were replaced with a separate capital budget (the Departmental Capital Budget, or DCB) provided through Bill 1 equity appropriations. For information regarding DCBs, please refer to Table 3.2.5 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

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

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	53	52	52	52	52
Trade and other receivables	3,070	3,171	3,221	3,296	3,376
Total financial assets	3,123	3,223	3,273	3,348	3,428
Non-financial assets					
Land and buildings	478	632	482	332	182
Property, plant and equipment	623	673	722	792	841
Intangibles	59	99	139	159	169
Other non-financial assets	200	200	200	200	200
Total non-financial assets	1,360	1,604	1,543	1,483	1,392
Total assets	4,483	4,827	4,816	4,831	4,820
LIABILITIES					
Payables					
Suppliers	450	475	475	475	475
Other payables	350	375	375	400	400
Total payables	800	850	850	875	875
Provisions					
Employee provisions	1,470	1,520	1,570	1,620	1,670
Total provisions	1,470	1,520	1,570	1,620	1,670
Total liabilities	2,270	2,370	2,420	2,495	2,545
Net assets	2,213	2,457	2,396	2,336	2,275
EQUITY*					
Parent entity interest					
Contributed equity	830	1,388	1,643	1,897	2,154
Reserves	708	708	708	708	708
Retained surplus (accumulated deficit)	675	361	45	(269)	(587)
Total Equity	2,213	2,457	2,396	2,336	2,275

* '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 2012-13)

	Retained earnings	Asset revaluation reserve	Contributed equity/ capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2012				
Balance carried forward from previous period	675	708	830	2,213
Adjusted opening balance	675	708	830	2,213
Comprehensive income				
Surplus (deficit) for the period	(314)	-	-	(314)
Total comprehensive income	(314)	-	-	(314)
of which:				
Attributable to the Australian Government	(314)	-	-	(314)
Transactions with owners				
Contributions by owners				
Equity Injection - Appropriation	-	-	304	304
Departmental Capital Budget (DCBs)	-	-	254	254
Sub-total transactions with owners	-	-	558	558
Closing balance attributable to the Australian Government	361	708	1,388	2,457

Prepared on Australian Accounting Standards basis.

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

	Estimated Actual 2011-12 \$'000	Budget estimate 2012-13 \$'000	Forward estimate 2013-14 \$'000	Forward estimate 2014-15 \$'000	Forward estimate 2015-16 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	10	10	10	10	10
Appropriations	9,865	10,376	10,402	10,259	10,352
Net GST received	230	230	225	220	220
Total cash received	10,105	10,616	10,637	10,489	10,582
Cash used					
Employees	6,537	7,099	7,267	7,388	7,463
Suppliers	3,567	3,518	3,370	3,101	3,119
Total cash used	10,104	10,617	10,637	10,489	10,582
Net cash from (used by) operating activities	1	(1)	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of land and buildings	167	304	-	-	-
Purchase of property, plant and equipment	348	200	201	200	200
Purchase of intangibles	-	54	54	54	57
Total cash used	515	558	255	254	257
Net cash from (used by) investing activities	(515)	(558)	(255)	(254)	(257)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	515	558	255	254	257
Total cash received	515	558	255	254	257
Net cash from (used by) financing activities	515	558	255	254	257
Net increase (decrease) in cash held	1	(1)	-	-	-
Cash and cash equivalents at the beginning of the reporting period	52	53	52	52	52
Cash and cash equivalents at the end of the reporting period	53	52	52	52	52

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental Capital Budget Statement

	Estimated actual	Budget estimate	Forward estimate	Forward estimate	Forward estimate
	2011-12 \$'000	2012-13 \$'000	2013-14 \$'000	2014-15 \$'000	2015-16 \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	315	254	255	254	257
Equity injections - Bill 2	200	304	-	-	-
Total new capital appropriations	515	558	255	254	257
Provided for:					
Purchase of non-financial assets	515	515	255	254	257
Total Items	515	515	255	254	257
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ¹	200	304	-	-	-
Funded by capital appropriation - DCB ²	315	254	255	254	257
TOTAL	515	558	255	254	257
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	515	558	255	254	257
Total cash used to acquire assets	515	558	255	254	257

1 Includes both current and prior Bill 2/4/6 appropriations and special capital appropriations.

2 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	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000
As at 1 July 2012				
Gross book value	638	768	458	1,864
Accumulated depreciation/amortisation and impairment	(160)	(145)	(399)	(704)
Opening net book balance	478	623	59	1,160
CAPITAL ASSET ADDITIONS				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity ¹	304	-	-	304
By purchase - appropriation ordinary annual services ²	-	200	54	254
Total additions	304	200	54	558
Other movements				
Depreciation/amortisation expense	(150)	(150)	(14)	(314)
Total other movements	(150)	(150)	(14)	(314)
As at 30 June 2013				
Gross book value	942	968	512	2,422
Accumulated depreciation/amortisation and impairment	(310)	(295)	(413)	(1,018)
Closing net book balance	632	673	99	1,404

1 "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Bill (No.2) 2012-13.

2 "Appropriation ordinary annual services" refers to funding provided through Appropriation Bill (No.1) 2012-13 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	Forw ard estimate	Forw ard estimate	Forw ard estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT					
International Development Assistance					
Employee benefits	60	60	60	60	60
Suppliers	109,771	124,444	121,683	124,990	113,779
Total expenses administered on behalf of Government	109,831	124,504	121,743	125,050	113,839
LESS:					
OWN-SOURCE INCOME					
Non-taxation revenue					
Sale of goods and rendering of services	30,950	34,572	28,871	27,347	13,987
Total non-taxation revenue	30,950	34,572	28,871	27,347	13,987
Total own-sourced income administered on behalf of Government	30,950	34,572	28,871	27,347	13,987
Net Cost of (contribution by) services	78,881	89,932	92,872	97,703	99,852
Surplus (Deficit)	(78,881)	(89,932)	(92,872)	(97,703)	(99,852)
Total comprehensive income (loss)	(78,881)	(89,932)	(92,872)	(97,703)	(99,852)

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	Forward estimate	Forward estimate	Forward estimate
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS					
Financial assets					
Cash and cash equivalents	9,871	9,871	9,871	9,871	9,871
Taxation receivables	829	829	829	829	829
Trade and other receivables	500	500	500	500	500
Total financial assets	11,200	11,200	11,200	11,200	11,200
Non-financial assets					
Other non-financial assets	125	125	125	125	125
Total non-financial assets	125	125	125	125	125
Total assets administered on behalf of Government	11,325	11,325	11,325	11,325	11,325
LIABILITIES					
Payables					
Suppliers	1,711	2,000	2,050	2,100	2,150
Unearned income	10,000	10,000	10,000	10,000	10,000
Personal benefits	5	5	5	5	5
Other payables	698	698	698	698	698
Total payables	12,414	12,703	12,753	12,803	12,853
Provisions					
Employee provisions	5	7	10	10	10
Total provisions	5	7	10	10	10
Total liabilities administered on behalf of Government	12,419	12,710	12,763	12,813	12,863
Net assets/(liabilities)	(1,094)	(1,385)	(1,438)	(1,488)	(1,538)

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
	2011-12	2012-13	2013-14	2014-15	2015-16
	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
External Funds	31,179	34,572	28,871	27,347	13,987
Net GST received	4,350	4,500	4,550	4,600	4,500
Total cash received	35,529	39,072	33,421	31,947	18,487
Cash used					
International development assistance					
Suppliers	115,349	128,655	126,183	129,540	118,229
Employees	56	58	57	60	60
Total cash used	115,405	128,713	126,240	129,600	118,289
Net cash from (used by) operating activities	(79,876)	(89,641)	(92,819)	(97,653)	(99,802)
Net increase (decrease) in cash held					
Cash and cash equivalents at beginning of reporting period	10,866	9,871	9,871	9,871	9,871
Cash from Official Public Account for:					
- Appropriations	83,231	94,141	97,369	102,253	104,302
	83,231	94,141	97,369	102,253	104,302
Cash to Official Public Account for:					
- Appropriations	(4,350)	(4,500)	(4,550)	(4,600)	(4,500)
	89,747	99,512	102,690	107,524	109,673
Cash and cash equivalents at end of reporting period	9,871	9,871	9,871	9,871	9,871

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.