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**Part C**  
**Section 1**

**AGENCY**  
**BUDGET STATEMENTS**

**DIRECTOR OF NATIONAL**  
**PARKS**



## Agency Overview, Appropriations and Budget Measures

### OVERVIEW

The Director of National Parks assists the Minister for the Environment and Heritage and the Department in the conservation and appreciation of Australia's biological diversity and associated cultural heritage, through leadership and cooperation in the management of the Commonwealth's protected areas.

The Director of National Parks will administer his statutory responsibilities under the *Environment Protection and Biodiversity Conservation Act 1999*.

The Director of National Parks, assisted by branches of the Parks Australia Division and through delegated functions to the Land, Water and Coasts Division and the Australian Antarctic Division:

- conserves and manages Commonwealth reserves;
- actively contributes to the conservation of Australia's indigenous cultural heritage;
- provides a framework for safe visitation and associated tourism businesses in Commonwealth reserves;
- develops and disseminates knowledge, information and practical methods to encourage a better understanding of protected areas and their associated values;
- provides the Minister with coordinated, objective policy advice, analysis and research on key biodiversity issues related to the establishment and management of protected areas; and
- coordinates and promotes Australian participation in key environment forums related to national parks and other protected areas and contributes to the development of protected areas nationally and internationally.

### APPROPRIATIONS AND RESOURCING

There is no direct appropriation from Government to the Director of National Parks. Funds of \$35.965 million will be appropriated directly to the Department of the Environment and Heritage and transferred to the Director of National Parks.

Table 1.1 on the following page shows the total price of statutory outputs for the Director of National Parks, Sub-outcome - conservation and appreciation of Commonwealth reserves which contributes to Outcome 1 – the environment, especially those aspects that are matters of national environmental significance, is protected and conserved.

**TABLE 1.1 – APPROPRIATIONS AND OTHER REVENUE FOR 2004–2005 (\$'000)**

	DEPARTMENTAL PRICE OF OUTPUTS					<b>Total Approp</b>
	Revenue from Government (Appropriations)			Revenue from other Sources <sup>(1)</sup>	Price of Outputs	
	Bill 1	Special Approps	Total			
	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E=C+D</b>	
<b>Outcome 1</b> <i>Conservation and appreciation of Commonwealth reserves</i>				56,635	56,635	
<b>TOTAL</b>	-	-	-	56,635	56,635	-

(1) Refer to Budgeted Departmental Statement of Financial Performance for application of agency revenue (refer Table 3.1). Revenue from other sources includes other revenue from Government (resources free of charge) revenue from sales of goods and services and interest revenue (refer Table 1.3).

**TABLE 1.2 – SUMMARY OF MEASURES DISCLOSED IN THE 2004-05 BUDGET**

There are no measures for the Director of National Parks in the 2004-05 Budget.

**TABLE 1.3 – RECEIPTS FROM INDEPENDENT SOURCES**

	2003-2004 Estimated Revenue \$'000	2004-2005 Estimated Revenue \$'000
Revenues from Sales of Goods and Services	10,670	16,220
Interest	450	450
Other	5,259	4,000
<b>TOTAL ESTIMATED REVENUE</b>	<b>16,379</b>	<b>20,670</b>

**TABLE 1.4 – MOVEMENT OF ADMINISTERED FUNDS FROM 2003-04 TO 2004-05**

There are no movements of administered funds from 2003-04 to 2004-05 for the Director of National Parks.

**TABLE 1.5 – ESTIMATES OF EXPENSES FROM SPECIAL APPROPRIATIONS**

There are no special appropriations for the Director of National Parks in the 2004-05 Budget.

**TABLE 1.6 – ESTIMATES OF SPECIAL ACCOUNT FLOWS AND BALANCES**

There are no special accounts for the Director of National Parks in the 2004-05 Budget.

**ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS**

The Director of National Parks has not been appropriated any administered capital for 2004-05 and will not receive any departmental equity injection or loans in 2004-05.



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**Part C**  
**Section 2**  
**Director of National Parks**

**OUTCOMES AND  
OUTPUTS INFORMATION**

## OVERVIEW

The following section provides details of the budget implications for the Director of National Parks. Specifically it provides in the following order:

- a diagrammatic representation of the output groups and individual outputs;
- a description for the Sub-outcome;
- Table 2.1 providing details of the financial resources for the Sub-outcome;
- a description of how the departmental outputs comprising the Sub-outcome contribute to that outcome;
- Table 2.2 which provides performance information for each departmental output; and
- general information on performance and evaluations.

## Sub-outcome and Output

	Total Price of Outputs \$'000	Departmental Outputs Appropriation \$'000
<b>DIRECTOR OF NATIONAL PARKS</b>	<b>56,635</b>	<b>0</b>
<i>Sub-outcome - Conservation and appreciation of Commonwealth reserves</i>		
1.1 Parks and Reserves	56,635	0

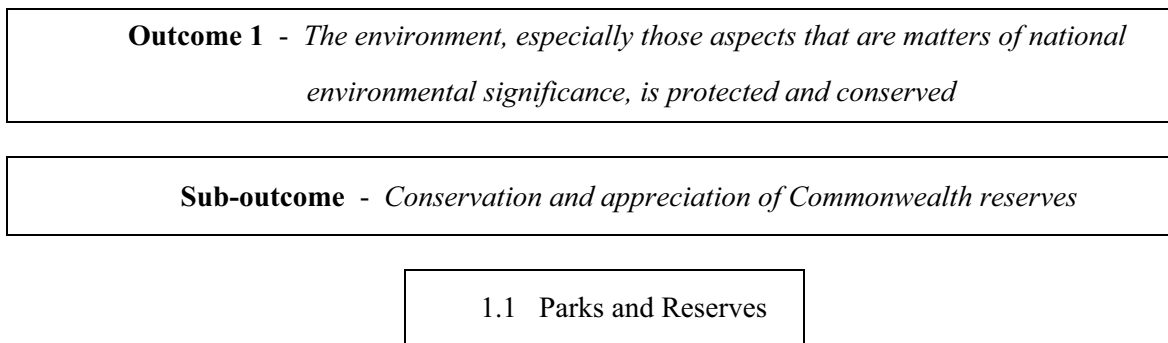
This structure shows the relationship between the Government outcome and the contributing output for the Director of National Parks, presented here as an output group. Financial details for this Sub-outcome, output and output group appear in Table 2.1 while non-financial information for the Sub-outcome appears in Table 2.2.

### OUTPUT COST ATTRIBUTION

Outputs are priced based on the direct costs of the Director of National Parks and a corporate services charge, received as resources free of charge from the Department of the Environment and Heritage calculated under Service Level Agreement on a full cost recovery basis.

## Relationship Between Sub-outcome and Contributing Output

The following chart provides a diagrammatic representation of the output group and individual output feeding into the group, contributing to Outcome 1 (Environment).



The Director of National Parks does not receive direct appropriation from Government. Funding is received from the Department of the Environment and Heritage via Outcome 1, refer Table 2.2.1 – Output 1.9 Parks and Reserves - Protected areas (page 118).

### CHANGES TO OUTCOMES AND OUTPUTS

There have been no changes to the output structure for the Director of National Parks since the 2003-04 Budget.

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

**SUB-OUTCOME:** *Conservation and appreciation of Commonwealth reserves*

The Director of National Parks, established under the *Environment Protection and Biodiversity Conservation Act 1999*, is responsible for the declaration and management of parks and reserves on land owned or leased by the Commonwealth, in Commonwealth waters, and on certain areas of Aboriginal land leased to the Director. The Act provides for the protection and management of the natural and cultural features of declared parks and reserves.

#### **MEASURES AFFECTING THE SUB-OUTCOME**

There are no measures in the 2004–05 Budget for the Director of National Parks.

#### **TOTAL RESOURCES FOR THE SUB-OUTCOME**

The following Table 2.1 provides details of the financial resources for the Director of National Parks. It shows the expenditure for the output within the output group, revenue from Government, revenue from other sources and the total price of outputs. The average staffing level for this Sub-outcome also appears at the end of the table.

**TABLE 2.1 – TOTAL RESOURCES FOR THE SUB-OUTCOME**

	Estimated Actuals 2003-04 \$'000	Budget 2004-05 \$'000
<b>ADMINISTERED APPROPRIATIONS</b>	<b>0</b>	<b>0</b>
<b>ADMINISTERED SPECIAL ACCOUNTS</b>	<b>0</b>	<b>0</b>
<b>DEPARTMENTAL APPROPRIATIONS (Revenue from Government)*</b>		
Output 1.1 – Parks and Reserves	0	0
<b>REVENUE FROM OTHER SOURCES</b>		
Output 1.1 – Parks and Reserves	51,931	56,635
<b>TOTAL PRICE OF DEPARTMENTAL OUTPUTS</b>	<b>51,931</b>	<b>56,635</b>
<b>DEPARTMENTAL SPECIAL ACCOUNTS</b>	<b>0</b>	<b>0</b>
<b>TOTAL ESTIMATED RESOURCING</b>	<b>51,931</b>	<b>56,635</b>

	2003-2004	2004-05
<b>AVERAGE STAFFING LEVEL (NUMBER)</b>	287.0	275.0

\* There is no direct appropriation from Government to the Director of National Parks. Funds of \$36.0 million will be appropriated directly to the Department of the Environment and Heritage and transferred to the Director of National Parks in 2004-05.

### CONTRIBUTION OF OUTPUTS

The Director of National Parks is responsible for the declaration and management of reserves on land owned or leased by the Commonwealth, in Commonwealth waters, and on certain areas of leased Aboriginal land, for the protection and management of the associated natural and cultural features.

Further information is provided in the following Table 2.2.

**PERFORMANCE INFORMATION FOR THE SUB-OUTCOME**

The following table lists the performance information that the Director will use to assess the level of its achievement of Outcome 1 during 2004–05. It is comprised of two parts:

- (A) overall achievement - planned performance information for the outcome overall;
- (B) performance information for Departmental Output - quantitative, qualitative and the price.

**TABLE 2.2 – PERFORMANCE INFORMATION FOR THE SUB-OUTCOME*****(A) Effectiveness – Overall Achievement of the Sub-Outcome***

The Director of National Parks has identified six key result areas (KRAs) against which achievements in relation to this Sub-outcome will be assessed:

KRA 1: Effective programmes are in place to identify, control and monitor threats to the natural values of Commonwealth reserves, including a co-ordinated approach to threatened species protection across the estate, with recovery plans being implemented for all species and communities listed as endangered or critically endangered.

KRA 2: Cultural heritage values, both indigenous and non-indigenous, for which the parks were declared and are recognised have been protected and conserved.

KRA 3: In jointly-managed parks there has been an expansion in traditional owners' and/or relevant indigenous enterprises providing park services and there is a greater representation of indigenous staff in management positions. We are seen as world leaders in integrating indigenous land ownership, indigenous knowledge and conservation, particularly in our World Heritage property management responsibilities.

KRA 4: Visitors to Commonwealth reserves will increasingly be rewarded with educational, enjoyable and safe experiences with high levels of visitor satisfaction. Understanding and appreciation of Australia's protected areas and their natural and cultural heritage will be increased.

KRA 5: The range of public/private partnerships and volunteers and local communities involved in our management activities has been expanded. There will be increased engagement with and support from key stakeholders (eg the tourism industry) in park planning and management.

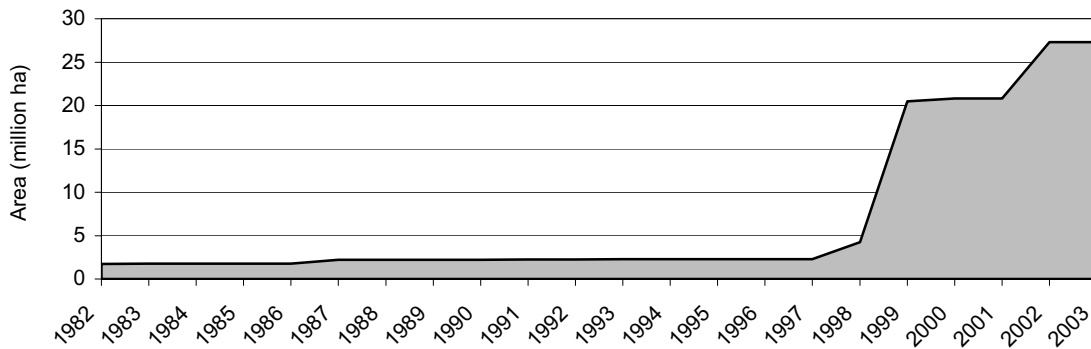
KRA 6: Parks Australia will be seen as a leader in financial management, valuing staff, service delivery of park management and providing value for money. Performance assessment strategies have been implemented to demonstrate our effectiveness in contributing to the conservation of natural and cultural heritage and community well-being.

***Effectiveness in delivering the sub-outcome******Effectiveness Indicator:*** Commonwealth Reserves are protected.

<i>Reporting indicators</i>	<p>Natural values for which Commonwealth reserves were declared and/or recognised have been maintained.</p> <p>Populations of species listed in the <i>Environment Protection and Biodiversity Conservation Act 1999</i> and their habitats have been conserved.</p> <p>Management of Commonwealth Reserves is based on best practice principles, measured through:</p> <ul style="list-style-type: none"> <li>- Number of Park profiles completed and updated annually</li> <li>- All fire management plans in place and implemented for relevant reserves</li> <li>- All weed management plans in place and implemented</li> <li>- Feral species management plans in place and implemented</li> <li>- Weed and feral species management plans reviewed</li> </ul> <p>Cultural heritage is protected, measured through:</p> <ul style="list-style-type: none"> <li>- Completion and implementation of cultural heritage management plans</li> <li>- Completion of inventories of cultural places</li> <li>- Establishment of keeping places</li> <li>- Recording of oral histories</li> <li>- Inclusion of appropriate questions relating to cultural heritage in visitor satisfaction surveys</li> </ul> <p>Indigenous land ownership, and indigenous knowledge and conservation is successfully integrated into Commonwealth Reserves management, measured through:</p> <ul style="list-style-type: none"> <li>- Increasing indigenous park enterprises and indigenous employment in Commonwealth Reserves on indigenous lands.</li> <li>- Consultation mechanisms, eg direct consultation and industry consultative committees, are effective in involving stakeholders in developing and implementing Commonwealth Reserve plans of management.</li> <li>- Visitors to Commonwealth Reserves enjoy a satisfying and safe experience.</li> </ul>
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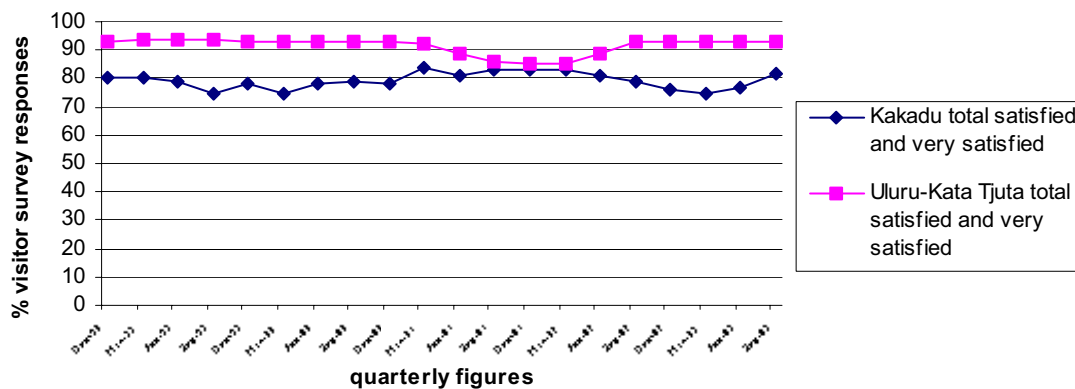
There has been a significant improvement in the protection of marine environments with six new marine reserves declared since 1996. New reserves declared include the Great Australian Bight Marine Park, Tasmanian Seamounts Marine Reserve, Macquarie Island Marine Park, Lord Howe Island Marine Park, Cartier Island Marine Reserve, and Heard Island and McDonald Islands Marine Reserve. The Heard Island and McDonald Islands Marine Reserve in Australia's remote Sub Antarctic waters, declared in October 2002, is the world's largest fully protected marine reserve. The six new marine reserves add an extra 249,570 km<sup>2</sup> (approximately the size of Victoria) bringing the existing marine reserve area –to a total of 272,219 km<sup>2</sup> (not including the Great Barrier Reef Marine Park which protects a further 345,000km<sup>2</sup>). This is over a ten-fold increase from pre-1996 levels.

**Commonwealth Marine Protected Areas 1982 - 2003 (Total area managed under EPBC Act)**



Providing visitors with a safe, educational and enjoyable experience is a major component of national park management. Achieving and sustaining high levels of visitor satisfaction is an indication of the effectiveness of management programmes delivered by the Director of National Parks.

**Kakadu and Uluru-Kata Tjuta National Parks Visitor Satisfaction Survey**



The information in this graph is taken from the Northern Territory Tourist Commission’s quarterly reports on Visitor Satisfaction with Northern Territory Parks from December 1998 to September 2003. The data were collected through the Commercial Accommodation Survey (a component of the Northern Territory Travel Monitor) that measures activity by those visitors who spend at least one night of their Territory trip in commercial accommodation. Results are based on a regular sample of approximately 4,000 visitors. The Northern Territory Travel Monitor is the main source of quantitative statistics on tourism in the Territory.

***(B) Performance Information for Departmental Outputs***

**OUTPUT 1 – PARKS AND RESERVES**

Statutory administration	<i>Quantity</i>	Extent to which statutory requirements and timeframes are met under legislation.
	<i>Quantity</i>	Number of permits considered (granted and refused) under legislation.
Policy advising, ministerial and parliamentary	<i>Quality</i>	Minister is satisfied with the timeliness and quality of briefs provided by the Director.
	<i>Quality</i>	Minister is satisfied with the timeliness and quality of draft ministerial correspondence by the Director.
International	<i>Quantity</i>	Percentage of written pre-meeting objectives at international meetings achieved.
	<i>Quality</i>	Extent to which Australia’s strategic objectives is achieved through international fora.
Stakeholder awareness	<i>Quantity</i>	Information and education products distributed to stakeholders (measured by website hits, information material distributed, etc).
Research, analysis and evaluation	<i>Quantity</i>	Number of research reports, articles and papers prepared and publicly released.
	<i>Price</i>	\$56.635m

**PERFORMANCE INFORMATION**

Achievement of performance will be reported within the Director of National Parks 2004–05 Annual Report.

**EVALUATIONS**

There are no evaluations planned for 2004–05.

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**Part C**  
**Section 3**  
**Director of National Parks**

**BUDGETED FINANCIAL  
STATEMENTS**

## **Budgeted Financial Statements**

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

### **ANALYSIS OF BUDGETED FINANCIAL STATEMENTS**

#### **Budgeted Departmental Statement of Financial Performance**

Revenues for the Director of National Parks are expected to increase by \$4.704 million to \$56.635 million primarily due to Park Fee increases. These assumptions include a solid return of international visitors. The total number of visitors is significantly down in 2003-04 due to the impacts of the Severe Acute Respiratory Syndrome (SARS) and international terrorism upon international visitors.

Other impacts on revenues for 2004-05 include the cessation of the funding arrangement for the management of the Royal Australian Navy Weapons Range – Beecroft with the Department of Defence and the transfer of functions relating to Marine Protected Areas to the Department of the Environment and Heritage.

Expenses for the Director of National Park increase by \$1.628 million primarily due to expected labour rate increases and increases in traditional owner payments in line with increases in Park Fees.

Overall the deficit is expected to return to a surplus of \$0.294 million in 2004-05 from the approved loss of \$2.782 million in 2003-04.

#### **Budgeted Departmental Statement of Financial Position**

It is expected that the net assets of the Director of National Parks will remain steady from 2003-04 to 2004-05.

#### **Budgeted Departmental Statement of Cash flows**

The primary increase in cash inflows represents the park fees increase mentioned above. Cash outflows in 2004-05 are less than 2003-04 due primarily to the payments of expenses relating to 2002-03 in 2003-04.

## **DEPARTMENTAL FINANCIAL STATEMENTS**

### **Budgeted Departmental Statement of Financial Performance**

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

### **Budgeted Departmental Statement of Financial Position**

This statement shows the financial position of the Director of National Parks. It helps decision makers to track the management of the Director of National Parks' assets and liabilities.

### **Budgeted Departmental Statement of Cash Flows**

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

### **Departmental Capital Budget Statement**

Shows all planned capital expenditure (capital expenditure on non-financial assets), whether funded either through capital appropriations for additional equity or borrowings, or from funds from internal sources.

### **Departmental Non-financial Assets - Summary of Movement**

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

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

		Estimated Actual 2003-04 \$'000	<b>Budget Estimate 2004-05 \$'000</b>	FORWARD ESTIMATES 2005-06 \$'000	2006-07 \$'000	2007-08 \$'000
<b>REVENUES FROM ORDINARY ACTIVITIES</b>						
Revenues from Government	2	35,552	<b>35,965</b>	37,147	38,388	38,533
Sales of goods and services		10,670	<b>16,220</b>	17,031	17,883	17,883
Interest		450	<b>450</b>	450	450	450
Other	3	5,259	<b>4,000</b>	4,000	4,000	4,000
<b>Total revenues from ordinary activities</b>		<b>51,931</b>	<b>56,635</b>	<b>58,628</b>	<b>60,721</b>	<b>60,866</b>
<b>EXPENSES FROM ORDINARY ACTIVITIES (excluding borrowing costs expense)</b>						
Employees		20,672	<b>20,305</b>	20,942	20,744	21,377
Suppliers		24,009	<b>25,595</b>	25,936	27,766	27,278
Depreciation and amortisation		10,032	<b>10,441</b>	10,441	10,441	10,441
<b>Total expenses from ordinary activities (excluding borrowing costs expense)</b>		<b>54,713</b>	<b>56,341</b>	<b>57,319</b>	<b>58,951</b>	<b>59,096</b>
<b>Net Surplus or (deficit) from ordinary activities</b>		<b>(2,782)</b>	<b>294</b>	<b>1,309</b>	<b>1,770</b>	<b>1,770</b>

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

	Estimated Actual 2003-04	Budget Estimate 2004-05	FORWARD ESTIMATES		
<i>Note</i>	2003-04	2004-05	2005-06	2006-07	2007-08
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Financial Assets</b>					
Cash	6,249	<b>7,649</b>	9,241	11,301	14,368
Receivables	400	<b>400</b>	400	400	400
<b>Total financial assets</b>	<b>6,649</b>	<b>8,049</b>	<b>9,641</b>	<b>11,701</b>	<b>14,768</b>
<b>Non-financial assets</b>					
Land and buildings	53,342	<b>50,442</b>	50,542	47,642	44,742
Infrastructure, plant and equipment	48,654	<b>50,634</b>	50,443	53,252	55,061
Other	313	<b>313</b>	313	313	313
<b>Total Non-financial assets</b>	<b>102,309</b>	<b>101,389</b>	<b>101,298</b>	<b>101,207</b>	<b>100,116</b>
<b>Total Assets</b>	<b>108,958</b>	<b>109,438</b>	<b>110,939</b>	<b>112,908</b>	<b>114,884</b>
<b>LIABILITIES</b>					
<b>Interest bearing liabilities</b>					
Finance Leases	0	<b>0</b>	0	0	0
<b>Total debt</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Provisions</b>					
Employees	5,310	<b>5,496</b>	5,688	5,887	6,093
Other	0	<b>0</b>	0	0	0
<b>Total Provisions</b>	<b>5,310</b>	<b>5,496</b>	<b>5,688</b>	<b>5,887</b>	<b>6,093</b>
<b>Payables</b>					
Suppliers	3,000	<b>3,000</b>	3,000	3,000	3,000
Grants	0	<b>0</b>	0	0	0
Other	0	<b>0</b>	0	0	0
<b>Total Payables</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
<b>Total Liabilities</b>	<b>8,310</b>	<b>8,496</b>	<b>8,688</b>	<b>8,887</b>	<b>9,093</b>

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

	Estimated Actual	<b>Budget Estimate</b>	FORWARD ESTIMATES		
<i>Note</i>	2003-04	<b>2004-05</b>	2005-06	2006-07	2007-08
	\$'000	<b>\$'000</b>	\$'000	\$'000	\$'000
<b>EQUITY</b>					
<b>Parent entity Interest</b>					
Contributed equity	9,755	<b>9,755</b>	9,755	9,755	9,755
Reserves	26,698	<b>26,698</b>	26,698	26,698	26,698
Retained surpluses or accumulated deficits	64,195	<b>64,489</b>	65,798	67,568	69,338
<b>Total parent entity interest</b>	<b>100,648</b>	<b>100,942</b>	<b>102,251</b>	<b>104,021</b>	<b>105,791</b>
<b>Total equity</b>	<b>100,648</b>	<b>100,942</b>	<b>102,251</b>	<b>104,021</b>	<b>105,791</b>
<b>Current liabilities</b>	5,920	<b>6,023</b>	6,128	6,238	6,351
<b>Non-current liabilities</b>	2,390	<b>2,473</b>	2,560	2,649	2,742
<b>Current assets</b>	6,962	<b>8,362</b>	9,954	12,014	15,081
<b>Non-current assets</b>	101,996	<b>101,076</b>	100,985	100,894	99,803

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

	Estimated	Budget	FORWARD		
	Actual	Estimate	ESTIMATES		
<i>Note</i>	2003-04	2004-05	2005-06	2006-07	2007-08
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>OPERATING ACTIVITIES</b>					
<b>Cash received</b>					
Appropriations for outputs	35,552	<b>35,965</b>	37,147	38,388	38,533
Sales of goods and services	11,570	<b>16,220</b>	17,031	17,883	17,883
Interest	450	<b>450</b>	450	450	450
Other	1,959	<b>700</b>	700	700	700
<b>Total cash received</b>	<b>49,531</b>	<b>53,335</b>	<b>55,328</b>	<b>57,421</b>	<b>57,566</b>
<b>Cash Used</b>					
Employees	20,492	<b>20,119</b>	20,750	20,545	21,171
Suppliers	24,681	<b>22,645</b>	22,986	24,816	24,328
<b>Total cash used</b>	<b>45,173</b>	<b>42,764</b>	<b>43,736</b>	<b>45,361</b>	<b>45,499</b>
<b>Net cash from operating activities</b>	<b>4,358</b>	<b>10,571</b>	<b>11,592</b>	<b>12,060</b>	<b>12,067</b>
<b>INVESTING ACTIVITIES</b>					
<b>Cash Received</b>					
Proceeds from sale of property, plant and equipment	500	<b>500</b>	500	500	500
<b>Total Cash Received</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>Cash used</b>					
Purchase of property, plant and equipment	10,054	<b>9,671</b>	10,500	10,500	9,500
Other	203	<b>0</b>	0	0	0
<b>Total cash used</b>	<b>10,257</b>	<b>9,671</b>	<b>10,500</b>	<b>10,500</b>	<b>9,500</b>
<b>Net cash from investing activities</b>	<b>(9,757)</b>	<b>(9,171)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>(9,000)</b>

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

	Estimated	<b>Budget</b>	FORWARD		
	Actual	<b>Estimate</b>	ESTIMATES		
<i>Note</i>	2003-04	<b>2004-05</b>	2005-06	2006-07	2007-08
	\$'000	<b>\$'000</b>	\$'000	\$'000	\$'000
<b>FINANCING ACTIVITIES</b>					
<b>Cash Received</b>					
Other	0	<b>0</b>	0	0	0
<b>Total Cash Received</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Cash Used</b>					
Capital use charge paid	12,545	<b>0</b>	0	0	0
<b>Total Cash Used</b>	<b>12,545</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net cash from financing activities</b>	<b>(12,545)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net increase/(decrease in cash held)</b>	<b>(17,944)</b>	<b>1,400</b>	<b>1,592</b>	<b>2,060</b>	<b>3,067</b>
Cash at the beginning of the reporting period	24,193	<b>6,249</b>	7,649	9,241	11,301
Cash at the end of the reporting period	6,249	<b>7,649</b>	9,241	11,301	14,368

**TABLE 3.4 – DEPARTMENTAL CAPITAL BUDGET STATEMENT**

	Estimated Actual	<b>Budget Estimate</b>	ESTIMATED		
<i>Note</i>	2003-04	<b>2004-05</b>	2005-06	2006-07	2007-08
	\$'000	<b>\$'000</b>	\$'000	\$'000	\$'000
<b>Capital appropriations</b>					
Total equity injections					
Total loans					
<b>Represented by:</b>					
Purchase of non-current assets					
Other					
<b>Purchase of non-current assets</b>					
Funded by capital appropriations					
Funded internally by departmental resources	10,054	<b>9,671</b>	10,500	10,500	9,500

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

	Land \$'000	Buildings \$'000	Other Infrastructure Plant and Equipment \$'000	Heritage and cultural assets \$'000	Computer software \$'000	Other intangibles \$'000	<b>Total \$'000</b>
<i>Carrying amount at the start of the year</i>	8,345	44,997	48,654				<b>101,996</b>
Additions *			9,671				<b>9,671</b>
Disposals			150				<b>150</b>
Revaluation Increments							
Recoverable Amount Write- Downs							
Net Transfers free of Charge							
Depreciation/Amortisation Expense		2,900	7,541				<b>10,441</b>
Write-off of Assets							
<i>Carrying amount at the end of the year</i>	8,345	42,097	50,634				<b>101,076</b>

**\* TOTAL ADDITIONS**

Self funded	9,671	<b>9,671</b>
<b>TOTAL</b>	9,671	<b>9,671</b>

## 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.

2. There is no direct appropriation from Government to the Director of National Parks. Funds will be appropriated directly to the Department of the Environment and Heritage and transferred to the Director of National Parks.
3. Included in the figure is an amount of \$2.8 million being the resources received free of charge for corporate services provided by the Department of the Environment and Heritage.
4. This figure relates to liability for staff seconded to the Director of National Parks from the Department of the Environment and Heritage.

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**Part C**

**Section 4**

**Director of National Parks**

**PURCHASER-PROVIDER  
AND COST RECOVERY  
ARRANGEMENTS**

## **PURCHASER-PROVIDER ARRANGEMENTS**

<p><b>DIRECTOR OF NATIONAL PARKS</b> <b>DEPARTMENT OF THE ENVIRONMENT AND HERITAGE</b></p>
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### **CROSS AGENCY OVERVIEW**

The Director of National Parks has a purchaser-provider arrangement for the provision of corporate services under a Memorandum of Understanding with the Department of the Environment and Heritage.

The Secretary of the Department of the Environment and Heritage allocates funds to the Director of National Parks for the Sub-outcome Conservation and appreciation of Commonwealth reserves.

### **RESPONSIBILITY**

The Director of National Parks is responsible to the Minister for the Environment and Heritage.

### **CONTROL ARRANGEMENTS**

The Director of National Parks is a statutory authority and is subject to the *Commonwealth Authorities and Companies Act 1997*.

### **RESOURCING**

The Director of National Parks will receive funding of \$35.965 million from the Department of the Environment and Heritage in 2004–05.

### **PERFORMANCE AGAINST OUTCOMES AND OUTPUTS**

Refer to Table 2.2 - Performance Information and Level of Achievement for 2004–05.

## **COST RECOVERY ARRANGEMENTS**

### **SUMMARY OF COST RECOVERY IMPACT STATEMENT**

The Director National Parks is committed to implementing the Commonwealth's formal cost recovery policy. In accordance with this policy the Director National Parks will adhere to the Commonwealth's cost recovery guidelines when:

- undertaking reviews consistent with the Government's five-year review schedule for existing cost recovery arrangements;
- new cost recovery arrangements are proposed;
- significant amendments to existing arrangements are being considered; and
- periodic reviews of cost recovery arrangements are required.

