

**AUSTRALIAN INSTITUTE
OF MARINE SCIENCE**

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AUSTRALIAN INSTITUTE OF MARINE SCIENCE

Section 1: Agency overview

The Australian Institute of Marine Science (AIMS) is a Commonwealth statutory authority established by the *Australian Institute of Marine Science Act 1972*. Its mission is to generate and transfer the knowledge to support the sustainable use and protection of the marine environment through innovative, world class research.

The role of AIMS under its Act is to:

- carry out research and development;
- encourage and facilitate the application and use of the results of that research;
- co-operate with other institutions and persons in carrying out research and development;
- collect and disseminate information relating to marine science and marine technology and, in particular, to publish reports and papers;
- provide and sell goods and services; and
- make available to others, on a commercial basis, the knowledge, expertise, equipment and facilities of the Institute.

AIMS delivers this research through an integrated research programme drawn from capabilities in Conservation & Biodiversity, Coastal Processes and Marine Biotechnology. This research provides new knowledge and understanding about Australia's marine resources (particularly in the tropics) and makes a significant contribution to the ecologically sustainable development of these resources. AIMS' research is focused on Australia's National Research Priorities and supports Government Policy (eg. Australia's Oceans Policy) and other priority initiatives such as the Great Barrier Reef Water Quality Protection Plan.

Research is developed in consultation with stakeholders and clients, including industries such as agriculture, aquaculture, fisheries, mining, petroleum and tourism; the educational sector; government and other national and international research agencies. The rationale and the work to be undertaken by AIMS is described in its 2003-06 Research Plan, which is prepared as part of the Triennium Funding Agreement process. The alignment of AIMS' research with National Research Priorities (NRP) is described in the AIMS NRP Implementation Plan.

Table 1.1: Agency outcomes and output groups

Outcome	Description	Output Groups
Outcome 1 Enhanced scientific knowledge supporting the protection and sustainability of Australia's marine resources	AIMS' outcome is derived from the official functions of the Institute (<i>Australian Institute of Marine Science Act 1972, section 9</i>) and is highly relevant to the National Research Priorities, to the sustainability initiative of Government, to the capture of benefit from Australia's marine resources and to community expectations.	Output 1.1 Coastal Processes Output 1.2 Conservation & Biodiversity Output 1.3 Marine Biotechnology

Section 2: Agency resources for 2005-06

2.1: APPROPRIATIONS AND OTHER RESOURCES

Table 2.1 shows the total resources from all origins for 2005-06, including appropriations. The table summarises how revenue will be applied by outcome, administered and departmental classification.

The total appropriation for AIMS in the 2005-06 Budget is \$23.125 million.

Table 2.1: Appropriations and other revenue 2005-06¹ ('000)

Outcome	Appropriations				Other resources available to be used		Total \$'000	
	\$'000 Bill No. 1	\$'000 Bill No. 2	\$'000 Special Approp	\$'000 Total Approp	%	\$'000		%
Outcome 1								
Enhanced scientific knowledge supporting the protection and sustainable development of Australia's marine resources								
Departmental	23,125	-	-	23,125	70.98%	9,456	29.02%	32,581
Total Outcome 1	23,125	-	-	23,125	70.98%	9,456	29.02%	32,581
Departmental capital (equity injections)								
Previous year's outputs	22,483	-	-	22,483	74.59%	7,849	25.41%	30,332
Administered assets and liabilities								
Total resources	22,483	-	-	22,483	74.59%	7,849	25.41%	30,332

1 This table has been redesigned to correspond with Budget Paper No. 4 'Agency Resourcing'. It now includes (where appropriate) administered revenue from other sources.

2 Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPPs), new agency Outcomes (NAOs), administered capital and departmental capital via departmental injections and loans.

3 Estimated expenses from individual Special Appropriations are shown at Section 3, Tables 3.1, etc.

4 Total appropriations = Bill No. 1 + Bill No. 2 + Special appropriations.

5 Revenue from other sources includes FMA s.31 revenues, CAC body revenues that are available to be expensed, special accounts (non-appropriation revenues) and resources received free of charge.

6 Percentage figures indicate the percentage contribution of Revenue from Government (Departmental Appropriations) to the total price of outputs, by outcome, and the percentage contribution of Revenue from other sources (Departmental) to the total price of outputs, by outcome.

7 Total resources = Total appropriations + Revenue from other sources.

Note: Refer to Budgeted statement of financial performance for application of agency revenue.

2.2: 2005-06 BUDGET MEASURES

Budget measures relating to AIMS as explained in Budget Paper No. 2 are summarised in Table 2.2. The table also identifies the relevant outcomes, administered items and outputs associated with each measure.

Table 2.2: Agency measures

Measure	Outcome	Approp Budget 2005-06 \$'000	Approp Forward Estimate 2006-07 \$'000	Approp Forward Estimate 2007-08 \$'000	Approp Forward Estimate 2008-09 \$'000
Efficiency dividend – increase in the rate from 1 per cent to 1.25 per cent ¹	1	-	-	-59	-59

1. Cross portfolio measure

2.3: OTHER RESOURCES AVAILABLE TO BE USED

Table 2.3 provides details of other resources available to be used and include FMA s.31 receipts, CAC body receipts that are available to be spent, special accounts (non-appropriation receipts) and resources received free of charge.

Table 2.3: Other resources available to be used

	Estimated Receipts 2004-05 \$'000	Budget Estimate 2005-06 \$'000
Departmental other resources		
Related Entities	966	1,322
Sale of goods & services	6,078	7,534
Interest earned	805	600
Total departmental other resources available to be used	7,849	9,456

1. This table replaces the former table 'Receipts from independent sources'. It represents own source receipts available for spending on departmental purposes.

2.4: MOVEMENT OF ADMINISTERED FUNDS FROM 2004-05 TO 2005-06

Table 2.4: Movement of administered funds from 2004-05 to 2005-06
AIMS does not receive any Administered funds.

2.5: SPECIAL APPROPRIATIONS

Table 2.5: Estimates of expenses from special appropriations
AIMS does not receive any special appropriations.

2.6: SPECIAL ACCOUNTS

Table 2.6: Estimates of special account flows and balances
AIMS has no Special Accounts.

2.7: ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

AIMS has no Administered Capital, equity injections or loans.

Section 3: Agency outcomes

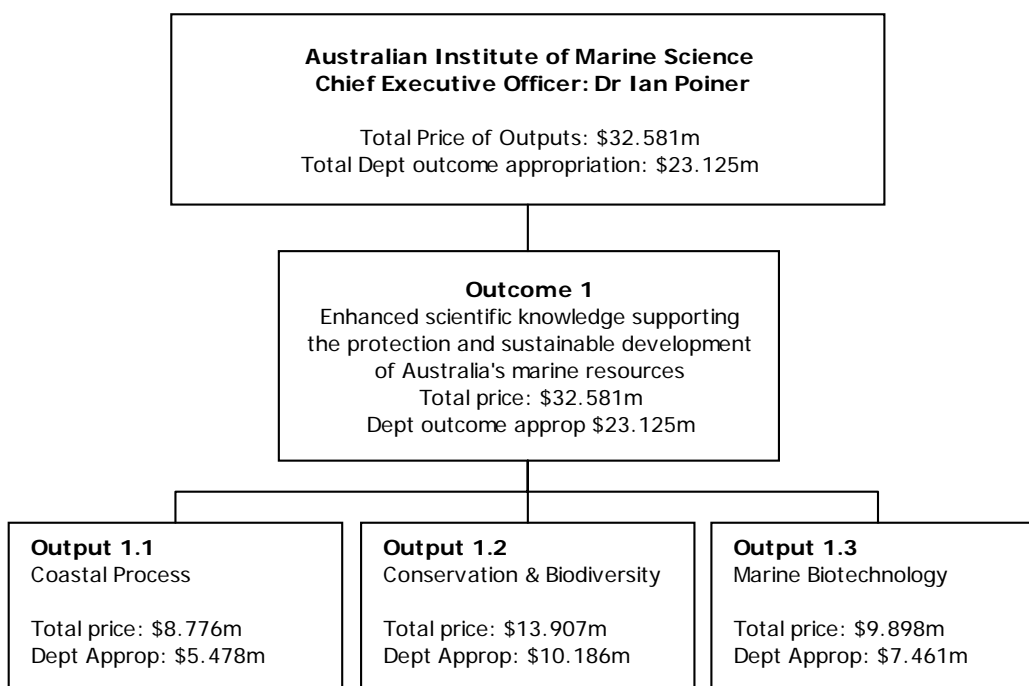
This section explains how the resources identified in Section 2 will be used to deliver outputs that contribute to AIMS' outcome. AIMS has no administered items.

3.1: SUMMARY OF OUTCOMES, OUTPUTS AND ADMINISTERED ITEMS

There has been no change to AIMS' Outcome-Output Structure.

The revenue from the Government through appropriation contributes 71 per cent to the total output price for the outcome for 2005-06. The total price includes an estimate of AIMS' external earnings of \$7.5 million. These earnings are subject to factors outside AIMS' control.

Figure 4: Outcomes and output groups and administered items



3.2: OUTCOMES — DEPARTMENTAL AND ADMINISTERED

Departmental appropriations by outcome

AIMS has total departmental appropriations of \$23.125 million in the 2005-06 Budget, which contributes to AIMS' single outcome.

Administered appropriations by outcome

AIMS has no administered appropriations.

3.3: OUTCOMES RESOURCING

Outcome 1 resourcing

Table 3.1 shows how the 2005-06 Budget appropriations translate to total resourcing for Outcome 1, including administered expenses, revenue from government (appropriation), revenue from other sources (Departmental) and the total price of outputs.

Table 3.1: Total resources for Outcome 1 (\$'000)

	Estimated Actual 2004-05 \$'000	Budget Estimate 2005-06 \$'000
Departmental appropriations		
New knowledge for users of marine resources		
Output Group 1 - Coastal processes	9,284	5,478
Output Group 2 - Conservation & Biodiversity	7,331	10,186
Output Group 3 - Marine Biotechnology	5,868	7,461
Total revenue from government (appropriations) Contributing to price of departmental outputs	22,483	23,125
Revenue from other sources		
Goods and services	6,078	7,534
Interest	805	600
Related entities	966	1,322
Total revenue from other sources	7,849	9,456
Total price from departmental outputs (Total revenue from government and from other sources)	30,332	32,581
Total estimated resourcing for Outcome 1 (Total price of outputs)	30,332	32,581
	2004-05	2005-06
Average staffing level (number)	162	168

- 1 Flows into Special Accounts are also shown in the receipts column of the Special Accounts table in Table 2.6.
- 2 Special Account outflows are shown in the payments column of the Special Account table in Table 2.6. The estimated payments from special account balances are provided by way of note only and do not form part of the total estimated resourcing.
- 3 Where names of Acts have been abbreviated, the full name of the Act can be found in the Acts Glossary at the end of Table 2.6.

Measures affecting Outcome 1¹

Efficiency dividend – increasing in the rate from 1 per cent to 1.25 per cent

Expense (\$m)	2005-06	2006-07	2007-08	2008-09
Australian Institute of Marine Science	0.0	0.0	-0.06	-0.06

Performance information for Outcome 1

Table 3.2: Performance information for Outcome 1

Outcome	Performance indicator
Outcome 1	
AIMS investment in priority areas	Price
Number of publications	Quantity
Number of peer-reviewed scientific papers	Quality
Citation analysis	Quality
Postgraduate supervision	Quantity
Recognition by peers	Quality
External assessment and review	Quality
Co-investment in research	Price
External revenue*	Price
Contracts successfully completed	Quantity
Input to policy-making & advice	Quantity
Contribution to teaching	Quantity
Customer survey	Quality
Patents	Quantity
Commercial disclosures	Quantity
Commercial arrangements	Quality
Start-up companies	Quality

The quality of Australia's marine research is internationally recognised, reflecting the investment made by Government. The Institute reports performance in its annual report and to the Parliament through the Minister for Education, Science and Training and includes trend information to provide a comparison.

The effectiveness of AIMS' contribution to the outcome will be demonstrated with evidence of the economic, social and environmental benefits that are achieved through the adoption and impact of AIMS research and advice. This will be reported from external expert review and stakeholder feedback.

Evaluations for Outcome 1

AIMS has reported against indicators that measure the efficiency and effectiveness of its research effort since they were introduced in the Triennium Funding Agreements

¹ Further details of measures are published in Budget Paper No. 2.

and is committed to continuous improvement in its performance assessment and reporting framework. In 2005 this will include external, expert review of a portion of the Institutes research. AIMS is implementing a rolling process for external reviews such that all research will be reviewed every 3 years. Other forms of evaluation include the submission of scientific findings to external peer review for publication in the science literature and assessment of patent applications.

Ongoing programs of evaluation include:

- Annual assessment and reporting of performance against performance indicators;
- The regular submission of findings to external review by peers;
- The critical assessment of patent applications;
- The annual cycle of staff performance appraisal; and
- A rolling, 3-year cycle of external, expert review (starting 2005-06).

Section 4: Other reporting requirements

4.1: PURCHASER-PROVIDER ARRANGEMENTS

AIMS has no purchaser-provider arrangements.

4.2: COST RECOVERY ARRANGEMENTS

AIMS has no cost recovery arrangements.

4.3: AUSTRALIAN GOVERNMENT INDIGENOUS EXPENDITURE (AGIE)

Table 4.1: Australian Government Indigenous Expenditure

AIMS does not have any Australian Government Indigenous Expenditure.

Section 5: Budgeted financial statements

The budgeted financial statements for the Australian Institute of Marine Science are presented in this section. The budgeted financial statements will form the basis for the financial statements that will appear in the AIMS Annual Report, and form the basis for the input into the Whole of Government Accounts.

5.1: ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Budgeted Agency Statement of Financial Performance

This statement provides a picture of the expected financial results for the Agency by identifying full accrual expenses and revenues, which highlights whether the Agency is operating at a sustainable level.

Total revenue from Government in 2005-06 is estimated to be \$23.125 million, an increase of \$0.642 million from 2004-05. The revenue includes \$4.656 million for asset replacement.

The Agency's external earnings are expected to increase to \$7.534 million in 2005-06.

The Institute expects to have an increase in a number of new research collaborative agreements in place for 2005-06 which will generate further income.

Total expenses are estimated to be \$31.739 million in 2005-06 with increases from 2004-05 of \$0.415 million for employees expenses and \$0.317 million for supplies.

Budgeted Agency Statement of Financial Position

This statement shows the financial position of the Institute. It helps decision-makers track the management of the Agency's assets and liabilities.

Budgeted Agency Statement of Cash Flows

Budgeted cash flows, as reflected in the statement of cash flows, provides information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Agency Capital Budget Statement

Shows the Institute's planned capital expenditure (capital expenditure on non-financial assets), whether funded from either through capital Appropriations for additional equity or borrowings, or from funds from internal sources.

Budgeted financial statements — AIMS

All the Institute's funding for capital is from internal sources.

Agency Non-Financial Assets – summary of movement

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

5.2: BUDGETED FINANCIAL STATEMENTS TABLES

Table 5.1: Budgeted Departmental Statement of Financial Performance for the period ended 30 June

	Estimated Actual 2004-05 \$'000	Budget Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000
REVENUE					
Revenues from ordinary activities					
Revenues from Government	22,483	23,125	23,649	23,741	24,635
Goods and services	6,078	7,534	7,800	8,000	8,400
Interest	805	600	600	500	500
Revenue from sales of assets					598
Related Entities	966	1,322	427	364	215
<i>Revenues from ordinary activities</i>	30,332	32,581	32,476	32,605	34,348
EXPENSE					
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	13,939	14,354	14,877	14,945	15,556
Suppliers	11,487	11,804	12,260	12,316	12,828
Grants	200	200	200	200	200
Depreciation and amortisation	4,700	4,918	4,718	5,139	5,139
Value of assets sold		463	410		580
<i>Expenses from ordinary activities (excluding borrowing costs expense)</i>	30,326	31,739	32,465	32,600	34,303
Net surplus or deficit attributable to the Australian Government	6	842	10	5	45

Table 5.2: Budgeted Departmental Statement of Financial Position as at 30 June

	Estimated Actual 2004-05 \$'000	Budget Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000
ASSETS					
Financial assets					
Cash	330	252	299	300	300
Receivables	1,988	1,983	1,980	2,014	2,048
Other investments	12,492	13,325	6,869	7,286	7,074
Total financial assets	14,810	15,560	9,148	9,600	9,422
Non-financial assets					
Land and buildings	29,590	29,663	29,225	29,104	29,030
Infrastructure, plant and equipment	18,395	17,770	24,942	25,045	25,119
Inventories	258	259	265	265	265
Intangibles	590	302	309	317	325
Total non-financial assets	48,833	47,994	54,741	54,731	54,739
Total Assets	63,643	63,554	63,889	64,331	64,161
LIABILITIES					
Provisions					
Employees	5,700	5,928	6,300	6,600	6,600
Total provisions	5,700	5,928	6,300	6,600	6,600
Payables					
Suppliers	1,095	1,200	1,400	1,600	1,600
Other payables	3,754	2,490	2,243	2,179	1,964
Total payables	4,849	3,690	3,643	3,779	3,564
Total Liabilities	10,549	9,618	9,943	10,379	10,164
EQUITY*					
Parent entity interest					
Contributed equity	31,608	31,608	31,608	31,608	31,608
Reserves	17,677	17,677	17,677	17,677	17,677
Retained surpluses or accumulated deficits	3,809	4,651	4,661	4,667	4,712
Total parent entity interest	53,094	53,936	53,946	53,952	53,997
Total equity	53,094	53,936	53,946	53,952	53,997
Current assets	13,577	16,121	9,722	10,182	10,012
Non-current assets	49,141	47,433	54,167	54,149	54,149
Current liabilities	1,604	3,323	3,396	3,570	3,083
Non-current liabilities	6,053	6,295	6,547	6,809	7,081

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

Table 5.3: Budgeted Departmental Statement of Cash Flows for the period ended 30 June

	Estimated Actual 2004-05 \$'000	Budget Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000
OPERATING ACTIVITIES					
Cash received					
Goods and services	6,897	7,747	7,334	7,466	7,165
Appropriations	22,505	23,125	23,649	23,800	24,694
Interest	924	650	650	500	500
Other	620	620	640	641	641
Total cash received	30,946	32,142	32,273	32,407	33,000
Cash used					
Employees	14,068	14,444	13,977	14,118	14,815
Suppliers	14,213	12,928	13,218	13,268	13,803
Grants	200	200	201	201	200
Total cash used	28,481	27,572	27,396	27,587	28,818
Net cash from or (used by) operating activities	2,465	4,570	4,877	4,820	4,182
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	238	708	410	651	651
Total cash received	238	708	410	651	651
Cash used					
Purchase of property, plant and equipment	7,277	5,094	11,525	5,025	5,025
Total cash used	7,277	5,094	11,525	5,025	5,025
Net cash from or (used by) investing activities	(7,039)	(4,386)	(11,115)	(4,374)	(4,374)
Net increase or (decrease) in cash held	(4,574)	755	(6,409)	418	(212)
Cash at the beginning of the reporting period	17,396	12,822	13,577	7,168	7,586
Cash at the end of the reporting period	12,822	13,577	7,168	7,586	7,374

Table 5.4: Departmental Capital Budget Statement

	Estimated Actual 2004-05 \$'000	Budget Estimate 2005-06 \$'000	Forward Estimate 2006-07 \$'000	Forward Estimate 2007-08 \$'000	Forward Estimate 2008-09 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections					
Total loans					
Total capital appropriations	0	0	0	0	0
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriation					
Funded internally by					
Departmental resources	7,277	5,094	11,525	5,025	5,025
Total	7,277	5,094	11,525	5,025	5,025

Table 5.5: Departmental Property, Plant, Equipment and Intangibles — summary of movement (Budget year 2005-06)

	Buildings \$'000	Other infrastructure plant and equipment \$'000	Total \$'000
As at 1 July 2005			
Gross book value	32,950	24,879	57,829
Accumulated depreciation	3,360	6,484	9,844
Opening net book value	29,590	18,395	47,985
Additions:			
by purchase	1,544	3,550	5,094
Depreciation/amortisation expense	1,471	3,447	4,918
Disposals:			
from disposal of entities or operations (including restructuring)		728	728
As at 30 June 2006			
Gross book value	34,494	27,701	62,195
Accumulated depreciation	4,831	9,931	14,762
Closing net book value	29,663	17,770	47,433

Budgeted financial statements — AIMS

Table 5.6: Schedule of Budgeted Revenues and Expenses administered on behalf of Government for the period ended 30 June

AIMS has no administered revenues and expenses.

Table 5.7: Schedule of Budgeted Assets and Liabilities administered on behalf of Government as at 30 June

AIMS has no administered assets and liabilities.

Table 5.8: Schedule of Budgeted Administered Cash Flows for the period ended 30 June

AIMS has no administered cash flows.

Table 5.9: Schedule of Administered Capital Budget

AIMS has no administered capital.

Table 5.10: Schedule of Property, Plant, Equipment and Intangibles — summary of movement (Budget Year 2005-06)

AIMS has no administered property, plant, equipment and intangibles.