
Part C
Section 1

**AGENCY ADDITIONAL
ESTIMATES STATEMENTS**

**NATIONAL OCEANS
OFFICE**

SECTION 1 – AGENCY OVERVIEW

OVERVIEW

Since the 2004–05 Portfolio Budget Statements, the National Oceans Office has been abolished as an Executive Agency under the *Public Service Act 1999* on 26 October 2004 and as a Prescribed Agency under the *Financial Management and Accountability Act 1997* on 3 November 2004 following the Ministry changes announced after the recent election. The budget estimates for the National Oceans Office have been incorporated into the Department of the Environment and Heritage – Outcome 1 Environment. Consequently, the 2004-05 budget estimates are apportioned between the Agency Additional Estimates Statements for the National Oceans Office (1 July 2004 to 3 November 2004) and the Department of the Environment and Heritage (4 November 2004 to 30 June 2005).

ADDITIONAL ESTIMATES AND VARIATIONS TO SUB-OUTCOME

ANNUAL APPROPRIATIONS

Under a Section 32 Direction, the following 2004–05 annual appropriations were transferred from the National Oceans Office to the Department of the Environment and Heritage – Outcome 1 Environment:

- Departmental Output Appropriation of **\$6.108m** through *Appropriation Bill (No.1) 2004-05*.

OTHER VARIATIONS NOT AFFECTING APPROPRIATION BILL (NO. 3) 2004–05 AND APPROPRIATION BILL (NO.4) 2004–05

Variations – Administrative Arrangements Order Changes

	2004–05 (\$'000)	2005–06 (\$'000)	2006–07 (\$'000)	2007–08 (\$'000)
Sub-outcome				
<i>Variations in departmental appropriations</i>				
Transfer to the Department of the Environment and Heritage – Outcome 1 Environment	(6,108)	(23)	(23)	(24)
TOTAL VARIATIONS – ADMINISTRATIVE ARRANGEMENTS ORDER CHANGES	(6,108)	(23)	(23)	(24)

SUB-OUTCOME AND OUTPUT GROUPS FOR THE AGENCY

	DEPARTMENTAL OUTPUTS			
	Revised Total Price of Outputs* \$'000	Variation to Price of Outputs \$'000	Revised Outputs Approp \$'000	2004–05 Additional Estimate \$'000
NATIONAL OCEANS OFFICE	3,280	(6,078)	3,234	0
Outcome 1 – Sub-outcome <i>Australians working together towards ecologically sustainable management of the oceans</i>				
1.1 Regional Marine Planning	2,904	(4,863)	2,867	0
1.2 Oceans Policy	376	(1,215)	367	
TOTAL OUTCOME	3,280	(6,078)	3,234	0

* Revised Total Price of Outputs relates to the period 1 July 2004 to 3 November 2004, and comprises appropriation revenue (\$3.234m) and Section 31 annotated appropriations (\$0.046m). Estimates for the remainder of 2004-05 (4 November 2004 to 30 June 2005) are reflected in Table 1.1 Part C Section 1 of the Additional Estimate Statements for the Department of the Environment and Heritage (Output Group 1.3).

TABLE 1.1 SUMMARY OF MEASURES SINCE THE 2004–05 BUDGET

There have been no new measures for the National Oceans Office since the 2004-05 Budget.

TABLE 1.2 APPROPRIATION BILL (NO. 3) 2004–05

	2003–04 Available \$'000	2004–05 Budget \$'000	2004–05 Revised * \$'000	2004–05 Additional Estimates \$'000	2004–05 Reduced Estimate \$'000
DEPARTMENTAL OUTPUTS					
Outcome 1 - Sub-outcome					
<i>Australians working together towards ecologically sustainable management of the oceans</i>	9,142	9,342	3,234	0	0
TOTAL DEPARTMENTAL OUTPUTS	9,142	9,342	3,234	0	0

TOTAL APPROPRIATION BILL NO. 3	9,142	9,342	3,234	0	0
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* Revised estimates relate to the period 1 July 2004 to 3 November 2004. Estimates for the remainder of 2004-05 (4 November 2004 to 30 June 2005) are reflected in Table 1.3 Part C Section 1 of the Additional Estimate Statements for the Department of the Environment and Heritage.

TABLE 1.3 APPROPRIATION BILL (NO. 4) 2004–05

There has been no funding provided through Appropriation Bills 2 and 4 in 2004-05 for the National Oceans Office.

TABLE 1.4 STAFF YEARS – AVERAGE STAFFING LEVEL (ASL)

	2004–05 Budget sy	2004–05 Revised * sy	Variation sy
Outcome 1 – Sub-outcome			
<i>Australians working together towards ecologically sustainable management of the oceans</i>	44.0	15.0	(29.0)
TOTAL	44.0	15.0	(29.0)

* The reduction in ASL reflects the abolition of the National Oceans Office as a Prescribed Agency on 3 November 2004. The revised ASL estimate relates to the period 1 July 2004 to 3 November 2004. The ASL estimate for the period 4 November 2004 to 30 June 2005 is reflected in Table 1.4 Part C Section 1 of the Additional Estimates Statements for the Department of the Environment and Heritage.

SUMMARY OF AGENCY SAVINGS 2004–05

There are no savings for the National Oceans Office in 2004–05.

VARIATIONS TO REVENUE FROM OTHER SOURCES THROUGH NET ANNOTATED (SECTION 31) RECEIPTS**TABLE 1.5 CHANGES TO NET ANNOTATED APPROPRIATIONS (Section 31) RECEIPTS**

	Price of outputs		Receipts	Receipts	Variation in Non-Govt Revenue
	Approp 2004–05 (Budget)	Approp 2004–05 (Revised)	from Independent Sources (Budget)	from Independent Sources (Revised)	
	\$'000	\$'000	\$'000	\$'000	\$'000
Outcome 1 - Sub-outcome					
<i>Australians working together towards ecologically sustainable management of the oceans</i>	9,342	3,234	16	46	30
TOTAL	9,342	3,234	16	46	30

TABLE 1.6 REVENUE FROM INDEPENDENT SOURCES

	2004–2005 Budget Estimate	2004–2005 Revised Estimate
	\$'000	\$'000
Services received free of charge (<i>Audit services from Australian National Audit Office</i>)	16	15
Miscellaneous revenue	0	31
TOTAL ESTIMATED REVENUE	16	46

TABLE 1.7 ESTIMATES OF EXPENSES FROM SPECIAL APPROPRIATIONS

There are no special appropriations for the National Oceans Office in 2004-05.

TABLE 1.8 ESTIMATES OF SPECIAL ACCOUNT FLOWS AND BALANCES

There are no special accounts for the National Oceans Office in 2004-05.

Part C
Section 2
National Oceans Office

REVISIONS TO
SUB-OUTCOME AND
OUTPUTS

SECTION 2 - REVISIONS TO SUB-OUTCOME AND OUTPUTS

The National Oceans Office has made no changes to the output structure since the last Budget.

OUTCOME 1: *The environment, especially those aspects that are matters of national environmental significance, is protected and conserved*

SUB-OUTCOME: *Australians working together towards the ecologically sustainable management of the oceans*

OUTPUT COST ATTRIBUTION

The National Oceans Office allocates corporate overheads on the basis of direct employee costs attributed to each sub outcome.

EXPLANATION OF VARIATIONS

Variations to Departmental Output Appropriation

Under a Section 32 Direction, the following 2004–05 annual appropriations were transferred from the National Oceans Office to the Department of the Environment and Heritage – Outcome 1 Environment:

- Departmental Output Appropriation of **\$6.108m** through *Appropriation Bill (No.1) 2004-05*.

REVISED PERFORMANCE INFORMATION AND LEVEL OF ACHIEVEMENT FOR 2004-05

The performance information that the National Oceans Office will use to assess the level of its achievement against the additional funding is shown below.

TABLE 2.1 – PERFORMANCE INFORMATION FOR OUTPUTS AFFECTED BY ADDITIONAL ESTIMATES

OUTPUT GROUP 1.1 REGIONAL MARINE PLANNING

<p>Contribution to the development of Regional Marine Plans</p>	<p><i>Quality</i></p>	<p>Initial implementation of key South-east Regional Marine Plan actions are progressed to the satisfaction of the National Oceans Ministerial Board.</p> <p>Agreement by Governments to the Northern Planning process, Scoping Report and related recommendations.</p> <p>Mechanisms for integrated marine planning in the Torres Strait are agreed by Governments.</p> <p>Valued and timely papers are prepared for the Regional Planning and Advisory Groups.</p> <p>Agreement by Governments to a collaborative approach to a planning process for the South-west marine area.</p> <p>National marine spatial data infrastructure and marine research are effectively supporting regional marine planning processes.</p>
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OUTPUT GROUP 1.1 REGIONAL MARINE PLANNING (continued)

<i>Quantity</i>	<p>Area of Australia’s Exclusive Economic Zone covered by regional marine planing processes.</p> <p>Completion of the priority action items in the South-east Regional Marine Plan.</p> <p>Scoping Agreement for the Northern Marine Planning process and the number of Assessment streams arising from the process.</p> <p>Memorandum of Understanding with South and Western Australian Governments on the South-western regional marine planning process. Snapshot of the South-West region.</p> <p>Amount of marine scientific, economic and social research conducted and data collected and managed.</p> <p>Completion of the National Marine Bioregionalisation Report and the National Marine Atlas.</p> <p>Oceans portal project completed and a marine registry linked to national data providers.</p> <p>Number of forums and meetings to facilitate stakeholder participation.</p> <p>Number of meetings of specialist working groups.</p> <p>Number of meetings of Regional Planning and Advisory Groups.</p>
<i>Price – Budget</i>	\$7.767m
<i>Price – Revised</i>	<u>\$2.904m</u>

OUTPUT GROUP 1.2 OCEANS POLICY

<p>Contribution to the implementation and further development of Australia's Oceans Policy</p>	<p><i>Quality</i></p>	<p>Advice to Ministers will be comprehensive, timely and canvass all relevant stakeholders.</p> <p>Valued and timely papers prepared for the National Oceans Ministerial Board (NOMB), Oceans Board of Management (OBOM), Oceans Policy Science Advisory Group (OPSAG) and National Oceans Advisory Group (NOAG) meetings and input to other relevant policy issues.</p> <p>Timely, valued contributions to relevant international meetings and processes.</p> <p>Mechanisms for integrated oceans management in the Commonwealth are further developed and progress made on appropriate inter-governmental mechanisms.</p> <p>Substantial progress is made towards an agreement on principles and elements for national integrated oceans management appropriate inter-governmental mechanisms.</p>
	<p><i>Quantity</i></p>	<p>Ministerial advice – number of briefs, ministerials, questions on notice, committees.</p> <p>Coordination requests and input to other policy issues.</p> <p>Acceptance of Australia's international policy on oceans management.</p> <p>Commonwealth guidelines for integrated oceans management.</p> <p>Number of forums for stakeholder participation.</p> <p>Number of meetings of specialist working groups.</p> <p>Number of meetings of NOMB, OBOM, OPSAG and NOAG.</p>
	<p><i>Price – Budget</i></p>	<p>\$1.591m</p>
	<p><i>Price – Revised</i></p>	<p><u>\$0.376m</u></p>

Part C
Section 3
National Oceans Office

**BUDGETED FINANCIAL
STATEMENTS**

Budgeted Financial Statements

The budgeted departmental financial statements for the National Oceans Office are presented in this section. Information from the budgeted financial statements forms part of the financial statements that will appear in the National Oceans Office's 2004-2005 Annual Report, and is also required as input into the Whole of Government Accounts.

The National Oceans Office was abolished as an Executive Agency under the *Public Service Act 1999* on 26 October 2004 and as a Prescribed Agency under the *Financial Management and Accountability Act 1997* on 3 November 2004 following the Ministry changes announced after the recent election. The budget estimates for the National Oceans Office have been incorporated into the Department of the Environment and Heritage – Outcome 1 Environment. Consequently, the 2004-05 budget estimates are apportioned between the Agency Additional Estimates Statements for the National Oceans Office (1 July 2004 to 3 November 2004) and the Department of the Environment and Heritage (4 November 2004 to 30 June 2005).

ANALYSIS OF BUDGETED FINANCIAL STATEMENTS

Budgeted Departmental Statement of Financial Performance

On 3 November 2004 the National Oceans Office was abolished as a prescribed agency under the *Financial Management and Accountability Act 1997*. From 4 November 2004 funding will be directly appropriated to the Department of the Environment and Heritage – Outcome 1 Environment. Consequently, the 2004-05 Revenue from Government estimate includes appropriation of only \$3.234m for the period 1 July 2004 to 3 November 2004. The expense estimates accordingly relate to the period 1 July 2004 to 3 November 2004. Revenue and expense estimates for the remaining period are reflected in the Departmental Statement of Financial Performance for the Department of the Environment and Heritage.

Budgeted Departmental Statement of Financial Position

The closing balances previously reflected in the Budgeted Departmental Statement of Financial Position have been transferred to the Department of the Environment and Heritage.

TABLE 3.1 – BUDGETED DEPARTMENTAL STATEMENT OF FINANCIAL PERFORMANCE
(for the period ended 30 June 2005)

	Actual	Revised	FORWARD		
	2003–04	Budget	ESTIMATES		
<i>Note</i>	2003–04	2004–05	2005–06	2006–07	2007–08
	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUES FROM ORDINARY ACTIVITIES					
Revenues from Government	9,160	3,234	0	0	0
Sales of goods and services	272	46	0	0	0
Other	0	0	0	0	0
Total revenues from ordinary activities	9,432	3,280	0	0	0
EXPENSES FROM ORDINARY					
ACTIVITIES (excluding borrowing costs expense)					
Employees	3,720	1,374	0	0	0
Suppliers	5,752	1,070	0	0	0
Grants	0	0	0	0	0
Depreciation and amortisation	133	50	0	0	0
Total expenses from ordinary activities (excluding borrowing costs expense)	9,605	2,494	0	0	0
Borrowing cost expense	0	0	0	0	0
Net Surplus or (deficit) from ordinary activities	(173)	786	0	0	0
Gain or loss on extraordinary items	0	0	0	0	0
Net Surplus or (deficit)	(173)	786	0	0	0
Net Surplus or (deficit) attributable to the Commonwealth	(173)	786	0	0	0

TABLE 3.2 – BUDGETED DEPARTMENTAL STATEMENT OF FINANCIAL POSITION (as at 30 June 2005)

The closing balances previously reflected in the Budgeted Departmental Statement of Financial Position have been transferred to the Department of the Environment and Heritage.

TABLE 3.3 – BUDGETED DEPARTMENTAL STATEMENT OF CASH FLOWS
(for the period ended 30 June 2005)

	Actual 2003-04	Revised	FORWARD		
		Budget 2004-05	2005-06	2006-07	2007-08
<i>Note</i>	\$'000	\$'000	\$'000	\$'000	\$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	9,142	3,234	0	0	0
Other	1,441	265	0	0	0
Total cash received	10,583	3,499	0	0	0
Cash Used					
Employees	3,626	1,343	0	0	0
Suppliers	7,289	1,070	0	0	0
Other	1,752	0	0	0	0
Total cash used	12,667	2,413	0	0	0
Net cash from operating activities	(2,084)	1,086	0	0	0
INVESTING ACTIVITIES					
Cash Received					
Proceeds from sale of property, plant and equipment	0	0	0	0	0
Total Cash Received	0	0	0	0	0
Cash used					
Purchase of property, plant and equipment	64	0	0	0	0
Other	0	0	0	0	0
Total cash used	64	0	0	0	0
Net cash from investing activities	(64)	0	0	0	0
FINANCING ACTIVITIES					
Cash Received					
Proceeds from debt	0	0	0	0	0
Proceeds from issuing equity instruments	0	0	0	0	0
Total Cash Received	0	0	0	0	0

TABLE 3.3 – BUDGETED DEPARTMENTAL STATEMENT OF CASH FLOWS
continued
(for the period ended 30 June 2005)

<i>Note</i>	Actual	Revised	FORWARD		
	2003–04	Budget 2004–05	2005–06	2006–07	2007–08
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Used					
Repayment of debt	0	0	0	0	0
Capital use charge paid	0	0	0	0	0
Dividends paid	0	0	0	0	0
Total Cash Used	0	0	0	0	0
Net cash from financing activities	0	0	0	0	0
Net increase/(decrease in cash held)	(2,148)	1,086	0	0	0
Cash at the beginning of the reporting period	2,394	246	0	0	0
Cash at the end of the reporting period	246	1,332	0	0	0

TABLE 3.4 – DEPARTMENTAL CAPITAL BUDGET STATEMENT

The National Oceans Office has not been appropriated any Departmental Capital in 2004–05.

**TABLE 3.5 – DEPARTMENTAL NON-FINANCIAL ASSETS
SUMMARY OF MOVEMENT (BUDGET YEAR 2004–05)**

The closing balances previously reflected in the Departmental Non-Financial Assets Summary of Movement have been transferred to the Department of the Environment and Heritage.

Notes to the Financial Statements

1. General notes on accrual budgeting framework

(a) *Departmental Financial Statements and Notes of Administered Items*

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 over which agencies do not have control (administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control.

- Departmental assets 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.

(b) *Appropriations in the Accrual Budgeting Framework*

Under the Australian Government's accrual budgeting framework, separate annual appropriations are provided for:

- departmental price of outputs appropriations: representing the Government's funding for outputs from agencies;
- departmental capital appropriations: for investments by the Government for either additional equity injections or loans in agencies;
- administered expense appropriations: for the estimated administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the States; and
- administered capital appropriations: for increases in administered equity through funding non-expense administered payments.

Special appropriations fund the majority of payments from the Consolidated Revenue Fund (especially those that are entitlement driven or involve transfers to state governments).

(c) *Administered investments in controlled entities*

Each Commonwealth Department is required to show an administered investment in each *Commonwealth Authority and Company (CAC) Act 1997* entity within their portfolio. These administered investments should be valued at the Commonwealth's ownership interest in the net assets of those CAC entities, fixed at a notional acquisition date of 30 June 1997.

(d) *Asset Valuation*

From 1 July 2002 Commonwealth agencies and authorities are required to use either the cost basis or the fair value basis to measure property, plant and equipment. The shift from the deprival method of valuation to fair value should occur gradually over a three-year period. Fair value essentially reflects the current market value of an asset. See guidance from the Department of Finance and Administration on how to calculate fair value.