

Australian Centre for International Agricultural Research (ACIAR)

**Entity resources and planned
performance**

AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

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AUSTRALIAN CENTRE FOR INTERNATIONAL AGRICULTURAL RESEARCH (ACIAR)

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

ACIAR works to improve the productivity and profitability of agricultural systems in countries of the Asia-Pacific region and Indian Ocean rim, through international agricultural research partnerships. In a whole of government context, ACIAR's research agenda underpins the Government's overarching development policy, *Australian aid: promoting prosperity, reducing poverty, enhancing stability* and aligns with key sectoral priorities outlined in the *Strategy for Australia's aid investments in agriculture, fisheries and water*.

ACIAR will generate new technologies, new knowledge, greater capability and better decision-making through these research partnerships. By focusing on impact pathways, ACIAR will deliver benefits to farmers and consumers in developing countries and Australia.

ACIAR puts Australia's agricultural innovation system to work to reduce poverty and contribute to the long-term economic prosperity of developing countries. This work contributes to stronger economies and to poverty alleviation, and is central to Australia's aid agenda. ACIAR contributes to economic diplomacy through improving agricultural competitiveness and sustainability, increasing value chain efficiency and effectiveness, and overcoming regulatory impediments in relation to both domestic and international markets.

Stronger economies in our region assist Australian exporters and investors to access and profit from foreign markets. Support for more-productive, market-led agricultural systems, that engage smallholder farmers, encourages developing countries to effectively tap into new market opportunities. In these ways, ACIAR works towards a future of shared prosperity. Importantly, ACIAR's support to international research partnerships increases the numbers of skilled professionals at research, extension and farm levels which then builds the potential for sustained agricultural innovation in the region, an essential element for economic growth and development.

ACIAR will continue to focus research on four areas: crops; livestock and fisheries; natural resources and forestry; and socioeconomics and policy, with a stronger focus across all four on developing market opportunities for smallholder farmers. ACIAR will implement interdisciplinary research approaches between these focal areas and address key issues, such as gender inequality, that cut across these focal areas. The research will tackle gender inequality in the design, delivery and impacts of our

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projects. We will maintain our core mandate of producing excellent research, and work through others to achieve up-scaling (institutional development) and out-scaling (broader development).

ACIAR will continue to deepen the existing partnerships and explore new and more diverse partnerships. Australian aid will become more innovative and catalytic, particularly through leveraging private sector partnerships and investment, and ACIAR will continue a greater emphasis on the private sector, and new, innovative partnerships with emerging economies. In Australia, ACIAR will move towards more strategic institutional partnerships, and a more programmatic approach in delivery. ACIAR's partnership model will also adapt to the increasing skills and expertise in some of our partner countries. In Australia, ACIAR will seek to increase our partnership base and support efforts to increase the involvement of young professionals in international agricultural research. In developing countries, ACIAR will continue to develop new partnership models increasing regional collaborations and approaches and developing greater collaboration with the commercial sector.

In 2015-16 in line with the refocusing of the Australian aid program, ACIAR will increase funding to the Pacific region, particularly PNG. In Fiji, strengthened development cooperation with Australia will open opportunities for ACIAR to broaden collaboration aimed at sustainable economic development.

ACIAR will also increase funding to East Asia, working with DFAT to take advantage of emerging opportunities to develop agricultural programs in the region. In Timor Leste, ACIAR will continue to work with DFAT to identify ways of building on the successes of Seeds of Life to further increase the opportunity for economic growth and linkages with the private sector.

In West and South Asia, we will reduce slightly our engagement and monitor the security situation in Afghanistan that will define the future of our engagement in that country. We will continue our engagement in Africa in line with both the priorities of the Australian aid program and the targets established in ACIAR's Strategic Plan but in that process consolidate our work with regional research organisations.

On a global level, ACIAR will monitor the development of the ASEAN zone economic cooperation by 2015, which will see pressures for cooperation on cross border issues which intersect with ACIAR's interests, such as biosecurity, agrifood chains and food safety. ACIAR will continue to engage in the CGIAR (formerly 'the Consultative Group on International Agricultural Research') reform and positively influence its future directions.

1.2 ENTITY 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 2015-16 as at Budget May 2015

	Actual Available Appropriation 2014-15 \$'000	Estimate of prior year amounts available in 2015-16 \$'000	Proposed at 2015-16 Budget \$'000	Total 2015-16 estimate \$'000
Ordinary annual services (a)				
Departmental appropriation				
Prior year appropriations (b)	3,429	3,593	-	3,593
Departmental appropriation (c)	10,051	-	9,905	9,905
s74 Retained revenue receipts (d)	1,697	-	1,933	1,933
Total	15,177	3,593	11,838	15,431
Administered expenses				
Outcome 1	86,289	-	81,629	81,629
Total	86,289	-	81,629	81,629
Total ordinary annual services [A]	101,466	3,593	93,467	97,060
Other services (e)				
Departmental non-operating				
Equity injections	3	-	161	161
Total other services [B]	3	-	161	161
Total available annual appropriations [A+B]	101,469	3,593	93,628	97,221
Total appropriations excluding special accounts	101,469	3,593	93,628	97,221
Special accounts				
Opening balance (f)	21,177	26,159	-	26,159
Non-appropriation receipts to special accounts	26,235	-	25,239	25,239
Total special accounts [C]	47,412	26,159	25,239	51,398
Total resourcing [A+B+C]	148,881	29,752	118,867	148,619
Total net resourcing for ACIAR	148,881	29,752	118,867	148,619

(a) *Appropriation Bill (No. 1) 2015-16.*

(b) Estimated adjusted balance carried forward from previous year.

(c) Includes an amount of \$0.248 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'.

(d) Estimated Retained revenue receipts under section 74 of the PGPA Act.

(e) *Appropriation Bill (No. 2) 2015-16.*

(f) Estimated opening balance for special accounts (less 'Special Public Money' held in accounts like *Other Trust Monies* accounts (OTM), *Services for other Government and Non-agency Bodies* accounts (SOG), or *Services for Other Entities and Trust Monies* accounts (SOETM)). 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 programmes are the primary vehicle by which government entities achieve the intended results of their outcome statements. Entities are required to identify the programmes which contribute to government outcomes over the Budget and forward years.

ACIAR's outcome is described below together with its related programme, 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

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

- concentrate efforts in developing countries of Asia and the Pacific, while also engaging in high-payoff partnerships in other regions in support of Australia's foreign policy objectives;
- work through bilateral (at least 70%) and multilateral (up to 30%) modalities;
- generate new technologies, new knowledge, greater capability and better decision-making from our research partnerships;
- focus research on four areas: crops; livestock and fisheries; natural resources and forestry; and socioeconomics and policy;
- develop a stronger focus on developing market opportunities for smallholder farmers;
- implement cross-disciplinary and interdisciplinary research approaches;
- tackle gender inequality, in the design, delivery and impacts of projects;
- maintain our core mandate of producing excellent research, and work through others to achieve up-scaling and broader development;
- deepen our existing partnerships and explore new and more diverse partnerships, with greater emphasis on the private sector and non-government organisations, and new, innovative partnerships with emerging economies; and

- move towards more-strategic institutional partnerships, and a more programmatic approach in delivery.

Outcome expense statement

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

Table 2.1: Budgeted expenses for Outcome 1

	2014-15 Estimated actual expenses \$'000	2015-16 Estimated expenses \$'000
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		
Programme 1: International Agricultural Research and Development		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	86,289	81,629
Special accounts	28,235	25,239
Departmental expenses		
Departmental appropriation (a)	11,118	11,590
Expenses not requiring appropriation in the Budget year (b)	282	284
Total for programme 1	125,924	118,742
Outcome 1 Totals by appropriation type		
Administered expenses		
Ordinary annual services (Appropriation Bill No. 1)	86,289	81,629
Special accounts	28,235	25,239
Departmental expenses		
Departmental appropriation (a)	11,118	11,590
Expenses not requiring appropriation in the Budget year (b)	282	284
Total expenses for Outcome 1	125,924	118,742
	2014-15	2015-16
Average staffing level (number)	74	74

(a) Departmental appropriation combines 'Ordinary annual services (Appropriation Bill No. 1)' and 'Revenue from independent sources (s 74).

(b) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses 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

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

Programme objective

ACIAR has the single administered programme 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. The objective of the Programme is to contribute to economic diplomacy through improving agricultural competitiveness and sustainability, increasing value chain efficiency and effectiveness, and alleviating regulatory impediments in relation to both domestic and international markets.

Programme expenses

Aligned to the broader aid program, ACIAR will refocus partnerships towards the Indo Pacific region, with modest increase in percentage allocations of budget made to Pacific and East Asia. The programme in Sub Saharan Africa will target countries in the continent's east and south.

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
Annual administered expenses:					
Administered item	86,289	81,629	94,836	96,261	97,993
Special account expenses:					
ACIAR special account	28,235	25,239	24,156	23,000	21,000
Annual departmental expenses:					
Departmental item	11,118	11,590	11,721	11,947	11,809
Expenses not requiring appropriation in the Budget year (a)	282	284	345	349	349
Total programme expenses	125,924	118,742	131,058	131,557	131,151

(a) Expenses not requiring appropriation in the Budget year are made up of depreciation expenses, amortisation expenses, make-good expenses and audit fees.

Programme 1 deliverables

Through diverse research partnerships and both individual and institutional capacity building, ACIAR will deliver:

- increased availability of and access to meat, fish, milk, grains, fruits and vegetables;
- reduced postharvest losses;
- improved nutritional quality and diversity of diets;
- increased productivity, quality and market access for smallholder agriculture, aquaculture and forestry products;
- greater resilience and diversity of production systems; and
- strengthened plant and animal biosecurity.

Programme 1 key performance indicators

ACIAR will improve agricultural competitiveness and sustainability, increase value chain efficiency and effectiveness, and alleviate regulatory impediments in relation to both domestic and international markets. These performance indicators will be measured through monitoring and evaluation of project outputs, analysis of the adoption of project outcomes and through an ongoing impact assessment programme. These will be delivered by generating:

- new technologies that enhance agricultural productivity, food sufficiency, diversification and health and nutrition;
- new knowledge that improves agricultural productivity and management systems and enhances market opportunities;
- greater capability for scientific excellence, agricultural innovation and agribusiness development among researchers, research institutions, policy makers and development partners; and
- better decision-making within research and policy institutions to support agricultural innovation and agribusiness development.

Section 3: Explanatory tables and budgeted financial statements

Section 3 presents explanatory tables and budgeted financial statements which provide a comprehensive snapshot of entity finances for the 2015-16 Budget year. It explains how budget plans are incorporated into the financial statements and provides further details of the reconciliation between appropriations and programme 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 2014-15 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 section 78 of the PGPA Act or under separate enabling legislation (section 80 of the PGPA Act refers). Table 3.1.2 shows the expected additions (receipts) and reductions (payments) for ACIAR's special account.

Table 3.1.2: Estimates of special account flows and balances

	Outcome	Opening balance \$'000	Receipts \$'000	Payments \$'000	Adjustments \$'000	Closing balance \$'000
Australian Centre for International Agricultural Research Account (A)	1					
		26,159	25,239	(25,239)		26,159
Total special accounts						
2015-16 Budget estimate		26,159	25,239	(25,239)	-	26,159
<i>Total special accounts</i>						
<i>2014-15 estimated actual</i>		26,159	28,235	(28,235)	-	26,159

(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

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
EXPENSES					
Employee benefits	7,750	8,195	8,300	8,486	8,412
Suppliers	3,397	3,424	3,450	3,490	3,426
Depreciation and amortisation	253	255	316	320	320
Total expenses	11,400	11,874	12,066	12,296	12,158
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	1,316	1,933	2,144	2,310	2,110
Total own-source revenue	1,316	1,933	2,144	2,310	2,110
Gains					
Other	29	29	29	29	29
Total gains	29	29	29	29	29
Total own-source income	1,345	1,962	2,173	2,339	2,139
Net cost of/(contribution by) services	10,055	9,912	9,893	9,957	10,019
Revenue from Government	9,802	9,657	9,577	9,637	9,699
Surplus/(deficit) attributable to the Australian Government	(253)	(255)	(316)	(320)	(320)
Total comprehensive income/(loss) attributable to the Australian Government	(253)	(255)	(316)	(320)	(320)

Table continued on the following page.

Table 3.2.1: Comprehensive income statement (showing net cost of services) for the period ended 30 June (continued)

Note: Impact of net cash appropriation arrangements

	2014-15 \$'000	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations.	(253)	(255)	(316)	(320)	(320)
less depreciation/amortisation expenses previously funded through revenue appropriations (a)	-	-	-	-	-
Total comprehensive income/(loss) - as per the statement of comprehensive income	(253)	(255)	(316)	(320)	(320)

(a) From 2010-11, the Government introduced net cash appropriation arrangements where Bill 1 revenue appropriations for the depreciation/amortisation expenses of non-corporate Commonwealth entities (and select corporate Commonwealth entities) 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)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	83	83	83	83	83
Trade and other receivables	3,593	3,643	3,690	3,748	3,806
Total financial assets	3,676	3,726	3,773	3,831	3,889
Non-financial assets					
Land and buildings	359	445	315	234	212
Property, plant and equipment	511	583	637	666	645
Intangibles	103	99	108	90	65
Other non-financial assets	136	136	136	136	136
Total non-financial assets	1,109	1,263	1,196	1,126	1,058
Total assets	4,785	4,989	4,969	4,957	4,947
LIABILITIES					
Payables					
Suppliers	299	307	319	329	339
Other payables	24	26	25	25	25
Total payables	323	333	344	354	364
Provisions					
Employee provisions	2,086	2,126	2,164	2,212	2,260
Total provisions	2,086	2,126	2,164	2,212	2,260
Total liabilities	2,409	2,459	2,508	2,566	2,624
Net assets	2,376	2,530	2,461	2,391	2,323
EQUITY*					
Parent entity interest					
Contributed equity	1,738	2,147	2,393	2,643	2,895
Reserves	751	751	751	751	751
Retained surplus (accumulated deficit)	(113)	(368)	(683)	(1,003)	(1,323)
Total parent entity interest	2,376	2,530	2,461	2,391	2,323
Total Equity	2,376	2,530	2,461	2,391	2,323

*'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 2015-16)

	Retained earnings \$'000	Asset revaluation reserve \$'000	Contributed equity/ capital \$'000	Total equity \$'000
Opening balance as at 1 July 2015				
Balance carried forward from previous period	(113)	751	1,738	2,376
Adjusted opening balance	(113)	751	1,738	2,376
Comprehensive income				
Surplus/(deficit) for the period	(255)	-	-	(255)
Total comprehensive income	(255)	-	-	(255)
of which:				
Attributable to the Australian Government	(255)	-	-	(255)
Transactions with owners				
Contributions by owners				
Equity Injection - Appropriation	-	-	161	161
Departmental Capital Budget (DCB)	-	-	248	248
Sub-total transactions with owners	-	-	409	409
Closing balance attributable to the Australian Government	(368)	751	2,147	2,530

Prepared on Australian Accounting Standards basis.

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

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	9,885	9,607	9,530	9,579	9,641
Sale of goods and rendering of services	1,316	1,933	2,144	2,310	2,110
Net GST received	230	230	230	230	230
Total cash received	11,431	11,770	11,904	12,119	11,981
Cash used					
Employees	7,798	8,155	8,262	8,438	8,364
Suppliers	3,633	3,615	3,642	3,681	3,617
Total cash used	11,431	11,770	11,904	12,119	11,981
Net cash from/(used by) operating activities	-	-	-	-	-
INVESTING ACTIVITIES					
Cash used					
Purchase of property, plant and equipment	252	409	247	250	252
Total cash used	252	409	247	250	252
Net cash from/(used by) investing activities	(252)	(409)	(247)	(250)	(252)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	252	409	247	250	252
Total cash received	252	409	247	250	252
Net cash from/(used by) financing activities	252	409	247	250	252
Net increase/(decrease) in cash held	-	-	-	-	-
Cash and cash equivalents at the beginning of the reporting period	83	83	83	83	83
Cash and cash equivalents at the end of the reporting period	83	83	83	83	83

Prepared on Australian Accounting Standards basis.

Table 3.2.5: Departmental capital budget statement (for the period ended 30 June)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Capital budget - Bill 1 (DCB)	249	248	247	250	252
Equity injections - Bill 2	3	161	-	-	-
Total new capital appropriations	252	409	247	250	252
Provided for:					
<i>Purchase of non-financial assets</i>	252	409	247	250	252
Total Items	252	409	247	250	252
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations (a)	3	161	-	-	-
Funded by capital appropriation - DCB (b)	249	248	247	250	252
TOTAL	252	409	247	250	252
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	252	409	247	250	252
Total cash used to acquire assets	252	409	247	250	252

(a) Includes both current Bill 2 and prior Act 2/4/6 appropriations and special capital appropriations.

(b) Does not include annual finance lease costs. Includes purchases from current and previous years' Departmental Capital Budgets (DCBs).

Prepared on Australian Accounting Standards basis.

Table 3.2.6: Statement of asset movements (Budget year 2015-16)

	Buildings \$'000	Other property, plant and equipment \$'000	Computer software and intangibles \$'000	Total \$'000
As at 1 July 2015				
Gross book value	434	636	689	1,759
Accumulated depreciation/amortisation and impairment	(75)	(125)	(586)	(786)
Opening net book balance	359	511	103	973
Capital asset additions				
Estimated expenditure on new or replacement assets				
By purchase - appropriation equity (a)	161	-	-	161
By purchase - appropriation ordinary annual services (b)	-	196	52	248
Total additions	161	196	52	409
Other movements				
Depreciation/amortisation expense	(75)	(124)	(56)	(255)
Total other movements	(75)	(124)	(56)	(255)
As at 30 June 2016				
Gross book value	595	832	741	2,168
Accumulated depreciation/amortisation and impairment	(150)	(249)	(642)	(1,041)
Closing net book balance	445	583	99	1,127

(a) 'Appropriation equity' refers to equity injections appropriations provided through *Appropriation Bill (No. 2) 2015-16*, including CDABs.

(b) 'Appropriation ordinary annual services' refers to funding provided through *Appropriation Bill (No. 1) 2015-16* for depreciation/amortisation expenses, DCBs 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)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
EXPENSES					
Employee benefits	303	315	328	342	342
Suppliers	114,221	106,553	118,664	118,919	118,651
Total expenses administered on behalf of Government	114,524	106,868	118,992	119,261	118,993
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Non-taxation revenue					
Sale of goods and rendering of services	28,235	25,239	24,156	23,000	21,000
Total non-taxation revenue	28,235	25,239	24,156	23,000	21,000
Total own-source revenue administered on behalf of Government	28,235	25,239	24,156	23,000	21,000
Total own-sourced income administered on behalf of Government	28,235	25,239	24,156	23,000	21,000
Net cost of/(contribution by) services	86,289	81,629	94,836	96,261	97,993
Total comprehensive income/(loss)	86,289	81,629	94,836	96,261	97,993

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)

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	26,159	26,159	26,159	26,159	26,159
Taxation receivables	785	785	785	785	785
Other financial assets	4,046	4,046	4,046	4,046	4,046
Total financial assets	30,990	30,990	30,990	30,990	30,990
Total assets administered on behalf of Government	30,990	30,990	30,990	30,990	30,990
LIABILITIES					
Payables					
Suppliers	2,522	2,572	2,572	2,572	2,572
Other payables	678	678	678	678	678
Total payables	3,200	3,250	3,250	3,250	3,250
Provisions					
Employee provisions	33	33	33	33	33
Total provisions	33	33	33	33	33
Total liabilities administered on behalf of Government	3,233	3,283	3,283	3,283	3,283
Net assets/(liabilities)	27,757	27,707	27,707	27,707	27,707

Prepared on Australian Accounting Standards basis.

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

	2014-15 Estimated actual \$'000	2015-16 Budget \$'000	2016-17 Forw ard estimate \$'000	2017-18 Forw ard estimate \$'000	2018-19 Forw ard estimate \$'000
OPERATING ACTIVITIES					
Cash received					
External Funds	28,235	25,239	24,156	23,000	21,000
Net GST received	4,600	4,500	4,500	4,500	4,500
Total cash received	32,835	29,739	28,656	27,500	25,500
Cash used					
Suppliers	114,172	106,503	118,664	118,919	118,651
Employees	303	315	328	342	342
Total cash used	114,475	106,818	118,992	119,261	118,993
Net cash from/(used by) operating activities	(81,640)	(77,079)	(90,336)	(91,761)	(93,493)
Net increase/(decrease) in cash held	(81,640)	(77,079)	(90,336)	(91,761)	(93,493)
Cash and cash equivalents at beginning of reporting period	26,159	26,159	26,159	26,159	26,159
Cash from Official Public Account for:					
- Appropriations	86,240	81,579	94,836	96,261	97,993
Total cash from Official Public Account	86,240	81,579	94,836	96,261	97,993
Cash to Official Public Account for:					
- Appropriations	(4,600)	(4,500)	(4,500)	(4,500)	(4,500)
Total cash to Official Public Account	(4,600)	(4,500)	(4,500)	(4,500)	(4,500)
Cash and cash equivalents at end of reporting period	26,159	26,159	26,159	26,159	26,159

Prepared on Australian Accounting Standards basis.

3.2.2 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.