

**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

The Australian Centre for International Agricultural Research (ACIAR) develops programs that primarily link Australian research expertise with developing country counterparts to address agricultural problems of mutual priority. ACIAR operates as part of Australia's official development assistance program, in developing countries of the Asia-Pacific region and in parts of Africa, to improve livelihoods and increase agricultural productivity and sustainability. Research partnerships may involve Australian universities, the Commonwealth Scientific and Industrial Research Organisation (CSIRO), State Departments of Primary Industries and Natural Resources, the private sector and non-government organisations. In many cases partnerships also involve International Agricultural Research Centres (IARCs) that are supported by many donors, including the Australian Government.

Priorities for each partner country are developed in close collaboration with partner country government policymakers, industry and farmer representatives, research institutions and agricultural and natural resource systems managers. These strategies integrate closely with the Australian Government's broader aid program including the new *Overseas Development Assistance - Food Security Through Rural Development* initiative, and regional, sectoral and country strategies.

The Centre contributes to the achievement of these strategies within a single outcome: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems. Total appropriation in 2009-10 will amount to \$63.6 million, with \$12.6 million from AusAID for specific programs in several countries and for support of a number of postgraduate fellowships.

Key elements of ACIAR expenditure in 2009-10 will be investment in the following new programs that address food security, climate change and improved market engagement of smallholder agriculture:

- safeguarding food security through improving the productivity of rice-based farming systems of South and South-East Asia;
- delivering key elements of the *Overseas Development Assistance - Food Security Through Rural Development* initiative which includes a strong focus on Africa;

*ACIAR Budget Statements*

- climate change adaptation in the rice-based farming systems of selected Mekong and South Asian countries;
- opportunities for developing high-value agricultural, forestry and fisheries products in Pacific Island countries;
- improving the profitability and market linkages of smallholder mariculture in the Philippines, crop and livestock production in 'lagging regions' of Vietnam, and vegetable and coffee industries in Papua New Guinea;
- co-funded collaboration with India on the application of new wheat breeding and selection methods;
- initiatives to restore agricultural productivity in Afghanistan and Iraq; and
- a contribution to global agricultural productivity through an increased investment in the Consultative Group for International Agricultural Research.

ACIAR will continue to align more of its investment to poorer countries (such as Laos and Cambodia) and in particular 'lagging regions' within partner countries. These areas (southern Philippines, eastern Indonesia [including Papua and West Papua], and south-central coastal and north-western Vietnam) will be the focus of a continued shift to larger, multidisciplinary programs. ACIAR also manages research and development and institutional development investments on behalf of the Australian Government as components of certain AusAID-managed development programs, such as the Cambodia Agricultural Value Chain (CAVAC) program in Cambodia, and the Smallholder Agribusiness Development Initiative (SADI) in Indonesia.

New research partnerships in 2009-10 will enhance smallholder incomes for horticultural and tree crops in Papua New Guinea, and high-value horticultural, forestry and fisheries products in Pacific Island countries. In South-East Asia new initiatives will begin for biosecurity and crop and livestock production in Indonesia; development of improved production and marketing systems for rice-based farming systems in Cambodia and Southern Laos; and mariculture in the Philippines. There will be a focus on the development of better approaches for adaptation to climate change for rice farmers in targeted parts of the Mekong and South Asia. The Australian Government's support to the Consultative Group on International Agricultural Research (CGIAR), which is undergoing a process of reform, will significantly increase in 2009-10. The key reforms centre on the creation of a multi-donor CGIAR Central Fund and of a Consortium Board to oversight programs supported by the Central Fund. The Government's intention is that a significant proportion of this expanded support will be directed to specified mega-programs oversights by a Donor Council and executed by the Consortium.

ACIAR also develops the skills of partner country research scientists involved in Centre programs through its training program. Expenditure on training is budgeted at \$6.1 million in 2009-10, the majority on two fellowship schemes. The first offers developing country scientists post-graduate study opportunities in Australia in areas relevant to partner country priorities. The second targets emerging leaders in agricultural science through short-term research management training at relevant Australian institutions. Through the 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 origins. 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 2009-10 as at Budget May 2009**

	Estimate of prior <sup>+</sup> year amounts available in 2009-10 \$'000	Proposed at Budget <sup>=</sup> 2009-10 \$'000	Total estimate 2009-10 \$'000	Actual available appropriation 2008-09 \$'000
<b>Ordinary Annual Services<sup>1</sup></b>				
<b>Departmental appropriation</b>				
Departmental appropriation	1,500	9,808	11,308	52,333
<b>Total</b>	<b>1,500</b>	<b>9,808</b>	<b>11,308</b>	<b>52,333</b>
<b>Administered expenses</b>				
Outcome 1	-	53,831	53,831	-
<b>Total</b>	<b>-</b>	<b>53,831</b>	<b>53,831</b>	<b>-</b>
<b>Total ordinary annual services</b>	<b>-</b>	<b>63,639</b>	<b>65,139</b>	<b>-</b>
<b>Total Available Annual Appropriations</b>	<b>1,500</b>	<b>63,639</b>	<b>65,139</b>	<b>52,333</b>
<b>Special Accounts</b>				
Opening balance	3,476	-	3,476	3,476
Special Accounts	-	12,589	12,589	13,271
<b>Total Special Account</b>	<b>3,476</b>	<b>12,589</b>	<b>16,065</b>	<b>16,747</b>
<b>Total resourcing</b>	<b>4,976</b>	<b>76,228</b>	<b>81,204</b>	<b>69,080</b>
Less appropriations drawn from annual or special appropriations above and credited to special accounts and/or CAC Act bodies through annual appropriations	-	-	-	-
<b>Total net resourcing for ACIAR</b>	<b>4,976</b>	<b>76,228</b>	<b>81,204</b>	<b>69,080</b>

<sup>1</sup> Appropriation Bill (No.1) 2009-10

Reader note: All figures are GST exclusive.

### 1.3 BUDGET MEASURES

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

**Table 1.2: Agency 2009-10 Budget measures**

	Program	2008-09 \$'000	2009-10 \$'000	2010-11 \$'000	2011-12 \$'000	2012-13 \$'000
<b>Expense measures</b>						
Australian Centre for International Agricultural Research - redirect funding						
	1					
	Administered expenses	-	(400)	(400)	(400)	(400)
	<b>Total</b>	-	<b>(400)</b>	<b>(400)</b>	<b>(400)</b>	<b>(400)</b>
Overseas development assistance - food security through rural development						
	1					
	Administered expenses	-	10,698	14,696	20,693	21,690
	Departmental expenses	-	302	304	307	310
	<b>Total</b>	-	<b>11,000</b>	<b>15,000</b>	<b>21,000</b>	<b>22,000</b>
<b>Total expense measures</b>						
	Administered	-	10,298	14,296	20,293	21,290
	Departmental	-	302	304	307	310
	<b>Total</b>	-	<b>10,600</b>	<b>14,600</b>	<b>20,600</b>	<b>21,600</b>

Prepared on a Government Financial Statistics (fiscal) basis.

1. The lead agency for measure *Overseas Development Assistance - Food Security Through Rural Development* is AusAID. The full measure description and package details appear in Budget Paper No. 2 under the Foreign Affairs and Trade portfolio.



## 1.4 TRANSITION FROM OUTCOMES AND OUTPUTS TO OUTCOMES AND PROGRAMS

From the 2009-10 Budget, all General Government Sector (GGS) entities will be reporting on a program basis. The table below outlines the transition from the 2008-09 Budget year (as at Additional Estimates), which was presented in administered items, outputs and output groups, to the program reporting framework used for the 2009-10 Budget. The table also captures revisions made to GGS outcome statements under the Operation Sunlight Outcome Statements Review.

**Figure 2: Transition table**

2008-09 Budget year	2009-10 Budget year				
<p>Outcome 1: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems.</p>	<p>Outcome 1: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems.</p>				
<table border="1"> <tr> <td data-bbox="290 992 746 1111">Output Group 1.1: Collaborative research that addresses agricultural and natural resource management problems of developing countries and Australia</td> </tr> <tr> <td data-bbox="290 1111 746 1223">                     Departmental Outputs:  <i>Program Management</i>  <i>Program Support</i> </td> </tr> </table>	Output Group 1.1: Collaborative research that addresses agricultural and natural resource management problems of developing countries and Australia	Departmental Outputs: <i>Program Management</i> <i>Program Support</i>	<table border="1"> <tr> <td data-bbox="847 992 1295 1111">Program 1: International Agricultural Research and Development</td> </tr> <tr> <td data-bbox="847 1111 1295 1223">                     Administered Items:  <i>Program Management</i>                      Departmental Outputs:  <i>Program Support</i> </td> </tr> </table>	Program 1: International Agricultural Research and Development	Administered Items: <i>Program Management</i> Departmental Outputs: <i>Program Support</i>
Output Group 1.1: Collaborative research that addresses agricultural and natural resource management problems of developing countries and Australia					
Departmental Outputs: <i>Program Management</i> <i>Program Support</i>					
Program 1: International Agricultural Research and Development					
Administered Items: <i>Program Management</i> Departmental Outputs: <i>Program Support</i>					
<table border="1"> <tr> <td data-bbox="290 1252 746 1330">Output Group 1.2: Trained researchers in developing countries and Australia</td> </tr> <tr> <td data-bbox="290 1330 746 1440">                     Departmental Outputs:  <i>Program Management</i>  <i>Program Support</i> </td> </tr> </table>	Output Group 1.2: Trained researchers in developing countries and Australia	Departmental Outputs: <i>Program Management</i> <i>Program Support</i>			
Output Group 1.2: Trained researchers in developing countries and Australia					
Departmental Outputs: <i>Program Management</i> <i>Program Support</i>					

## 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. Agencies deliver programs which are the government actions taken to deliver the stated outcomes. 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: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems**

#### Outcome 1 Strategy

ACIAR has a single outcome: Agriculture in developing countries and Australia is more productive and sustainable as a result of better technologies, practices, policies and systems. This is achieved through collaborative research that addresses agricultural problems of developing countries and Australia, and through training of researchers in developing countries and Australia. The key strategic directions ACIAR will adopt in 2009-10 are described in section 1 above, and in greater detail in the Centre's Annual Operational Plan 2009-10 ([www.aciar.gov.au](http://www.aciar.gov.au)).

As part of ACIAR's participation in the *Overseas Development Assistance - Food Security Through Rural Development* initiative, ACIAR will deliver two new programs. The first will focus on improving the productivity of rice-based farming systems in selected countries in South and South-East Asia, and the second aims to develop high-value agricultural, forestry and fisheries products for Pacific Island countries.

The Australian Government will significantly increase investment in the Consultative Group for International Agricultural Research (CGIAR), in support of reform processes within the CGIAR. These processes are designed to change the partnerships between donors and individual centres to create greater certainty in funding arrangements through a centralised fund. The result will help direct secure funding streams to projects within broader mega-programs, covering a range of overarching research priorities, such as water resources or staple food production.

**Outcome 1 Budgeted Expenses and Resources**

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**

	2008-09 Estimated Actual Expenses \$'000	2009-10 Estimated Expenses \$'000
<b>Program 1 : International Agricultural Research and Development</b>		
Administered Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	-	53,831
Special Accounts	-	12,589
Departmental Expenses		
Ordinary Annual Services (Appropriation Bill No. 1)	52,333	9,808
Revenues from Independent Sources (Section 31)	50	50
Special Accounts	13,271	-
Expenses not requiring Appropriation in the Budget year	24	24
<b>Total for Program 1</b>	<b>65,678</b>	<b>76,302</b>
<b>Total Expenses for Outcome 1</b>	<b>65,678</b>	<b>76,302</b>
	2008-09	2009-10
<b>Average Staffing Level (number)</b>	65	65

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 and Development

#### Program Objective

ACIAR has the single program of International Agricultural Research and Development, delivered through ongoing country programs and the following initiatives:

- safeguarding food security through improving the productivity of rice-based farming systems of South and South-East Asia;
- delivering key elements of the *Overseas Development Assistance - Food Security Through Rural Development* initiative which includes a strong focus on Africa;
- climate change adaptation in the rice-based farming systems of selected Mekong and South Asian countries;
- opportunities for developing high-value agricultural, forestry and fisheries products in Pacific Island countries;
- new programs improving the profitability and market linkages of smallholder mariculture in the Philippines, crop and livestock production in 'lagging regions' of Vietnam, and vegetable and coffee industries in Papua New Guinea;
- co-funded collaboration with India on the application of new wheat breeding and selection methods;
- new initiatives to restore agricultural productivity in Afghanistan and Iraq; and
- a contribution to global agricultural productivity through an increased investment in the Consultative Group for International Agricultural Research.

**Program Expenses**

**Administered**

	2008-09 Revised budget ('000)	2009-10 Budget estimate ('000)	2010-11 Forward estimate ('000)	2011-12 Forward estimate ('000)	2012-13 Forward estimate ('000)
<b>Annual Administered Expenses:</b>					
Administered Item	-	53,831	59,179	64,441	66,410
Special Account Expenses:					
<i>ACIAR Special Account</i>	-	12,589	5,505	4,052	-
<b>Total Administered Expenses</b>	<b>-</b>	<b>66,420</b>	<b>64,684</b>	<b>68,493</b>	<b>66,410</b>

**Departmental**

	2008-09 Revised budget ('000)	2009-10 Budget estimate ('000)	2010-11 Forward estimate ('000)	2011-12 Forward estimate ('000)	2012-13 Forward estimate ('000)
<b>Annual Departmental Expenses:</b>					
Departmental Item	52,383	9,858	9,901	9,761	9,828
Special Account Expenses:					
<i>ACIAR Special Account</i>	13,271	-	-	-	-
<b>Expenses not requiring Appropriation in the Budget year</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>24</b>
<b>Total Departmental Expenses</b>	<b>65,678</b>	<b>9,882</b>	<b>9,925</b>	<b>9,785</b>	<b>9,852</b>

**Program 1 Deliverables**

- Increasing the productivity of rice-based farming systems in selected Mekong and South Asian countries through improved crop rotations and water use, fast-tracking the development of new crop varieties.
- Undertaking research to underpin adaptation to climate change at the farm level by focusing on more efficient water use, optimisation of crop choices, seasonal climate forecasting and targeted capacity building.
- Confirming and identifying the opportunity for Pacific high-value products based on a sound and detailed international market analysis. This includes identifying and developing strategies to address supply chain constraints focusing on developing the linkages between farmers, agribusiness and other players, and identifying value-adding opportunities, supported by developing capacity within research and agribusiness organisations within the Pacific.
- Confirming programs underway targeted at improving the profitability and market linkages of smallholder mariculture in the Philippines, crop and livestock production in 'lagging regions' of Vietnam, and vegetable and coffee industries in Papua New Guinea.
- Designing and implementing a program to address and mitigate agricultural impacts of irrigation water salinity in southern Iraq.
- Investing a significant proportion of funds in new CGIAR specified mega-programs.
- As part of a whole-of-government program, contributing to the design and implementation of a second phase of the Smallholder Agribusiness Development Initiative in Eastern Indonesia.
- Managing the research and extension component of the Cambodian Agricultural Value Chain program, funded on behalf of the Australian Government through AusAID.

**Program 1 Key Performance Indicators**

- Biophysical and policy constraints and opportunities for climate adaptation assessed at the farm level, and the efficacy of agro-meteorological and extension services in the context of climate change adaptation assessed in Mekong countries and Bangladesh.
- Technologies developed to enhance smallholder livelihoods from export tree crops and sweet potato in Papua New Guinea through increased crop yields, appropriate management of soil and nutrients, and by improved post-harvest handling and marketing within a socio-cultural context that reduces constraints to adoption.
- New market-driven product opportunities (including forestry, fruits, vegetables, flowers, fishery products, nuts, herbs and spices) identified, and research and development projects to address these designed and implemented in at least two Pacific countries.
- In Indonesia, new aquaculture planning tools are used routinely by national and regional agencies to formulate management strategies.
- Implementation of new agricultural livelihoods program in north-western mountainous provinces of Vietnam.
- Key disease constraints to major fruit (papaya, jackfruit and durian) production and quality, and broader constraints to papaya industry efficiency and profitability, identified in the Philippines through mapping of representative supply chains and communicated to industry and producers.
- Activities addressing wheat breeding and linkages to international bioinformatics initiatives implemented as part of the joint Indian-Australian collaborative program on marker-assisted breeding in wheat.
- Productivity gains realised in horticultural and dairy enterprises in Pakistan leading to higher farmer incomes in selected areas.
- Investment in new CGIAR mega-programs scoped and finalised.

## 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 budget year 2009-10. 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 are subject to review by the Minister for Finance and Deregulation, and may be moved to a future period, in accordance with provisions in legislation.

ACIAR has no movement of administered funds.

#### 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 *Financial Management and Accountability Act 1997* 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 cash flows and balances**

		Opening balance <b>2009-10</b> 2008-09	Receipts <b>2009-10</b> 2008-09	Payments <b>2009-10</b> 2008-09	Adjustments <b>2009-10</b> 2008-09	Closing balance <b>2009-10</b> 2008-09
	Outcome	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Centre for International Agricultural Research Account (A)	1	3,476	12,589	12,589	-	3,476
Other Trust Moneys Account (D)		-	-	-	-	-
Sevices for Other Governments and Non-Agency Bodies Account (D)		-	-	-	-	-
<b>Total special accounts</b>						
<b>2009-10 Budget estimate</b>		<b>3,476</b>	<b>12,589</b>	<b>12,589</b>	<b>-</b>	<b>3,476</b>
<i>Total special accounts</i> <i>2008-09 estimate actual</i>		3,476	13,271	13,271	-	3,476

(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 (AGIE)**

Outcome	Appropriations				Other \$'000	Total \$'000	Program
	Bill No. 1 \$'000	Bill No. 2 \$'000	Special approp \$'000	Total approp \$'000			
<b>ACIAR</b>							
<b>Outcome 1</b>							
Administered 2009-10	200	-	-	200	-	200	1
<i>Administered 2008-09</i>	-	-	-	-	-	-	
Departmental 2009-10	-	-	-	-	-	-	
<i>Departmental 2008-09</i>	184	-	-	184	-	184	1
<b>Total Outcome 2009-10</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>200</b>	
<i>Total Outcome 2008-09</i>	<i>184</i>	<i>-</i>	<i>-</i>	<i>184</i>	<i>-</i>	<i>184</i>	
<b>Total administered 2009-10</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>200</b>	
<i>Total administered 2008-09</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	
<b>Total departmental 2009-10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<i>Total departmental 2008-09</i>	<i>184</i>	<i>-</i>	<i>-</i>	<i>184</i>	<i>-</i>	<i>184</i>	
<b>Total AGIE 2009-10</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>-</b>	<b>200</b>	
<i>Total AGIE 2008-09</i>	<i>184</i>	<i>-</i>	<i>-</i>	<i>184</i>	<i>-</i>	<i>184</i>	

### 3.2 BUDGETED FINANCIAL STATEMENTS

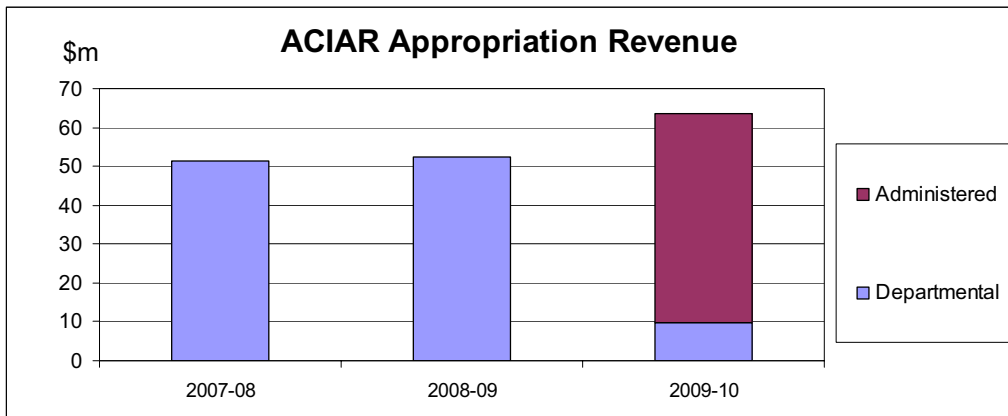
#### 3.2.1 Differences in agency resourcing and financial statements

From 2009-10 ACIAR's budget has been split between 'departmental' and 'administered'. In the past all ACIAR's appropriation had been deemed to be 'departmental'.

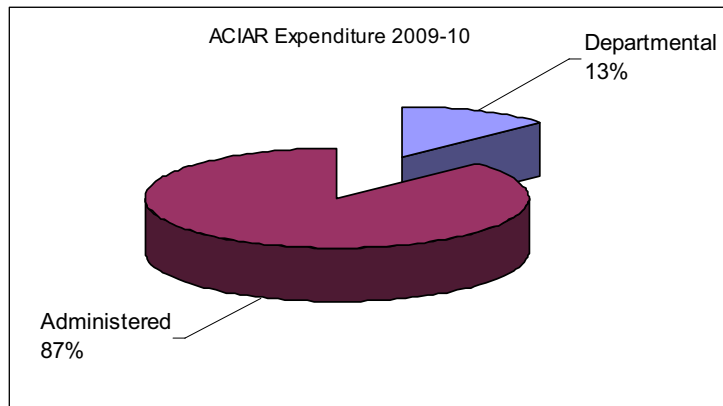
#### 3.2.2 Analysis of budgeted financial statements

An analysis of ACIAR's budgeted financial statements for 2009-10 is provided below.

Total appropriation revenue has been relatively constant over the past two years. The graph below shows an increase in ACIAR's appropriation for 2009-10. The increase represents funding under a new measure *Overseas Development Assistance - Food Security Through Rural Development*.



The chart below indicates the new split between 'departmental' and 'administered' expenditure for 2009-10.



### **Departmental**

The attached financial statements show new 'departmental' figures for 2009-10 and beyond. 2008-09 figures still show a consolidated view of all funding as 'departmental'.

### **Administered**

The attached financial statements show new 'administered' figures for 2009-10 and beyond. 2008-09 figures show zero balances as these figures have been included as 'departmental'.

### 3.2.3 Budgeted financial statements tables

**Table 3.2.1: Budgeted departmental comprehensive income statement  
(for the period ended 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>EXPENSES</b>					
Employee benefits	5,600	5,850	5,900	5,950	6,000
Supplier	3,689	3,727	3,720	3,500	3,517
Grants	48,598	-	-	-	-
Depreciation and amortisation	295	295	295	325	325
Losses from asset sales	10	10	10	10	10
Other	7,471	-	-	-	-
<b>Total expenses</b>	<b>65,663</b>	<b>9,882</b>	<b>9,925</b>	<b>9,785</b>	<b>9,852</b>
<b>LESS:</b>					
<b>OWN-SOURCE INCOME</b>					
<b>Revenue</b>					
Sale of goods and rendering of services	10	10	10	10	10
Grants received	13,256	-	-	-	-
Other revenue	40	40	40	40	40
<b>Total revenue</b>	<b>13,306</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>Gains</b>					
Other gains	24	24	24	24	24
<b>Total gains</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>24</b>	<b>24</b>
<b>Total own-source income</b>	<b>13,330</b>	<b>74</b>	<b>74</b>	<b>74</b>	<b>74</b>
<b>Net cost of (contribution by) services</b>	<b>52,333</b>	<b>9,808</b>	<b>9,851</b>	<b>9,711</b>	<b>9,778</b>
Appropriation revenue	52,333	9,808	9,851	9,711	9,778
<b>Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Surplus (Deficit) attributable to the Australian Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>ASSETS</b>					
<b>Financial assets</b>					
Cash and equivalents	3,937	500	500	500	500
Trade and other Receivables	3,263	890	940	990	1,090
<b>Total financial assets</b>	<b>7,200</b>	<b>1,390</b>	<b>1,440</b>	<b>1,490</b>	<b>1,590</b>
<b>Non-financial assets</b>					
Land and buildings	400	400	400	704	704
Infrastructure, plant and equipment	310	310	310	310	310
Intangibles	170	170	170	170	170
Other	205	150	150	150	150
<b>Total non-financial assets</b>	<b>1,085</b>	<b>1,030</b>	<b>1,030</b>	<b>1,334</b>	<b>1,334</b>
Assets held for sale					
<b>Total assets</b>	<b>8,285</b>	<b>2,420</b>	<b>2,470</b>	<b>2,824</b>	<b>2,924</b>
<b>LIABILITIES</b>					
<b>Provisions</b>					
Employees	1,238	1,250	1,300	1,350	1,450
<b>Total provisions</b>	<b>1,238</b>	<b>1,250</b>	<b>1,300</b>	<b>1,350</b>	<b>1,450</b>
<b>Payables</b>					
Suppliers	236	236	236	236	236
Grants	2,419	-	-	-	-
Other	3,458	-	-	-	-
<b>Total payables</b>	<b>6,113</b>	<b>236</b>	<b>236</b>	<b>236</b>	<b>236</b>
<b>Total liabilities</b>	<b>7,351</b>	<b>1,486</b>	<b>1,536</b>	<b>1,586</b>	<b>1,686</b>
<b>Net assets</b>	<b>934</b>	<b>934</b>	<b>934</b>	<b>1,238</b>	<b>1,238</b>
<b>EQUITY*</b>					
<b>Parent entity interest</b>					
Contributed equity	-	-	-	304	304
Reserves	325	325	325	325	325
Retained surpluses or accumulated deficits	609	609	609	609	609
<b>Total parent entity interest</b>	<b>934</b>	<b>934</b>	<b>934</b>	<b>1,238</b>	<b>1,238</b>
<b>Total equity</b>	<b>934</b>	<b>934</b>	<b>934</b>	<b>1,238</b>	<b>1,238</b>
<b>Current assets</b>	<b>7,405</b>	<b>1,540</b>	<b>1,590</b>	<b>1,640</b>	<b>1,740</b>
<b>Non-current assets</b>	<b>880</b>	<b>880</b>	<b>880</b>	<b>1,184</b>	<b>1,184</b>
<b>Current liabilities</b>	<b>6,980</b>	<b>1,111</b>	<b>1,146</b>	<b>1,181</b>	<b>1,251</b>
<b>Non-current liabilities</b>	<b>371</b>	<b>375</b>	<b>390</b>	<b>405</b>	<b>435</b>

\*Note: 'equity' is the residual interest in assets after deduction of liabilities.

Prepared on Australian Accounting Standards basis.

**Table 3.2.3: Budgeted departmental statement of cash flows  
(for the period ended 30 June)**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forw ard estimate 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Goods and services	15	15	15	15	15
Appropriations	52,333	9,808	9,851	9,711	9,778
Other	15,756	350	350	350	350
<b>Total cash received</b>	<b>68,104</b>	<b>10,173</b>	<b>10,216</b>	<b>10,076</b>	<b>10,143</b>
<b>Cash used</b>					
Employees	5,500	5,800	5,850	5,900	5,950
Suppliers	3,739	4,088	4,081	3,861	3,878
Grants	50,609	-	-	-	-
Other	7,971	-	-	-	-
<b>Total cash used</b>	<b>67,819</b>	<b>9,888</b>	<b>9,931</b>	<b>9,761</b>	<b>9,828</b>
<b>Net cash from or (used by) operating activities</b>	<b>285</b>	<b>285</b>	<b>285</b>	<b>315</b>	<b>315</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash received</b>					
Proceeds from sales of property, plant and equipment	10	10	10	10	10
<b>Total cash received</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	295	295	295	629	325
<b>Total cash used</b>	<b>295</b>	<b>295</b>	<b>295</b>	<b>629</b>	<b>325</b>
<b>Net cash from or (used by) investing activities</b>	<b>(285)</b>	<b>(285)</b>	<b>(285)</b>	<b>(619)</b>	<b>(315)</b>
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations - contributed equity	-	-	-	304	-
<b>Total cash received</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>304</b>	<b>-</b>
<b>Net cash from or (used by) financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>304</b>	<b>-</b>
<b>Net increase or (decrease) in cash held</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Cash at the beginning of the reporting period	3,937	500	500	500	500
<b>Cash at the end of the reporting period</b>	<b>3,937</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>

Prepared on Australian Accounting Standards basis.

**Table 3.2.4: Departmental statement of changes in equity — summary of movement (Budget year 2009-10)**

	Retained earnings	Asset revaluation reserve	Other reserves	Contributed equity/capital	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance as at 1 July 2009</b>					
Balance carried forward from previous period	609	325	-	-	934
<b>Adjusted opening balance</b>	609	325	-	-	934
<b>Total income and expenses recognised directly in equity</b>	-	-	-	-	-
<b>Estimated closing balance as at 30 June 2010</b>	609	325	-	-	934

Prepared on Australian Accounting Standards basis.

**Table 3.2.5: Departmental capital budget statement**

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>CAPITAL APPROPRIATIONS</b>					
Total equity injections	-	-	-	304	-
<b>Total capital appropriations</b>	-	-	-	304	-
<b>Represented by:</b>					
Purchase of non-financial assets	-	-	-	304	-
<b>Total represented by</b>	-	-	-	304	-
<b>ACQUISITION OF NON-FINANCIAL ASSETS</b>					
Funded by capital appropriations	-	-	-	304	-
Funded internally from departmental resources <sup>1</sup>	295	295	295	325	325
<b>TOTAL</b>	295	<b>295</b>	295	629	325

<sup>1</sup> Includes the following sources of funding:

- annual and prior year appropriations
- proceeds from the sale of assets

Prepared on Australian Accounting Standards basis.



**Table 3.2.6: Statement of Asset Movements – Departmental**

	Buildings \$'000	Other Infrastructure, P & E \$'000	Intangibles \$'000	Total \$'000
<b>As at 1 July 2009</b>				
Gross book value	651	1,066	580	2,297
Accumulated depreciation/amortisation	(251)	(756)	(410)	(1,417)
<b>Opening net book balance</b>	<b>400</b>	<b>310</b>	<b>170</b>	<b>880</b>
<b>CAPITAL ASSET ADDITIONS</b>				
<b>Estimated expenditure on new or replacement assets</b>				
by purchase or internally developed	96	178	31	305
<b>Sub-total</b>	<b>96</b>	<b>178</b>	<b>31</b>	<b>305</b>
<b>Other Movements</b>				
Depreciation/amortisation expense	96	168	31	295
Disposals	-	10	-	10
<b>As at 30 June 2010</b>				
Gross book value	747	1,234	611	2,592
Accumulated depreciation/amortisation	(347)	(924)	(441)	(1,712)
<b>Closing net book balance</b>	<b>400</b>	<b>310</b>	<b>170</b>	<b>880</b>

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 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>INCOME ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Revenue</b>					
<b>Non-taxation</b>					
Other sources of non-taxation revenues	-	12,589	5,505	4,052	-
<b>Total non-taxation</b>	-	12,589	5,505	4,052	-
<b>Total revenues administered on behalf of Government</b>	-	12,589	5,505	4,052	-
<b>Total gains administered on behalf of Government</b>	-	-	-	-	-
<b>Total income administered on behalf of Government</b>	-	12,589	5,505	4,052	-
<b>EXPENSES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
Grants	-	58,939	60,203	64,012	61,929
Other	-	7,481	4,481	4,481	4,481
<b>Total expenses administered on behalf of Government</b>	-	66,420	64,684	68,493	66,410

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 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forw ard estimate 2010-11 \$'000	Forw ard estimate 2011-12 \$'000	Forw ard estimate 2012-13 \$'000
<b>ASSETS ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Financial assets</b>					
Cash and cash equivalents	-	3,476	3,476	3,476	-
Receivables	-	100	100	100	100
<b>Total financial assets</b>	-	3,576	3,576	3,576	100
<b>Total non-financial assets</b>	-	-	-	-	-
<b>Total assets administered on behalf of Government</b>	-	3,576	3,576	3,576	100
<b>LIABILITIES ADMINISTERED ON BEHALF OF GOVERNMENT</b>					
<b>Payables</b>					
Grants	-	100	100	100	100
Other payables	-	3,476	3,476	3,476	-
<b>Total payables</b>	-	3,576	3,576	3,576	100
<b>Total liabilities administered on behalf of Government</b>	-	3,576	3,576	3,576	100

Prepared on Australian Accounting Standards basis.

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

	Estimated actual 2008-09 \$'000	Budget estimate 2009-10 \$'000	Forward estimate 2010-11 \$'000	Forward estimate 2011-12 \$'000	Forward estimate 2012-13 \$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Grants Received	-	12,589	5,505	4,052	-
<b>Total cash received</b>	-	12,589	5,505	4,052	-
<b>Cash used</b>					
Grant payments	-	60,515	60,203	64,012	65,405
Other	-	5,905	4,481	4,481	4,481
<b>Total cash used</b>	-	66,420	64,684	68,493	69,886
<b>Net cash from or (used by) operating activities</b>	-	(53,831)	(59,179)	(64,441)	(69,886)
<b>FINANCING ACTIVITIES</b>					
<b>Cash received</b>					
Cash from Official Public Account		53,831	59,179	64,441	66,410
<b>Net cash from or (used by) financing activities</b>	-	53,831	59,179	64,441	66,410
<b>INVESTING ACTIVITIES</b>					
<b>Net cash from or (used by) investing activities</b>					
	-	-	-	-	-
<b>Net increase or (decrease) in cash held</b>	-	-	-	-	(3,476)
Cash at beginning of reporting period	-	3,476	3,476	3,476	3,476
<b>Cash at end of reporting period</b>	-	3,476	3,476	3,476	-

Prepared on Australian Accounting Standards basis.

### **3.2.4 Notes to the financial statements**

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

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

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

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

The Centre is a Statutory Authority under the *Australian Centre for International Agricultural Research Act 1982*. The accounts have been prepared in accordance with that Act.

#### **Appropriations in the Accrual Budgeting Framework**

Under the Australian Government's accrual budgeting framework, annual appropriations are provided for departmental price of outputs representing the Government's purchase of outputs from agencies.

#### **Asset valuation**

From 30 June 2003 Property, Plant and Equipment have been valued on a fair value basis. Fair value essentially reflects the current market value of an asset.

