



# ANNUAL --- REPORT

2003 – 2004



**AUSTRALIA'S NATIONAL PLAN  
TO COMBAT POLLUTION  
OF THE SEA BY OIL AND  
OTHER NOXIOUS AND  
HAZARDOUS SUBSTANCES**



Australian Government

Australian Maritime Safety Authority

NATIONAL PLAN MANAGING AGENCY

**National Plan to Combat Pollution  
of the Sea by Oil and other  
Noxious and Hazardous Substances**

**ANNUAL REPORT  
2003–2004**

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# **MISSION**

**The purpose of the National Plan is to maintain a national integrated Government and industry organisational framework capable of effective response to pollution incidents in the marine environment and to manage associated funding, equipment and training programs to support National Plan activities.**



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## CHAIRMAN'S FOREWORD

On behalf of the National Plan Management Committee, I have much pleasure in presenting the Annual Report of activities of the National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substances.

This year has seen a consolidation for the National Plan.

The Inter-Governmental Agreement between Federal, State and Northern Territory Governments formalising the national approach to oil and chemical spill preparedness and response and cooperation, is now well established and operating efficiently and effectively.

The National Plan Management Committee, in which Federal, State and Northern Territory authorities, oil and chemical industries and ports are represented, continued to meet its responsibilities and obligations through the provision of advice to the Australian Transport Council on strategic and policy direction and funding arrangements for the National Plan.

The Committee's annual meeting was held in February 2004. Throughout the year, the Committee was kept informed of activities, at Federal and State/NT level, relevant to its responsibilities.

Significant events occurring during the year included:

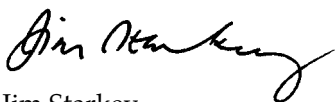
- completion of the ongoing redistribution of Tier 1 oil spill equipment as outlined under the Inter-Governmental Agreement;
- on-going establishment of Tier 2/3 regional equipment stockpiles in association with the States/NT; and
- consideration of the need for competency based training for National Plan personnel.

Through the year, work also continued in implementing the recommendations of the 2000 National Plan Review Report. All of the Report's seventeen recommendations have now been either fully implemented or brought within the Committee's work program.

During 2003-2004, there were no major ship-sourced marine pollution incidents in Australian waters. However, the National Plan was called upon to respond to 118 incidents.

National Plan equipment and personnel were involved as part of contingency arrangements in response to two shipping incidents. These included the grounding of the 42 metre hopper dredge, the *Karma* near Bundaberg on the Queensland coast in November 2003 and the reporting of an oil leak from a small crack in a cargo tank of the tanker *Eurydice* off Sydney in February 2004.

While on secondment to Oil Spill Response Limited (OSRL) in Southampton, England, for professional development purposes, an AMSA officer participated in OSRL's response to the grounding of the tanker *Tasman Spirit* off the port of Karachi in Pakistan in July 2003. He worked as part of a five person clean up team dispatched to Karachi after the ship started to break up in August 2003.



Jim Starkey

Chairman

National Plan Management Committee



# ADMINISTRATION

## National Plan 2003-2004 Financial Position

Financial statements reporting the cost of National Plan administration and operations have been reviewed by PricewaterhouseCoopers and are included in the Financial Statements on page 16 of this report.

The operating surplus of \$484,627 for the 2003-2004 financial year was in line with the 'break even over time' policy set by government. Revenue from the Protection of the Sea Levy provided the main source of funding for National Plan operations. The Protection of the Sea Levy remained at 3.3 cents per net registered tonne.

Total income received during the 2003-2004 financial year increased by \$468,094 compared with the previous financial year. Levy revenue increased during the reporting period due to an unforeseen rise in shipping activity.

With total expenses of \$4,196,238, National Plan expenditure decreased by 7 per cent from 2002-2003.

This largely reflects the decrease in incident costs due to the decrease in the number of significant pollution incidents.

As at 30 June 2004 the National Plan's total assets were \$8,852,561 compared with total liabilities of \$699,570. This places the National Plan in a sound financial position, with equity totalling \$8,152,991.

## Meetings during 2003-2004

The National Plan Management Committee (NPMC) met in Canberra on 18 February 2004, with the main agenda items being the draft budget for 2004-2005 financial year and the approval of the final report for consideration by the Australian Transport Council on implementation of the 2000 Review recommendations. Discussions were also held on competency based training and the National Response Team.

The National Plan Operations Group (NPOG) held two meetings on 23 November 2003 in Adelaide and 20 May 2004 in Brisbane. Key outcomes

included the finalisation of the "Guidelines on the Deployment of Staff Between Agencies" for incident response, the development of the National Plan Operations Group Work Program, the development of an "Oil Spill Monitoring Background Paper and Handbook" and the revision of the "Field Manual for Rescue and Rehabilitation of Oiled Birds". Another key outcome is the review of the National Plan Training Program in developing a Competency Based Training format for International Maritime Organization Level 1 category oil spill response training which relates to skills based personnel and the implementation of the updated Oil Spill Trajectory Modelling System which includes a new version of the hydrodynamic software.

# POLLUTION INCIDENTS

## Pollution Database

Accurate statistical data required for spill response strategic planning provides a valuable resource to assist in responding to an increasing number of queries from the media, interest groups and the general public. It also provides valuable input for risk assessment, to government projects such as the State of the Environment Report and is a measure of the effectiveness of the pollution prevention measures being progressively implemented.

AMSA uses the following definitions in maintaining the database:

'Oil discharges' refers to any discharges or suspected operational discharges of oil from (a) vessel(s) in excess of the permitted discharge rate under MARPOL 73/78 (generally 15 parts per million oil in water).

'Oil spills' refers to accidental spills resulting from incidents such as groundings or collisions as well as spills during bunkering resulting from overflow of tanks, burst hoses, etc.

AMSA's pollution database currently contains over 6,700 records. Information is entered from the following sources:

- Oil discharge reports received through AMSA's Emergency Response (ER), which includes reports from aircraft (Coastwatch, RAAF and civilian) as well as from vessels at sea;
- Records of National Plan expenditure in responding to oil spills;
- Incident reports submitted by State/NT authorities; and
- Other sources (eg Department of Industry, Tourism and Resources, industry, the public).

At least 25 per cent of the reports received by AMSA are ultimately not entered onto the database. Reasons for not entering a reported pollution sighting include where the sighting is or is strongly suspected to be one of the following:

- Land sourced, including tank farms, road tanker accidents, drains or road runoff after heavy rain (unless some response activity is required and/or National Plan response costs are incurred);

- Coral spawn or marine algae or similar occurrence, taking into account the location of the report and the time of the year;
- Discoloured water with no sheen;
- Washings of coal dust from bulk carriers; or
- Discharge of a sewage outfall.

The completeness of the information included in this database cannot be guaranteed, as only those incidents reported to AMSA are included. AMSA does, however, make every effort to ensure the data is as complete as possible.

## Oil Pollution Statistics for 2003-2004

There were 322 oil discharge sightings and oil spills reported during 2003-2004. National Plan resources were involved in 118 oil spill incidents which required a response action under National Plan arrangements.

*(Note that the criteria applied for 2003-2004 is different to Annual Reports prior to 2002-2003, in that it now includes all incidents where a response was undertaken regardless of whether direct costs were claimed from the National Plan.)*

Figure 1 shows a break up of sources of reported oil spills during 2003-2004.

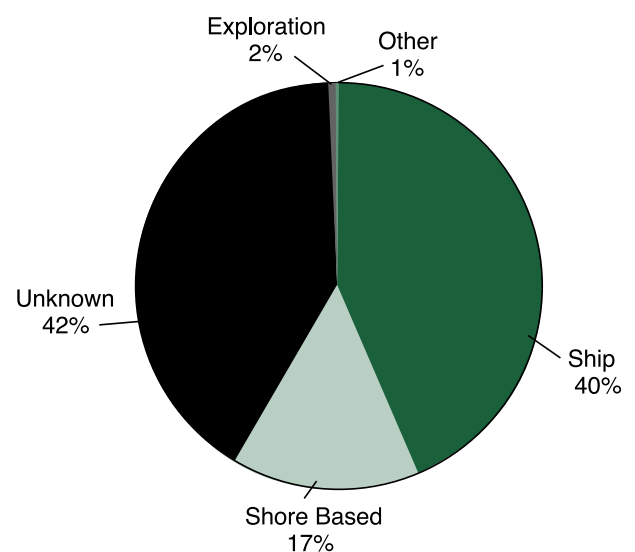


Figure 1 - Reported Oil Spills during 2003-2004

# POLLUTION INCIDENTS

## Oil Pollution Sources

Figure 2 indicates the types of vessels from which discharges were reported during 2003-2004. The source of 32 sightings during the period was not identified, although the majority are assumed to be ship-sourced.

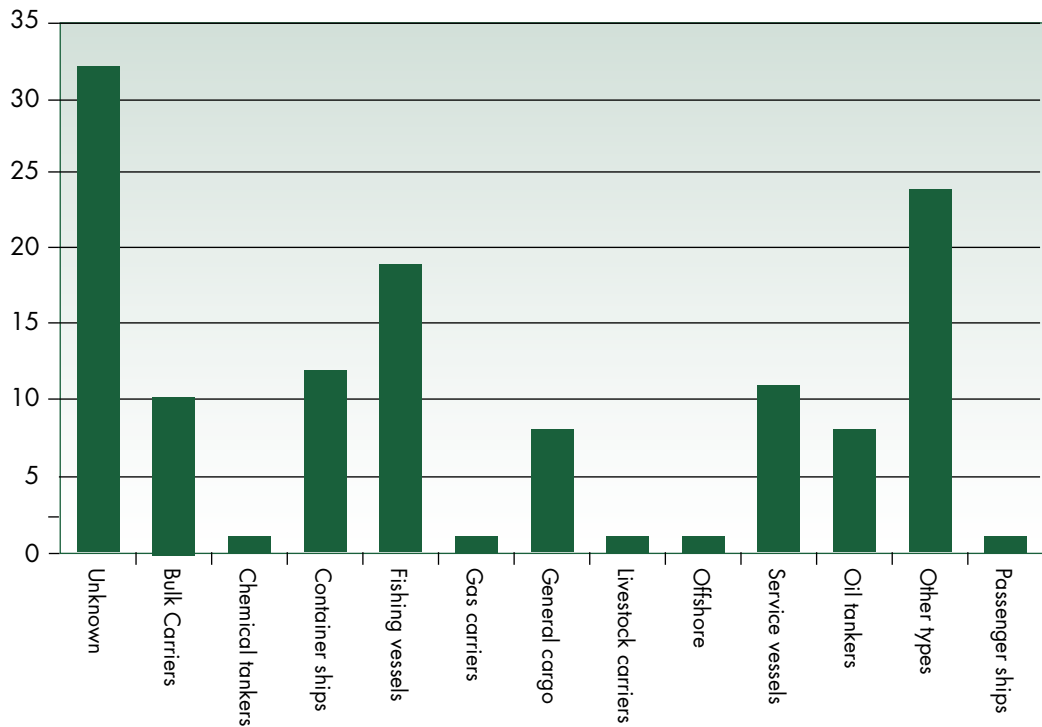
## Chemical Pollution Statistics for 2003-2004

There were eight ship-sourced chemical spills reported during 2003-2004.

## Incidents in Australian Waters 2003-2004

During 2003-2004, there were no major ship-sourced marine pollution incidents in Australian waters. For further details on significant incidents that occurred in the States and Northern Territory see page 9.

Figure 2 - Discharge Sources by Vessel Type



# EQUIPMENT AND TRAINING

## Equipment Procurement

### *Boom Anchor Kits*

Forty 15kg boom anchor kits were purchased for distribution to ports as part of the Tier 1 equipment handover.

### *Storage Tanks*

To further increase the on shore portable storage capacity of the National Plan, five Structurflex 10,000 litre Flexidams were purchased during 2003-2004. The storage tanks have been placed at the following locations:

<b>Location</b>	<b>Quantity</b>
Brisbane, QLD	1
Bowen, QLD	2
Hay Point, QLD	2

### *Boom*

During 2003-2004, 600 metres of general purpose boom was purchased with 300 metres placed at both Bowen and Gladstone in Queensland.

To complement shoreline boom purchased during 2002-2003, the following equipment was purchased during 2003-2004:

<b>Item description</b>	<b>Quantity</b>
Seawater Pumps and Hoses	9
Air Inflators and Hoses	9
Boom Repair Kits	9
Boom tow ends	16

### *Pneumatic Fenders*

AMSA purchased two Pneumatic Fender repair and test kits during 2003-2004. These kits are an integral part of the ongoing maintenance of the pneumatic fenders located in Brisbane.

### *Pumps*

One "Semi Trash" pump was purchased and is located at Skardon River in Queensland.

### *Storage Racking and Stillage*

During the reporting period AMSA's Brisbane Tier 2/3 regional stockpile of National Plan equipment was set up in Pinkenba. To facilitate the correct, safe and easy storage of equipment, storage racking and stillages were purchased.

### *National Plan Equipment Audits*

During the reporting period, AMSA officers carried out audits of National Plan equipment held at:

- Darwin in August, 2003
- Melbourne and Westernport in September, 2003
- Port Adelaide in October, 2003
- Sydney, Newcastle and Port Kembla in November, 2003
- Fremantle, Bunbury and Albany in February, 2004
- Port Hedland, Dampier and Geraldton in April, 2004
- Pinkenba, Gladstone and Port of Brisbane in June 2004

## EQUIPMENT AND TRAINING

### Training

The National Plan training program for 2003-2004 included the AMSA run courses and workshops shown in Table 1.

The Australian Marine Oil Spill Centre (AMOSC) conducted 19 specific workshops for a total of 258 personnel as shown in Table 2. Of these, seven programs for 115 personnel were conducted outside Australia.

Table 1 -  
AMSA training courses

Course	Location	Date	Number of Participants
Marine Pollution Controller	Geelong, VIC	August 2003	15
Equipment Operator	Darwin, NT	August 2003	19
Equipment Operator	Gove, NT	August 2003	16
Oil Spill Management	Hobart, TAS	November 2003	22
Oiled Wildlife Workshop	Brisbane, QLD	February 2004	15
Equipment Familiarisation	Sydney, NSW	Feb/Mar 2004	61
Shoreline Assessment & Evaluation	Sydney, NSW	Feb/Mar 2004	61
Environment & Scientific Coordinator	Hobart, TAS	March 2004	26
Fixed Wing Aircraft Dispersant Loading	Darwin, NT	March 2004	15
Oil Spill Management	Sydney, NSW	June 2004	24
Chemical Spill Response	Gladstone, QLD	June 2004	20

Table 2 -  
AMOSC training courses

Course	Date	Number of Participants
Response	July 2003	17
Shoreline Clean up	August 2003	4
Operators	October 2003	15
Response	November 2003	10
Response	March 2004	6
Operators	May 2004	12
Client specific programs (13)		194

# ENVIRONMENTAL AND SCIENTIFIC ISSUES

## Oil Spill Trajectory Modelling

The tracking of oil spills likely to impact the shoreline is of prime importance in response planning. Computer models are used to simulate and predict the movement of oil. The information provided is used to support response decision making.

The National Plan Oil Spill Trajectory Model (OSTM) was originally launched in 2000 and since then has continued to be updated. During the reporting period the following additional improvements were made:

- High definition coastline vector datasets were added for mainland Australia and off-shore territories.
- Interface of OSTM with Australian Hydrographic Office (AHO) raster based nautical charts.
- Importation of Electronic Navigational Chart (ENC) data from AHO for Queensland.
- Digital bathymetry data has been increased to over five times the size previously available.

Following an audit by AMSA's internal auditors, PricewaterhouseCoopers in 2003, it was recommended that replacement of the hydrodynamic model component of OSTM be considered. A ground truthing exercise in Moreton Bay confirmed the effectiveness of the proposed replacement.

In June 2004 the new software, HYDROMAP, was installed and a number of AMSA personnel have been trained in its operation. The recent improvements in the OSTM system provides the National Plan with a more user friendly and robust system.

## Oil Spill Response Atlas

The Oil Spill Response Atlas (OSRA) provides vital environmental, biological and logistical information to marine spill responders in a useful and effective format to enable a fast and efficient response to oil and chemical spills in the marine environment.

The National Plan allocated \$200,000 for the 2003-2004 financial year, as part of the continuation of

the OSRA program. This funding was allocated to the States/NT to update and maintain existing data. Funding was also distributed to acquire new spatial datasets and imagery.

The Atlas has been used extensively in incidents and exercises since its inception in December 1999 and has proven to be a robust and effective decision support system.

## Research, Development and Technology Program

### *Literature Review of Current Worldwide Trends in Marine Pollution Response*

The international literature review of recent innovations and current research in oil and chemical spill technology was completed in 2003-2004 as part of the National Plan RD&T Program. A copy of the report has been provided to National Plan Operations Group members for information and a reference to the review has been placed on the AMSA website. The Environment Working Group is reviewing the outcomes to determine relevant technologies and systems which could be adopted in Australia.

### *Post Spill Monitoring Guidelines*

During 2003-2004 the Post Spill Monitoring RD&T project was completed. The project produced a Background Paper and a Handbook.

The purpose of the Background Paper is to provide guidance about the nature, justifiable scope, and scale of post spill monitoring programmes. It focuses predominantly on post spill monitoring of oil spills, although the concepts presented are generally applicable to all types of marine spills.

The Background Paper defines and discusses the rationale for classifying post spill monitoring into two general "types": Operational (Type I) and Non-Operational or Scientific (Type II) monitoring.

It directly supports the Oil Spill Monitoring Handbook (AMSA, 2003), which is designed to provide field guidance for the planning and execution of monitoring of oil spills for operational (response) purposes.

## ENVIRONMENTAL AND SCIENTIFIC ISSUES

The Handbook provides guidelines for undertaking monitoring for actual or potential marine spill responses. It focuses on oil spill monitoring; however the guidelines presented are also generally applicable for monitoring marine chemical spills. It is designed for use by personnel who are familiar with the field information needed during a spill response.

### **Oiled Wildlife**

During the reporting period the *Rescue and Rehabilitation of Oiled Fauna Manual* was updated. Copies of the manual were distributed to key oil wildlife response personnel throughout Australia. Funding was provided through the National Plan to update and print the manual.

In February 2004 the 2nd Oiled Wildlife Workshop was held in Brisbane. There were participants from nearly all States and Territories and New Zealand as well as researchers from local universities and representation from the United States. The workshop covered a range of issues including avian and non-avian response, hazing, capture, triage, cleaning, rehabilitation, use of volunteers and personnel management. The feedback from all participants was very favourable and a resource CD-ROM of presentations and material provided at the workshop was produced and distributed to participants.



# ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

## VICTORIA



### Significant Incidents

On 13 July 2003 Marine Safety Victoria (MSV) were notified by AMSA that the crew aboard the container ship *P&O Nedloyd Botany* had identified "warm containers" on board while on route to Melbourne. The container temperatures were monitored at almost 60 deg C, which is above the normal expected temperature for containers.

Initially the contents of the containers were unknown and arrangements were made for the vessel to go to anchorage in a designated area in Port Phillip Bay for hazardous vessels. MSV liaised with the Melbourne Harbour Master, Victorian Channels Authority Harbour Control, Department of Infrastructure Security and Emergency Management, Port of Melbourne Corporation, Country Fire Authority (CFA) and Metropolitan Fire Brigade (MFB) to monitor and control the situation.

Prior to the ship entering Port Phillip Bay, it was advised that the containers held dishwashing powder that should have been refrigerated below 30 deg C. CFA officers boarded the ship with the pilot at Port Phillip Heads and liaised with MFB officers in Melbourne during the passage into berth at Swanson Dock.

The containers were subsequently unloaded under MFB supervision and placed on the dock to cool down. No further action was required.

In February 2004 the container ship *Maersk Toba* accidentally spilled about 400 litres of bunker into the waters of Swanson Dock at the Port of Melbourne. The spill occurred when the vessel's trim altered during off-loading operations. Fuel from one of the ship's service tanks escaped through a broken overflow pipe. Quick action by the stevedore alerted Harbour Control to the incident and a response crew from Oil Response Company of Australia (ORCA) was quickly deployed to the scene. Containment, recovery and clean up of the spill were effected over three days.

### New or Updated Contingency Plans

The review and rewrite of the Portland, Gippsland, Port Phillip and Western Port Regional Marine

Pollution Response Contingency Plans is expected to be completed during the first half of the 2004-2005 financial year.

### Training

During the period MSV provided 21 courses including Introduction to Oil Spill Response, Equipment Operator, Equipment Operator Refresher, Shoreline Clean up and Shoreline Clean up Refresher. The introduction and refresher courses were delivered in each of Victoria's four marine pollution response regions and the operator courses at ORCA's facility at North Williamstown. Attendance for all courses was high with the Introduction to Oil Spill Response and Shoreline Clean up courses averaging more than 20 attendees per course and the remainder achieving more than 15 students on each course.

Victoria also sponsored a member from the MFB and a member from the CFA to attend AMSA's Chemical Spill Response course held in Gladstone in June 2004.

### Exercises

A discussion exercise in relation to chemical response was conducted in September 2003. There were two scenarios in association with crude benzene. The first scenario involved an incident with a chemical tanker alongside while the second was when the tanker was under way. The participants were broken up into three groups each to deal with scenario one while scenario two was discussed in plenary. A number of valuable lessons were learnt such as information management and crisis decision making.

## NEW SOUTH WALES



### Significant Incidents

The only incident of significance was the *Eurydice* incident.

Sydney Ports Corporation (SPC), as combat agency, worked with other State agencies and AMSA to deal with the tanker *Eurydice* which had reported an oil slick astern of the vessel on Saturday 14 February 2004.



# ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

The *Eurydice* was scheduled to discharge a cargo of light crude oil at the Shell Terminal at Gore Cove. Whilst it was about six nautical miles off the coast it reported having oil sheen trailing behind the vessel. SPC requested the vessel to stay at least 15 nautical miles off the coast while the matter was investigated.

Divers inspected the bottom plating of the vessel the next morning and found a 15 cm hairline crack. An aerial surveillance flight on Sunday confirmed the presence of an oil sheen on the starboard side and astern of the vessel.

On Sunday afternoon personnel from SPC, NSW Waterways Authority, AMSA, the vessel's representatives and P&I insurers met to assess the situation and develop appropriate response plans. The ship was requested to pump sea water into the leaking tank, to act as a water seal, and spend time manoeuvring in order to flush out any traces of oil that may have been trapped under the vessel.

For most of the week, sea conditions were unsuitable for divers to re-inspect and photograph the crack. However, conditions were calm enough on 19 February for divers to confirm that the oil had stopped leaking. They were also able to apply a temporary patch and magnetic seal over the crack. The surveillance flight also confirmed there was no oil on the water surface.

While plans were being developed to bring the vessel into either Sydney Harbour or Botany Bay, SPC negotiated suitable insurance indemnities, for contingency purposes.

By early Friday morning, 20 February, all conditions had been met for the vessel's entry into Sydney Harbour. It proceeded to the Gore Cove berth, escorted by four tugs, two Water Police boats and the SPC's emergency response tug. It discharged its cargo and departed on Monday 23 February.



*Eurydice*

## *Far South Coast*

On 11 December 2003, oil was reported approximately five nautical miles off Disaster Bay by a fisherman. Over the next few days, small globules of what appeared to be heavy fuel oil were located along the coastline between the Victorian border and Tathra in NSW. Two oiled penguins were captured and cleaned and there was a report of another five slightly oiled penguins being observed but not captured.

## **New or Updated Contingency Plans**

Port contingency plans were updated as follows:

Sydney	July 2003
Yamba	August 2003
New South Wales Plan	October 2003
Eden	December 2003
Newcastle	February 2004
Port Kembla	April 2004

The NSW Guidelines to Assess a Request for a Place of Refuge were reviewed in June 2004.

## **Local Training**

A Marine Oil and Chemical Spill Response course was presented by Newcastle Port Corporation on 18 to 20 May 2004. It was attended by representatives of Federal and State agencies, local port facilities and the Corporation. A training exercise combining desk top and field responses was undertaken in conjunction with the course.

Sydney Ports Corporation (SPC) provided training for their staff on equipment familiarisation, shoreline assessment and oil spill investigation procedures.

## **Exercises**

On 4 December 2003, the NSW National Plan Technical Working Group held a chemical spill tabletop exercise. The scenario was based on a sulphuric acid and benzene spill from a vessel approaching the bulk liquids berth in Botany Bay. Representatives from AMSA and ten key NSW agencies attended the exercise. AMSA assisted in preparation and facilitated the exercise for NSW.

During this period, SPC held equipment deployment exercises at the Bulk Liquids Berth in August 2003, the Shell Gore Cove oil terminal in December 2003 and the Caltex Kurnell oil refinery in April 2004.

## ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

On 9 and 10 December 2003 Port Kembla Port Corporation and the Royal Australian Navy held an oil spill exercise at HMAS Creswell base at Jervis Bay. The main aim was to test the Navy's Jervis Bay Oil Spill Response Plan. Twenty six personnel from 11 State and Federal agencies participated with the Navy in the exercise, responding to a hypothetical spill of about 100 tonnes of heavy fuel oil from a trading vessel.

The Port of Yamba held its annual equipment deployment exercise at Goodwood Island Wharf on 1 December 2003 and the Port of Eden's deployment exercise was held on 12 February 2004.

### Equipment Acquisition

SPC purchased 500 metres of GP 500, 300 metres of GP 750 and 300 metres of Vikoma Hi Sprint boom. SPC also purchased a 13 tonne capacity Heila Marine Crane for deployment of marine and emergency response equipment and chemical spill suits for their four Fire Fighting Support Vessels.

### Oil Spill Response Atlas

In accordance with the Data Preservation Plan, the NSW Oil Spill Response Atlas (OSRA) underwent its annual upgrade which included:

- the continuation of mapping the intertidal and subtidal habitats;
- updating of navigation aids;
- updating of boat mooring areas;
- new Shoreline type theme for Botany Bay;
- enhancement of the oblique aerial photo theme with the inclusion of additional photos of estuary mouths; and
- replacing the black and white satellite imagery with colour imagery of the coastline and estuaries.

## SOUTH AUSTRALIA



### Significant Incidents

A 300 tonne displacement tug the *New Endeavour*, that had been converted into a sailing vessel (unsurveyed and uninsured) mysteriously keeled over and sank on 13 February 2004 in No 1 dock basin Port Adelaide. The vessel began leaking oil and Transport SA staff responded and successfully cleaned up the area. In spite of plugging the

breather pipes there was still a small quantity of oil leaking. Due to legal problems with the owner the vessel has still not been salvaged but is expected to be refloated early in 2005.

### New or Updated Contingency Plans

South Australia's Contingency Plan has been reviewed and is now ready for an audit with AMSA. The State Chemical Contingency Plan will be included in the same document.

### Training

Due to a major restructure in Transport SA and shortage of human resources, the planned training program schedule could not be completed. One Advanced Operators course was held in Adelaide with 17 persons attending.

### Exercises

A chemical desktop exercise was held with representation from all government agencies. AMSA staff were invited as observers and advisors. Several issues were raised and they are gradually being addressed with the assistance of South Australian Metropolitan Fire Service (SAMFS). Mr Zenon Splawinski, an SAMFS officer, has been appointed Chairperson of NPOG's Chemical Working Group.

Another desktop scenario was conducted on Places of Refuge. It was an exercise conducted to ensure responsibilities of various government agencies in such an emergency. It is planned to conduct a practical exercise in the beginning of 2005.

### Equipment Acquisition

No major equipment was purchased during the reporting period. A Memorandum of Understanding is being drafted between Transport SA and AMSA for the storage and maintenance of Tier 2/3 equipment.

## TASMANIA



### Significant Incidents

On 1 December 2004 the barge *Kulanda* collided with the fishing vessel *Petuna Endeavour* whilst manoeuvring at the wharf at Strahan on Tasmania's west coast.

## ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

Approximately 3500 litres of diesel fuel was spilled from the *Petuna Endeavour*. No National Plan equipment was required to be used in the response to this incident.



*Petuna Endeavour*

### Legislation

A Bill to give effect to the following amendments to the Tasmanian MARPOL legislation, the *Pollution of Waters by Oil and Noxious Substances Act 1987*, has been drafted and is currently awaiting consideration by the Tasmanian Parliament:

- Addition of several new regulations to give effect to Annex IV of MARPOL relating to discharge of sewage from ships;
- Broadening the definition of “approved interpreter” for the purposes of investigating possible offences;
- Providing for more rapid intervention by authorities in major incidents where there is grave or imminent pollution danger;
- Providing the Director of Environmental Management, who is also the Chairperson of the statutory State Marine Pollution Committee, with authority to decide whether the Committee requires a wider representation to respond to a particular incident; Providing that it is not necessary for the Director of Environmental Management to convene a meeting of the State Marine Pollution Committee to respond to an oil spill of less than 10 tonnes where there is no serious threat or danger.

### New Or Updated Contingency Plans

The Tasmanian Oil Spill Wildlife Response Plan is currently being reviewed.

### Port Deeds

Deeds have been signed with the Devonport and Launceston Port Companies which formally define, *inter alia*, the respective roles of those Companies and the State Government in relation to ship-sourced pollution response.

## QUEENSLAND



### Significant Incidents

In the twelve months to 30 June 2004, Maritime Safety Queensland (MSQ) received reports of 82 pollution incidents. Most reported incidents occurred within port limits (67%) or in adjacent coastal waters (32%). Only one incident was reported outside of Queensland coastal waters but within MSQ’s area of operations as Combat Agency under the National Plan.

The most significant incident to occur during the year involved the 42 metre hopper dredge *Karma* which ran aground approximately 10 kilometres south of Agnes Waters on 14 November 2003.

The *Karma* was carrying over 6,000 litres of pollutants and presented a significant threat to the local marine environment. The threat was averted when an oil spill response team from MSQ’s Gladstone region removed all pollutants from the ship. The ship was removed from the beach by salvage contractors on 24 December 2003.



*Karma*

# ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

## Prosecutions

There were four successful prosecutions under the *Transport Operations (Marine Pollution) Act 1995* ("TOMPA") and associated regulations in 2003-2004. Fines ranged from \$1,000 to \$32,000 and highlights included:

- The first successful prosecution against a chief engineer on board a ship under TOMPA. TOMPA was amended in November 2001 to include liability for a crewmember of a ship, as well as the existing liability of the owner and master of the ship. The liability only attaches when the crewmember is considered to have contributed to the oil spill occurring. The amendment is intended to capture a situation where the master has no knowledge of the circumstances giving rise to spill, but the crewmember does. The chief engineer of the ship *Warden Point* was convicted and fined \$1,000, plus \$1,500 in costs, for his role in contributing to a spill of fuel oil in Gladstone Harbour on 17 April 2002.
- A prosecution was conducted against an international oil company when one of its ships, the *Sericata*, spilled a small quantity of crude oil into the Brisbane River on 30 June 2001. The court considered that the crew ought to have been especially vigilant given that another oil spill had occurred from the same ship in Victoria only weeks before. The owner of the ship was convicted and fined \$32,000, and ordered to pay \$1,191.30 in discharge expenses and \$1,500 in professional costs.
- Two prosecutions were conducted against commercial fishing vessels. Both cases involved relatively small quantities of diesel fuel being spilled. Both spills arose out of carelessness, and the fines ranged from \$1,000 to \$5,000.

These prosecutions reflect MSQ's commitment to ongoing protection of the State's marine and coastal environment.

## New or Updated Contingency Plans

MSQ worked closely with various port authorities and state and local government agencies to develop new first-strike oil spill response plans for the ports of Maryborough, Mackay, Townsville, Cooktown and Quintell Beach and the pilotage

area of Port Douglas. The new planning approach adopted by MSQ will eventually see all port specific oil spill contingency plans become succinct appendices to the Queensland Coastal Contingency Action Plan.

## Training

The most significant development in training provided by MSQ was the introduction of competency based training for first-strike response personnel. In addition to meeting National Plan standards, the Oil Spill Responder Level 3 course now being offered by MSQ fits within the Australian Quality Training Framework and provides more certainty as to the skill and competency of course participants. A summary of all oil spill response training delivered by MSQ is shown below.

Course	Locations	Trainees
Introduction to Oil Spill Response	Brisbane x 3, Bundaberg, Mackay, Cairns, Townsville, Karumba, Skardon River, Gold Coast	195
Oil Spill Responder Level 3	Brisbane x 3, Bundaberg, Mackay, Cairns, Townsville, Karumba, Skardon River, Gold Coast and Thursday Island	139
Oil Spill Response - Train the Trainer Workshop		13
Total Trained		347

## Exercises

MSQ conducted a number of small desktop and field exercises to test oil spill contingency planning arrangements in the ports of Brisbane, Bundaberg, Mackay, Cairns, Townsville, Karumba, Skardon River, and Thursday Island and on the Gold Coast. These exercises, which were associated with the delivery of oil spill response training, enabled response personnel to familiarise themselves with the planning and operational aspects of oil spill response in their local port environment.

MSQ and the Port of Brisbane also jointly conducted a large multi-agency oil and chemical spill discussion exercise in Brisbane in November 2003.



# ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

## Equipment Acquisition

No significant items of oil spill response equipment were purchased by MSQ.

## Administrative Changes In State Response Arrangements

A key element of MSQ's marine pollution prevention and response program for 2003-2004 was the endorsement of Oil Pollution First-Strike Response Deeds between MSQ and Queensland port authorities for 16 of the State's 19 trading, non-trading and community ports.

Under the terms of the deeds, MSQ is responsible for oil spill contingency planning in ports, for delivering competency based training to port authority personnel and for the overall management of ship-sourced oil spills in all coastal waters. Queensland port authorities have agreed to provide trained personnel for adequate first-strike response and to own, store, maintain and replace first-strike response equipment for use within ports.

## WESTERN AUSTRALIA



## Significant Incidents

A 39 metre, 500 tonne fishing vessel, *Atlantic Seal* broke its anchor chain in May 2003 and ran aground on a beach at Rockingham. The vessel was carrying approximately 14 tonnes of fuel and six tonnes of oily bilge water.



*Atlantic Seal*

There were a number of sensitive resources in close proximity to the vessel's location. Plans were developed and equipment was deployed to mitigate these risks. The Marine Environment Protection Unit of the Department for Planning and Infrastructure carried out the salvage and removal of the vessel. There was no loss of pollutants to the surrounding environment.

## New or Updated Contingency Plans

A State level Marine Transport Emergency Management Plan has been instituted by the Marine Environment Protection Unit. It aims to coordinate the response to multi agency maritime emergencies that involve the activation of a number of emergency management plans. Such an emergency might concurrently involve a request for a place of refuge, personnel rescue, oil and hazardous chemical pollution, fire aboard, port security issues and other agencies.

## Training

WA has adopted Maritime Safety Queensland's competency based training standards and has delivered the Level 1 Introduction to Oil Pollution Course to 289 students in 17 locations around the State. The Level 3 Advanced Equipment Operator Course will be provided in 2004-2005.

The State Response Team was exercised in equipment deployment on 11 occasions.

## Exercises

The annual Dampier Port Authority marine pollution response exercise, "Pilbara Peril" was conducted in late July 2003. This included a desktop chemical and oil spill and a marine search and rescue exercise involving a number of agencies as well as a practical equipment deployment. The State Oil Pollution Response Team was involved in this exercise along with the Department's Marine Environment Protection Unit.

A combined tabletop tactical and equipment deployment exercise (Rusty Tanker) was conducted in Bunbury in July and is the forerunner of a plan to conduct two such exercises each year.

# ACTIVITIES IN STATES AND THE NORTHERN TERRITORY

## Equipment Acquisitions

The Department for Planning and Infrastructure has designed and purchased 120 metres of a lightweight inshore boom manufactured in Perth. The boom has recently been deployed in the Fremantle fishing boat harbour. The Department has also purchased and modified a 5.5 metre aluminium boat for oil spill response and has modified a 6 metre response trailer to contain first strike pollution response gear. Personnel protective equipment for the State Response Team was also purchased during the reporting period.



## Administrative Changes in Western Australia

The Marine Environment Protection (MEP) Branch is part of the Marine Safety Directorate of the Department for Planning and Infrastructure. An additional position has been created and the Branch now holds a Manager, an Environmental Officer, a Training Officer and an Equipment Officer. Provision has also been made to recruit a recent science graduate for one year to assist the Environmental Officer to complete projects.

Under a forthcoming re-structure the MEP Branch will consist of a Co-ordinator, two Environmental Officers and a Training and Response Officer. There will be a new Manager Safety and Environment covering a number of marine safety areas in addition to environment protection.

## NORTHERN TERRITORY



## Significant Incidents

There were no significant oil spills in NT waters over the 2003-2004 reporting period.

## Training

A total of 92 persons attended marine pollution response training in Darwin and Groote Eylandt over the reporting period:

- 39 persons attended equipment operator training;
- 16 persons attended pollutant sampling training;
- 21 persons attended authorised officer training; and
- 16 persons attended fixed wing aerial dispersant training.

## Exercises

The NT carried out a Chemplan Desktop Exercise. The representatives of the Department of Infrastructure, Planning and Environment, NT Fire and Rescue Service, Navy, port operators, oil companies and Perkins Shipping attended the exercise.

## Equipment Acquisition

The Northern Territory acquired no additional equipment in 2003-2004.

## New or Updated Contingency Plans

The NT Committee approved the development of an Action Plan for the NT Oil Spill Contingency Plan. Contact lists of NT contingency plans have been updated.

# FINANCIAL STATEMENTS



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## **Independent review report to the board members of the Australian Maritime Safety Authority on the National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substances**

### **Statement**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the attached financial report of the National Plan to Combat Pollution of the Sea by Oil and Other Noxious and Hazardous Substances (“the National Plan”), is not presented fairly in accordance with the accounting policies described in Note 1 to the financial statements.

This statement must be read in conjunction with the rest of our review report.

### **Scope and summary of our role**

#### **The financial report – directors and management’s responsibility and content**

The financial report, being a special purpose report, comprises the statement of financial position, statement of financial performance, statement of cash flows and accompanying notes to the financial statements.

The preparation of the financial report for the year ended 30 June 2004 is the responsibility of the directors and management of the Australian Maritime Safety Authority (“the Authority”). This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for accounting policies and accounting estimates inherent in the financial report.

#### **Review approach**

We conducted an independent review of the financial report in order for the Authority to distribute the financial report to members of the National Plan Advisory Committee. Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements. Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

This review was performed in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report does not present fairly a view in accordance with the accounting policies described in Note 1 to the financial statements. The review procedures performed were limited primarily to:

- inquiries of the Authority’s personnel of certain internal controls, transactions and individual items
- analytical procedures applied to financial data.

# FINANCIAL STATEMENTS



These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than that given in an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.

While we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls

## **Independence**

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements.

In addition to our review work, we were engaged to undertake other services for the Authority. In our opinion the provision of these services has not impaired our independence.

A handwritten signature in black ink, appearing to read 'Hugh Somerville', written over the printed name.

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'Hugh Somerville', written over the printed name.

Hugh Somerville  
Partner

Canberra  
20 October 2004



# FINANCIAL STATEMENTS

## AUSTRALIAN MARITIME SAFETY AUTHORITY NATIONAL PLAN STATEMENT OF FINANCIAL PERFORMANCE for the year ended 30 June 2004

	Notes	2004 \$	2003 \$
<b>Revenue</b>			
Protection of the sea levy		4,313,167	3,887,572
Equipment hire		202,115	145,773
Incident recovery	3	30,183	62,898
Interest		102,026	107,960
Profit on sale of assets		-	-
Other revenue		33,374	8,568
<b>Total Revenue</b>	4	<b>4,680,865</b>	<b>4,212,771</b>
<b>Expenses</b>			
Staff costs	5	758,601	712,534
Travel and transport		225,454	211,693
Materials and services	6	1,024,512	1,053,169
Communications expenses		34,953	44,060
Occupancy costs	7	186,361	128,370
Administrative expenses		99,914	108,853
Overheads	8	551,352	714,056
Depreciation and amortisation		885,573	1,418,001
Incident costs	3	3,039	134,420
Loss on sale of assets		426,479	3,988
Write down of assets		-	-
<b>Total Expenses</b>		<b>4,196,238</b>	<b>4,529,144</b>
<b>Operating surplus/(deficit)</b>		<b>484,627</b>	<b>(316,373)</b>
Accumulated surpluses at start of financial year		(9,634)	327,037
Asset transfers	19	22,206	(26,713)
Aggregate of amounts transferred from reserves	19	30,173	6,415
<b>Accumulated surpluses/(deficit) at end of financial year</b>	19	<b>527,372</b>	<b>(9,634)</b>

The above statement of Financial Performance should be read in conjunction with the notes to the financial statements set out in the following pages.

# FINANCIAL STATEMENTS

## AUSTRALIAN MARITIME SAFETY AUTHORITY NATIONAL PLAN STATEMENT OF FINANCIAL POSITION as at 30 June 2004

	Notes	2004 \$	2003 \$
<b>Current Assets</b>			
Cash	9	3,604,803	2,303,137
Receivables	10	186,963	193,054
Inventories	11	-	-
Other	12	99,752	9,664
<b>Total Current Assets</b>		<b>3,891,518</b>	<b>2,505,855</b>
<b>Non Current Assets</b>			
Property, plant and equipment	13	4,891,864	5,966,310
Intangibles	14	69,179	128,926
<b>Total Non Current Assets</b>		<b>4,961,043</b>	<b>6,095,236</b>
<b>Total Assets</b>		<b>8,852,561</b>	<b>8,601,091</b>
<b>Current Liabilities</b>			
Creditors	15	501,746	602,443
Employee Entitlements	16	876	26,243
<b>Total Current Liabilities</b>		<b>502,622</b>	<b>628,686</b>
<b>Non Current Liabilities</b>			
Employee Entitlements	16	196,948	169,443
<b>Total Non Current Liabilities</b>		<b>196,948</b>	<b>169,443</b>
<b>Total Liabilities</b>		<b>699,570</b>	<b>798,129</b>
<b>Net Assets</b>		<b>8,152,991</b>	<b>7,802,962</b>
<b>Equity</b>			
Accumulated surpluses/(deficit)	19	527,372	(9,634)
Reserves	19	7,625,619	7,812,596
<b>Total Equity</b>		<b>8,152,991</b>	<b>7,802,962</b>

The above statement of Financial Position should be read in conjunction with the notes to the financial statements set out in the following pages.

# FINANCIAL STATEMENTS

## AUSTRALIAN MARITIME SAFETY AUTHORITY NATIONAL PLAN STATEMENT OF CASH FLOWS for the year ended 30 June 2004

	Note	2004 \$	2003 \$
<b>OPERATING ACTIVITIES</b>			
<b>Cash received</b>			
Levies, fees and charges received		4,503,404	4,048,862
Interest received		102,026	107,960
Incident costs re-imbursed		30,183	62,898
GST recovered from taxation authority		221,377	210,711
<b>Total cash received</b>		<u>4,856,989</u>	<u>4,430,431</u>
<b>Cash used</b>			
Cash paid to employees and suppliers		(3,211,621)	(2,968,939)
<b>Total cash used</b>		<u>(3,211,621)</u>	<u>(2,968,939)</u>
<b>Net cash from operating activities</b>	17	<u><u>1,645,368</u></u>	<u><u>1,461,492</u></u>
<b>INVESTING ACTIVITIES</b>			
<b>Cash received</b>			
Proceeds from disposal of equipment		-	-
<b>Total cash received</b>		-	-
<b>Cash used</b>			
Payments for property, plant and equipment		(343,702)	(933,545)
<b>Total cash used</b>		<u>(343,702)</u>	<u>(933,545)</u>
<b>Net cash used by investing activities</b>		<u><u>(343,702)</u></u>	<u><u>(933,545)</u></u>
<b>Net increase (decrease) in cash held</b>		1,301,666	527,947
Cash at the beginning of the reporting period		2,303,137	1,775,190
<b>Cash at the end of the reporting period</b>		<u><u>3,604,803</u></u>	<u><u>2,303,137</u></u>
Cash as per Statement of Financial Position		3,604,803	2,303,137

The above statement of Cash Flows should be read in conjunction with the notes to the financial statements set out in the following pages.

# FINANCIAL STATEMENTS

## AUSTRALIAN MARITIME SAFETY AUTHORITY NATIONAL PLAN NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2004

### Note 1 Statement of Significant Accounting Policies

#### 1.1 Basis of Accounting

The financial report is a special purpose financial report which has been prepared on a full accrual accounting basis, in accordance with Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board. Except for certain assets which, as noted, are at valuation, the financial statements are prepared in accordance with the historical cost convention. Unless otherwise stated the accounting policies adopted are consistent with those of the previous year

The financial statements have been extracted from the books and records of the Australian Maritime Safety Authority, and they represent the Authority's income and expenditure, and assets and liabilities in managing the National Plan. They do not include the income, expenses, assets or liabilities of third parties involved in National Plan activities.

#### 1.2 Revenue

All material revenues described in this note are revenues relating to the core operating activities of the National Plan.

The major appropriation revenue for the National Plan relates to maritime infrastructure charges and includes levies received by the Commonwealth under the *Protection of the Sea (Shipping Levy) Act 1981* and through the recovery of pollution incident costs from offending parties.

Revenues are recognised to the extent they have been received by the National Plan or are entitled to be received by the National Plan at year end.

#### 1.3 Property, plant and equipment

Property plant and equipment are stated at carrying amounts not exceeding their recoverable values. In assessing recoverable amounts, the relevant cashflows have not been discounted to their present values.

##### *Depreciation*

Depreciation is calculated on a straight line basis to write off the net cost or re-valued amount of each item of Property, Plant and Equipment (excluding land and investments properties) over its expected useful life. Estimates of remaining useful lives are made on a regular basis for all assets, with annual reassessments for major items. The expected useful lives are as follows:

	2004	2003
Furniture and fittings	4 – 10 years	4 – 10 years
Plant and equipment	3 – 30 years	3 – 30 years
Office and computer equipment	3 – 16 years	3 – 16 years
Vessels and amphibians	10 - 20 years	10 - 20 years
Vehicles	6 - 12 years	6 - 12 years

Where items of plant and equipment have separately identifiable components which are subject to regular replacement those components are assigned useful lives distinct from the item of plant and equipment to which they relate

# FINANCIAL STATEMENTS

## *Acquisition of Assets*

All acquisitions of assets are accounted for at cost. Cost is determined as the fair value of the assets at date of acquisition plus costs incidental to the acquisition.

## *Valuations*

Infrastructure, plant and equipment are carried at valuation. Revaluations undertaken up to 30 June 2003 were done on a deprival basis; revaluations since that date are at fair value. Australian Accounting Standard AASB 1041 Revaluation of Non-Current Assets requires this change in accounting policy.

The financial effect for 2003-04 of this change in policy relates to those assets to be recognised at fair value at 30 June 2004. The financial effect of the change is given by the difference between the carrying amount at 30 June 2003 of these assets and their fair values as at 1 July 2003. The financial effect by class is as follows:

Asset Class	Adjustment	Contra Account
Land	0	Asset Revaluation Reserve
Buildings	\$(303)	Asset Revaluation Reserve
Vessels	\$(156,501)	Asset Revaluation Reserve
Aids to Navigation	0	Asset Revaluation Reserve

Total financial effect was to a net debit to the asset revaluation reserve of \$156,804.18

Accounting Standard AAS 6 *Accounting Policies* requires, where practicable, presentation of the information that would have been disclosed in the 2002-03 Statements had the new accounting policy always been applied. It is impracticable to present this information.

Vessels and amphibian assets were revalued in the 2000-2001 financial year. Plant and equipment, office and computer equipment, furniture and fittings and vehicles were revalued in the 2002-2003 financial year.

Assets in each class acquired after the commencement of a progressive revaluation cycle are not captured by the progressive revaluation then in progress.

## *Conduct*

All valuations are conducted by an independent qualified valuer.

## *Disposal of revalued assets*

The gain or loss on disposal of revalued assets is calculated as the difference between the carrying amount of the asset at the time of disposal and the proceeds on disposal and is included in the results in the year of disposal.

Any related revaluation increment standing in the asset revaluation reserve at the time of disposal is transferred back to accumulated results.

# FINANCIAL STATEMENTS

## **1.4 Intangibles**

The carrying amount of each non-current intangible asset is reviewed to determine whether it is in excess of the asset's recoverable amount. If an excess exists as at the reporting date, the asset is written down to its recoverable amount immediately. In assessing recoverable amounts, the relevant cash flows, including the expected cash inflows from future appropriations by the Parliament, have been discounted to their present value.

No write-down to recoverable amount has been made in 2003-2004.

Intangible assets are amortised on a straight-line basis over their anticipated useful lives, which are between 3 and 15 years.

## **1.5 Inventories**

Inventories are managed stores which are stated at the lower of cost and net realisable value. Inventories are expected to be used within twelve months. The value is adjusted to accommodate a provision for slow moving stock. These items are not held for resale and are valued at weighted average cost.

## **1.6 Liability for Employee Entitlements**

### *Wages and salaries, annual leave and sick leave*

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other creditors in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for sick leave are recognised when the leave is taken and measured at the rates paid or payable.

### *Long service leave*

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

### *Employee benefit on-costs*

Employee benefit on-costs, including superannuation, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities.

# FINANCIAL STATEMENTS

## **1.7 Receivables**

All trade debtors are recognised at the amount receivable as they are due for settlement. All receivables are recognised at the nominal amounts due less any provision for bad and doubtful debts. Credit terms are usually 30 days. (2003: 30 days).

Bad debts are written off during the year in which they are identified. A provision is raised for doubtful debts based on a review of outstanding accounts at year end.

## **1.8 Trade Creditors**

Creditors and accruals represent liabilities for goods and services provided prior to the end of the financial year and which are unpaid. The amounts are unsecured and usually paid within 30 days of recognition.

## **1.9 Reclassification of comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in these financial statements.

## **Note 2 Contingencies**

In the normal course of operations, the Authority is responsible for the provision of funds necessary to meet the clean up costs arising from ship sourced marine pollution, and in all circumstances the Authority is responsible in accordance with the National Plan Inter-Governmental Agreement for making appropriate efforts to recover the costs of any such incidents. In the event that funds are insufficient to meet these costs, funding could be provided on an as needs basis from the Commonwealth.

## **Note 3 Incident Costs and Recoveries**

The decrease in incident recoveries reflects the decrease in the number of significant pollution incidents compared with the previous financial year. The majority of incident costs have been recovered from the parties at fault.

Incident costs recorded in the Statement of Financial Performance do not include the salaries, wages and associated on costs incurred. These are incorporated in the staff costs. However, as these costs are considered to be a cost attributable to incidents, they are included in incident recoveries as appropriate.

# FINANCIAL STATEMENTS

	2004	2003
	\$	\$
<b>Note 4 Revenue</b>		
Rendering of services	4,578,839	4,104,811
Interest	102,026	107,960
	4,680,865	4,212,771
<b>Note 5 Staff costs</b>		
Staff costs also include the proportion AMSA's staff costs attributable to National Plan activities and staff costs associated with pollution incidents. Staff costs attributable to pollution incidents are recovered through incident recoveries.		
In addition to salaries and wages, staff costs includes all associated staff on costs, including superannuation, staff development and fringe benefits tax.		
<b>Note 6 Materials and services</b>		
In the financial year ended 30 June 2004, materials and services expense included an adjustment to the provision made for slow moving dispersant stock. (refer note 11).		
<b>Note 7 Occupancy costs</b>		
Occupancy costs include storage costs of equipment and accommodation costs of National Plan staff.		
<b>Note 8 Overheads</b>		
Overheads are the estimated share of the Authority's corporate and head office costs attributable to National Plan activities. This includes the proportion of actual expenditures for the Board, Executive, Internal Audit and the Corporate Business Unit.		
<b>Note 9 Cash</b>		
Cash	3,604,803	2,303,137
	3,604,803	2,303,137
<b>Note 10 Receivables</b>		
Trade debtors	17,828	81,818
less Provision for doubtful debts	-	-
	17,828	81,818
Other debtors	133,051	23,808
GST receivable	36,084	87,428
	186,963	193,054
<b>Note 11 Inventory</b>		
Oil dispersant stocks	107,953	898,902
Provision slow moving stock	(107,953)	(898,902)
	-	-
<b>Note 12 Other</b>		
Prepayments	99,752	9,664
	99,752	9,664



# FINANCIAL STATEMENTS

	2004	2003
	\$	\$
<b>Note 13 Property, plant and equipment</b>		
<b><i>Plant and equipment:</i></b>		
- independent valuation 2000	1,100,348	2,534,891
Accumulated depreciation	<u>(411,937)</u>	<u>(1,545,543)</u>
	688,411	989,348
- independent valuation 2003	6,979,738	7,411,230
Accumulated depreciation	<u>(4,197,961)</u>	<u>(4,010,068)</u>
	2,781,777	3,401,162
- cost	794,305	1,935,244
Accumulated depreciation	<u>(296,556)</u>	<u>(1,487,904)</u>
	497,749	447,340
<b>Total plant and equipment</b>	<b><u>3,967,937</u></b>	<b><u>4,837,850</u></b>
<b><i>Office and computer equipment:</i></b>		
- independent valuation 2000	15,213	15,213
Accumulated depreciation	<u>(15,213)</u>	<u>(15,213)</u>
	-	-
- independent valuation 2003	90,363	88,437
Accumulated depreciation	<u>(81,326)</u>	<u>(72,352)</u>
	9,037	16,085
- cost	22,067	-
Accumulated depreciation	<u>(7,356)</u>	<u>-</u>
	14,711	-
<b>Total office and computer equipment</b>	<b><u>23,748</u></b>	<b><u>16,085</u></b>
<b><i>Furniture and fittings:</i></b>		
- independent valuation 2000	-	-
Accumulated depreciation	<u>-</u>	<u>-</u>
	-	-
- independent valuation 2003	79,540	54,850
Accumulated depreciation	<u>(45,587)</u>	<u>(28,761)</u>
	33,953	26,089
- cost	-	-
Accumulated depreciation	<u>-</u>	<u>-</u>
	-	-
<b>Total furniture and fittings</b>	<b><u>33,953</u></b>	<b><u>26,089</u></b>
<b><i>Vehicles:</i></b>		
- independent valuation 2003	396,800	396,800
Accumulated depreciation	<u>(392,303)</u>	<u>(332,015)</u>
	4,497	64,785
- cost	-	-
Accumulated depreciation	<u>-</u>	<u>-</u>
	-	-
<b>Total vehicles</b>	<b><u>4,497</u></b>	<b><u>64,785</u></b>
<b><i>Vessels and amphibians:</i></b>		
- independent valuation 2004	4,805,000	1,459,488
Accumulated depreciation	<u>(3,980,592)</u>	<u>(437,987)</u>
	824,408	1,021,501
- cost	-	-
Accumulated depreciation	<u>-</u>	<u>-</u>
	-	-
<b>Total vessels and amphibians</b>	<b><u>824,408</u></b>	<b><u>1,021,501</u></b>
<b>Capital works in progress</b>	<b>37,321</b>	<b>-</b>
<b>Total property, plant and equipment</b>	<b><u>4,891,864</u></b>	<b><u>5,966,310</u></b>

# FINANCIAL STATEMENTS

	2004	2003
	\$	\$
<b>Note 14 Intangibles</b>		
Computer software	355,855	343,615
Accumulated amortisation	<u>(286,676)</u>	<u>(214,689)</u>
	<u>69,179</u>	<u>128,926</u>
<b>Note 15 Creditors</b>		
Trade creditors	365,481	287,197
Salaries and wages	51,973	64,076
Annual leave	84,292	84,852
Other creditors	0	166,318
	<u>501,746</u>	<u>602,443</u>
<b>Note 16 Employee Entitlements</b>		
<i>Current</i>		
Long service leave	876	26,243
	<u>875</u>	<u>26,243</u>
<i>Non Current</i>		
Long service leave	196,948	169,443
	<u>196,948</u>	<u>169,443</u>
<b>Note 17 Reconciliation of operating surplus/(deficit) to net cashflows from operating activities</b>		
Operating surplus/(deficit)	484,627	(316,373)
Depreciation	885,573	1,418,001
Asset write downs	-	-
Loss on disposal of non-current assets	426,479	3,988
Profit on disposal of non-current assets	-	-
GST Recovered on payments for non-current assets	31,246	84,868
<i>Changes in assets and liabilities:</i>		
(Increase)decrease in trade debtors	6,092	(9,523)
(Increase)decrease in inventories	-	-
(Increase)decrease in prepayments	(90,088)	813
(Decrease)increase in trade creditors and other creditors	(88,034)	266,634
(Decrease)increase in employee liabilities	(10,525)	13,084
<b>Net cash flows from operating activities</b>	<u>1,645,369</u>	<u>1,461,492</u>
<b>Balance per cash flow statement</b>	<b>1,645,368</b>	<b>1,461,492</b>

# FINANCIAL STATEMENTS

	2004	2003
	\$	\$

**Note 18 Commitments for Expenditure**

**Operating Leases**

Commitments for the acquisition of plant and equipment contracted for at the reporting date but not recognised as liabilities, payable:

Within one year	8,527	206,708
Later than one year but not later than five years	-	-
<b>Total Operating Lease commitments</b>	<b>8,527</b>	<b>206,708</b>

**Capital Commitments**

Commitments for minimum lease payment in relation to non-cancelable operating leases are payable as follows:

Within one year	108,466	63,663
Later than one year but not later than five years	196,227	138,049
<b>Total Capital commitments</b>	<b>304,693</b>	<b>201,712</b>

**Other Commitments**

Commitments for expenditure in relation to purchase orders that have been made and are payable as follows:

Within one year	913	1,940
<b>Total Other commitments</b>	<b>913</b>	<b>1,940</b>

# FINANCIAL STATEMENTS

## Note 19 Equity

Item	Accumulated surpluses \$'000	Asset revaluation reserve \$'000	Total reserves \$'000	TOTAL EQUITY \$'000
Balance 1 July 2003	(9,634)	7,812,596	7,812,596	7,802,962
Surplus/(deficit)	484,627	-	-	484,627
Asset transfers	22,206	-	-	22,206
Net revaluation increment/(decrement)	-	(156,804)	(156,804)	(156,804)
Transfers to/(from) reserves	30,173	(30,173)	(30,173)	-
<b>Balance 30 June 2004</b>	<b>527,372</b>	<b>7,625,619</b>	<b>7,625,619</b>	<b>8,152,991</b>

### ***Accumulated surpluses***

The accumulated surpluses represent the equity of the National Plan used to fund the working capital costs of the National Plan and to purchase property plant and equipment assets to deliver a response capability. As such, the accumulated surpluses can only be realised as cash upon cessation of the National Plan.

### ***Asset revaluation reserve***

The National Plan property plant and equipment assets were revalued in accordance with Australian Accounting Standard AASB 1041 Revaluation of Non-Current Assets which requires the value of non current assets to be reassessed on a progressive basis.

Revaluations undertaken up to 30 June 2002 were done on a deprival basis; revaluations since that date are at fair value. AASB 1041 requires this change in accounting policy

The asset revaluation reserve represents the net increase in asset values between book values and the revalued amounts upon revaluation and as such cannot be realised as cash until the sale of the assets.

### ***Asset Transfers***

Asset transfers represent the movement of assets between departments of AMSA at their written down value, for no cost.

