

AUSTRALIAN INSTITUTE
OF MARINE SCIENCE



Australian Government



AUSTRALIAN INSTITUTE
OF MARINE SCIENCE

Annual Report

2020-2021

Disclaimer

The research reported herein is based on early analyses of complex datasets and should not be considered definitive in all cases. Institutions or individuals interested in all consequences or applications of the Australian Institute of Marine Science's research are invited to contact the Chief Executive Officer at the Townsville address below.

For additional copies of this report, please phone AIMS on (07) 4753 4444, write to us at the Townsville address or email media@aims.gov.au.

This report, along with a range of other information about AIMS, is available online at www.aims.gov.au.

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The Australian Institute of Marine Science acknowledges the Traditional Owners of the land and sea on which we work. We recognise the unique relationships and enduring cultural and spiritual connection that Aboriginal and Torres Strait Islander people have to land and sea, and pay our respects to Elders past, present and future.

We particularly recognise the Traditional Owners of the land on which our main laboratory and office bases are located: the Bindal and Wulgurukaba peoples in Townsville, the Larrakia people in Darwin, and the Noongar people in Perth. We also recognise and pay our respects to Aboriginal and Torres Strait Islanders who are Traditional Owners of the areas of our marine science operations across tropical northern Australia.

Warning: Aboriginal and Torres Strait Islander persons should be aware that this document might contain images of people who have passed away since publication.



Australian Government



AUSTRALIAN INSTITUTE
OF MARINE SCIENCE

TOWNSVILLE

DARWIN

PERTH

11 October 2021

The Hon. Melissa Price MP
Minister for Science and Technology
Parliament House
CANBERRA ACT 2600

Dear Minister

On behalf of the Council (as the accountable authority of the Australian Institute of Marine Science—AIMS), we have pleasure in presenting our 49th annual report, for the year ended 30 June 2021. The report is forwarded to you in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013*.

This report provides information so that you, the Parliament of Australia, and users of AIMS' research outputs can make an informed judgement about AIMS' performance during the 2020–21 financial year.

This report has been prepared in accordance with the requirements of the *Australian Institute of Marine Science Act 1972* and in accordance with section 46 of the *Public Governance, Performance and Accountability Act 2013*.

On behalf of the AIMS Council, the Chairman approved the content of the *AIMS Annual Report 2020–21* on 10 September 2021.

Yours sincerely

The Hon. Penelope Wensley AC
Chairman
Australian Institute of Marine Science

Dr Paul Hardisty
Chief Executive Officer
Australian Institute of Marine Science

Part 1: Overview

The Year in Review: Report from the Chairman

As Chairman of the Council of the Australian Institute of Marine Science, I am pleased to introduce the annual report of the Institute, reviewing AIMS' activities and achievements for the twelve month period from 1 July 2020 to 30 June 2021.

It was a challenging year for the Institute, with the ongoing COVID-19 pandemic affecting almost all aspects of its operations. Of course, the need to manage Covid-related pressures is not unique to AIMS: all organisations have had to adapt to new ways of working, of assuring the health and safety of staff and to address greater levels of risk and uncertainty.

However, as Australia's national marine science agency, there are aspects of AIMS' operations that are distinctive, that added to the complexity and challenge of maintaining output and productivity through a period of disruption. These include the key tools that enable AIMS scientists and researchers to conduct their research and deliver the high-quality science that is AIMS' hallmark: its two research vessels, its field work and monitoring programs; and its experimental laboratories, notably the globally unique National Sea Simulator (SeaSim). Substantial effort was required to keep these assets and activities going.

AIMS' management and staff can take justifiable pride in this achievement, as they can in the other successes and gains made during the year. Notwithstanding the difficulties caused by COVID, all the high-priority research outcomes in the Institute's 2020-21 portfolio budget statement and Corporate Plan were achieved and significant advances made in a number of key areas.

Full details of these advances and achievements are set out in this Annual report, prefaced by a comprehensive overview by AIMS CEO, Dr Paul Hardisty, describing the value and impact of AIMS' research and the strategies and approaches AIMS is pursuing to increase that impact.

An overarching goal of the organisation is to maintain AIMS' position as one of the world's leading marine science research institutions. This year we ranked as the top research institution globally for marine and freshwater biology. From my association with AIMS over many years-since the early 1990's and as Council Chairman for the past six years, I know that all members of the AIMS community are conscious of the standing AIMS enjoys nationally and internationally and of the importance of securing this for the future. Several developments this year have enhanced our capacity to do this.

The first was the consolidation of AIMS' leadership role as the managing entity of the Reef Restoration and Adaptation Program (RRAP). This cutting-edge research and development program, focused on the Great Barrier Reef, puts AIMS firmly at the forefront of national and international efforts to address the challenges facing coral reefs world-wide.

A second - and related - development was the securing of funding for an expansion of SeaSim - enabling a doubling of its size over the next three years. The Australian Government's decision to bring forward this project, at a time of significant national budgetary pressure, provided welcome recognition of the importance of this unique facility and of the value it is delivering to the nation. The SeaSim expansion will facilitate the RRAP work.

A third area of advancement this year, with implications for AIMS' standing both nationally and internationally, was the development of a new Indigenous Partnerships Policy. AIMS scientists have engaged with traditional owners for many years, but this new policy positions AIMS to lead the way among Australian research institutions in sharing and exchanging knowledge with Traditional Owners.

I compliment and thank everyone in AIMS who contributed to these advances, and to the many other achievements described in this report. The commitment and passion that AIMS scientists and all staff bring to their work is the Institute's greatest strength. I thank especially Dr Hardisty and his senior colleagues for the leadership they have shown through a difficult time and my colleagues on the AIMS Council, who have consistently provided wise and thoughtful guidance to assist the AIMS Management team and ensure that AIMS' governance is of the highest standard.

The Honourable Penelope Wensley AC

The Year in Review: Report from the CEO

The demand for our science has never been greater—and we are delivering.

I'm delighted to present this year's annual report on behalf of AIMS, Australia's national tropical marine research agency.

This year begins the United Nations Decade of Ocean Science for Sustainable Development, and in 2020-21 we delivered more science, at larger scale, and to greater positive impact, than ever before in our history. The demand for the science we do has never been greater.

AIMS' research directly underpins the continued growth of Australia's \$70 billion blue economy, and supports efforts to protect and preserve our oceans for the future. Australia's coral reefs, including the Great Barrier Reef (GBR), continue to face increasing pressure from a range of disturbances, notably climate change. AIMS is leading the way in the global effort to help reefs survive in a changing world. The work we are doing is acknowledged by government, society and industry leaders as being of critical national and global importance.

We are delivering impact

This annual report marks the third year of implementation of AIMS Strategy 2025, and we are starting to gain real traction. We are coming good on the ambitious targets we set ourselves three and a half years ago, delivering solutions for stakeholders and impact for the nation.

We are leading the world in efforts to help protect coral reefs from climate change through the Commonwealth Government funded Reef Restoration and Adaptation Program (RRAP) and other associated projects—a key impact goal in our strategy. Our work on marine ecosystem health, also enshrined in the strategy, is helping to safeguard biodiversity.

Our work is informing policy, and we are attracting new interest and co-funding from a wider range of sources than ever before, including major international philanthropies and industry social investment funds. We are not only creating impact through involvement in major new projects, but we are starting to track, measure and quantify that impact.

A recent independent review of the environmental, social and economic impact that AIMS provides the nation found our research generates up to six times the return for every dollar invested. This impact manifests itself as healthier marine ecosystems, better managed parks and fisheries, safer and more benign offshore industry operations, and more empowered and economically independent Traditional Owners.

Other impact highlights from the year include:

- AIMS data, expertise and research effort underpinned the establishment of marine protected areas on the Great Barrier Reef, which has helped to maintain the sustainability of the coral trout fishery (<https://www.aims.gov.au/our-impact/marine-parks-deliver-bigger-coral-trout-for-fishers>)
- Empirical evidence of the influence of artificial light at sea on turtle hatchling dispersal has informed National Light Pollution Guidelines and assisted in the recovery of marine turtle populations (<https://www.aims.gov.au/our-impact/protecting-marine-turtle-hatchlings-from-nearshore-light-pollution>)
- Quantifying underwater light data for suspended sediments has guided decisions and adaptive management during dredging activities for the Port of Townsville's Channel Upgrade Project (<https://www.aims.gov.au/our-impact/monitoring-light-key-guiding-port-dredging-activities>).

We are delivering world-class science

We are committed to producing outstanding science. AIMS remains one of the top three marine research institutions in the world.

The Reef Restoration and Adaptation Program (RRAP), of which AIMS is the Managing Entity, is the largest project AIMS has ever been involved in and is the single biggest effort ever undertaken to help protect coral reefs from climate change. The program, funded by the Australian Government through the Reef Trust Partnership, is putting us at the forefront of tackling one of the most complex ecological problems on the planet.

In October, AIMS and the Great Barrier Reef Marine Park Authority signed an agreement to extend the Marine Monitoring Program until 2025.

The new Australian Coral Reef Resilience Initiative (ACRRI), a national project spanning reefs east and west, has been jointly funded by BHP and AIMS. ACRRI incorporates the current Keppel Islands Coral Project which aims to increase the survival of young corals, with a new Ningaloo Reef acoustic enrichment component to build ecosystem resilience and help reef recovery.

The iconic Northwest Shoals to Shore project examined effects of marine seismic on commercial fish species and pearl oysters and provided valuable information that will deliver real impact for the Western Australia offshore oil and gas industry, fishing and pearling industries, regulators, and the public. This project culminated with a science symposium in October and is still delivering major findings.

AIMS' Long-Term Monitoring of the Great Barrier Reef is now in its 36th year. A recent regional survey report found reefs off Central Queensland are recovering from the widespread bleaching of the 2020 summer. This shows that, under the right conditions, and given time, Great Barrier Reef corals can recover major disturbances (<https://www.aims.gov.au/news-and-media/southern-reefs-recover-bleaching>).

Other science highlights from the year include:

- AIMS researchers found the world's oldest tropical reef fish, an 81-year-old midnight snapper caught off Rowley Shoals, WA. This provides important understanding about life span and vulnerability in similar harvested species and will help inform the management and conservation of wild fish populations (<https://www.aims.gov.au/news-and-media/octogenarian-snapper-found-wa-becomes-oldest-tropical-reef-fish-two-decades>).
- A paper published in the Proceedings of the National Academy of Sciences of the United States of America (PNAS) detailed the use of the CRISPR-Cas9 technique to make precise, targeted changes to the genome of coral. This work studied the genes that influence heat and bleaching tolerance in corals (<https://www.aims.gov.au/news-and-media/gene-editing-study-finds-gene-heat-tolerance-corals>).
- Researchers have developed a rapid field-based dipstick test that can detect crown-of-thorns starfish (CoTS) on coral reefs at fine scales by measuring their DNA released into the seawater (<https://www.aims.gov.au/news-and-media/stick-em-new-test-can-detect-crown-thorns-starfish-quickly-home-pregnancy-kit>).
- AIMS scientists co-authored an international paper published in *Science* that examined the effects of human-induced noise in the ocean. The paper received significant global attention which contributed to a remarkable Altmetric score of 3240 (<https://www.aims.gov.au/news-and-media/underwater-symphony-how-human-noise-disturbing-oceans-soundtrack>).
- AIMS led a three-week deep-sea expedition at Ashmore Reef Marine Park. The voyage—on board the Schmidt Ocean Institute's RV Falkor—used underwater robotics and imaging technology to capture high-resolution video as they explored Ashmore's mesophotic corals for the first time. The team also discovered a species of sea snake previously thought extinct at Ashmore Reef (<https://www.aims.gov.au/news-and-media/exploring-mysterious-depths-ashmore-reef>).
- A study published in the *ISME Journal* examined the relationship between coral and bacteria which could play a critical role in increasing coral's heat tolerance (<https://www.aims.gov.au/news-and-media/peeling-back-layers-coral-reefs>).
- AIMS scientists led a first-of-its-kind study into the combined impacts of sedimentation and climate change on the early life of corals (<https://www.aims.gov.au/news-and-media/future-look-how-corals-will-cope-under-combined-pressures>).

We are expanding our capabilities

Meeting the growing demand for impactful solutions-oriented marine science, AIMS now has a workbook of new projects that is larger and deeper than at any other time in our history. It is also more aligned to our strategic goals than ever before providing huge opportunities to deliver leading edge science.

In response, we are expanding our research infrastructure, which will increase our capacity to deliver the world-leading science the nation needs.

The National Sea Simulator, already the largest and most advanced facility of its kind, will double in size over the next three years. The timing of the announcement, made by the then Minister for Industry, Science and Technology, The Honourable Karen Andrews, will bring forward vital research including projects for RRAP.

Our technology transformation journey is well underway with the development of our new ReefWorks initiative – a suite of secure marine technology test and evaluation facilities open to industry, government, and academia.

Increasingly, the work we do is also becoming aligned with the needs, wishes and aspirations of Traditional Owners. Our newly approved Indigenous Partnerships Policy and Plan are positioning us to lead the way among Australian research institutions in sharing knowledge with Traditional Owners.

We are keeping our people safe

Top organisations keep their people safe, and our number one priority remains the health, safety and welfare of our staff. This year, AIMS recorded its best ever safety result, meeting our strategic target of year-on-year improvement in safety performance, halving our recordable injury frequency rate compared with the previous year.

To keep our people safe from COVID-19 we adopted responsible, comprehensive measures, including restrictions to workplace access and strict regimes for research vessels. Despite the disruption, we have been able to keep important scientific research functioning, and keep key capabilities operating. While we have been able to ease safety measures based on health advice, we have also shown that when instances of COVID-19 cases do occur, we can return to a heightened level of precautionary restrictions at very short notice.

We are a partner and employer of choice

Also in the last 12 months:

- We established the AIMS@UWA alliance, to further build on joint research and create opportunities for student training with the University of Western Australia (<https://www.aims.gov.au/news-and-media/new-research-alliance-strengthen-australian-tropical-marine-science>).
- AIMS received a SAGE Athena SWAN Bronze Award, in recognition of our journey towards gender equity.
- We rolled-out new institute-wide systems and processes to support our science, ensuring AIMS' work is effective and efficient, provides value for money, and is secure and well managed.

- We awarded the inaugural AIMS medal to Dr Andrew Heyward, in recognition of his sustained excellence, and substantial contribution to AIMS' mission and goals, while exemplifying our values (<https://www.aims.gov.au/news-and-media/new-research-alliance-strengthen-australian-tropical-marine-science>).
- We published the AIMS Index of Marine Industry, a biannual update of the value our marine sector provides to Australia's wealth.

We are earning the public's trust

We are living in an era of increasingly polarised views, where doubt is cast on the validity of scientific enquiry, and conjecture substitutes for evidence. This year has taught us that AIMS is not immune to unsubstantiated criticism. Our first and best defence against detractors is rigorous adherence to our quality management systems.

The AIMS Framework for Responsible Conduct of Research articulates the broad principles that characterise an ambitious, honest, ethical and conscientious research culture. It also establishes the foundation for high-quality research, credibility and community trust. We are fully engaged in the international peer-review process, which remains the gold-standard for scientific rigour.

AIMS conducts public good research, and we will continue to engage with and welcome industry bodies, interest groups, members of the public, and interested organisations of all kinds, to discuss the science we do, and share our data, findings and analysis.

Looking ahead, we have several major projects to deliver that are inching closer to realisation. Despite the global pandemic, what AIMS does is hugely relevant, and will only become more so as time goes on. Next year marks AIMS' 50th anniversary, and we look forward to celebrating the theme of "science for tomorrow's oceans".

Finally, I thank every AIMS staff member for their hard work and commitment over the last 12 months. Their efforts have directly contributed to helping solve two of the biggest challenges faced by the world's oceans today: ecosystem health and climate change.

Paul Hardisty

Australian Institute of Marine Science

20/21 | IN BRIEF



#1 marine science institution in the world.

Benchmarking by Clarivate Analytics
InCites research analytical tool



MARINE SCIENCE SOLUTIONS: REEF RESTORATION INITIATIVES

RRAP

Reef Restoration and Adaptation Program

RRAP brings together the best in marine STEM to build large scale reef interventions that are cost-effective, practical, safe and acceptable.

ACRRI

Australian Coral Reef Resilience Initiative

ACRRI targets helping reefs suffering under climate change, using sound to rebuild fish populations to support coral seeding technologies.



BLUE TECHNOLOGY: INNOVATION IN MARINE SCIENCE

REEFWORKS

ReefWorks will allow Australia to test new marine technologies, autonomous systems and sensors in a real world environment.

REEFCLOUD

ReefCloud is a cutting-edge data platform that incorporates machine learning to inform decisions by reef managers.



AN EYE ON OUR TROPICAL OCEANS: LONG-TERM BIODIVERSITY AND WATER QUALITY MONITORING

Long-term Monitoring Program

Our Long-term Monitoring Program for the GBR is the world's longest record of change in coral reefs tracking coral and fish populations, crown-of-thorn starfish outbreaks, and the effects of cyclones and coral bleaching.

Great Barrier Reef Marine Monitoring Program

AIMS continues to implement the GBR Marine Park Authority Marine Monitoring Program recording water quality, hard and soft coral cover, macroalgae and coral recruitment on over 30 inshore reefs.

National Facility

Initiation and conceptual design phases complete for the National Sea Simulator. Construction commences 2021-2022.

\$36.3m
OVER 3 YEARS

Environmental Performance

1,315t ↓
ANNUAL REDUCTION IN CARBON FOOTPRINT

95.5t ↓
REDUCTION IN SOLID WASTE TO LANDFILL

Safety Performance

43% ↓
DECREASE IN NUMBER OF RECORDABLE INJURIES

50% ↓
DECREASE IN TOTAL RECORDABLE INJURY FREQUENCY RATES (TRIFR)

Science Output

212
PEER REVIEWED JOURNAL ARTICLES

61% IN INTERNATIONAL COLLABORATION PUBLICATIONS
37% IN NATIONAL COLLABORATION PUBLICATIONS

Science Impact

\$222m
ECONOMIC RETURN ESTIMATE

4.9x
RETURN ON GOVERNMENT INVESTMENT



FIELD OPERATIONS

Tropical Northern Australia

42,500
NAUTICAL MILES STEAMED

3,450
NUMBER OF DIVES

1,154
SCIENCE SEA DAYS INCLUDING CHARTERS

103
COLLABORATORS ON FIELD TRIPS

5,790
RESEARCHER FIELD DAYS



Australian Government

AUSTRALIAN INSTITUTE OF MARINE SCIENCE

About AIMS

The Australian Institute of Marine Science is a corporate Commonwealth entity established nearly 50 years ago under the Australian Institute of Marine Science Act 1972 (AIMS Act). As Australia's tropical marine research agency, it is our mission to provide the research and knowledge of Australia's tropical marine estate required to support growth in its sustainable use, effective environmental management and protection of its unique ecosystems.

To accomplish our mission, AIMS delivers independent science to help realise three key long-term impacts for the nation:

- improve the health and resilience of marine and coastal ecosystems across northern Australia
- create economic, social and environmental net benefits for marine industries and coastal communities
- protect coral reefs and other tropical marine environments from the effects of climate change.

AIMS' headquarters was established on Cape Ferguson near Townsville in recognition of the importance of the GBR to Australia. Today, we also operate from bases in Perth and Darwin, which allows us to conduct research across northern Australia, spanning two oceans and three regional seas (see Figure 1).

Figure 1: Location of AIMS' facilities and major activities



AIMS is uniquely placed to provide the expert advice and solutions for management agencies, marine industries, and coastal communities to preserve our marine estate and ensure its sustainable use. Our research is focused on the priorities of our stakeholders, including Commonwealth, state and territory governments, industry and Traditional Owners.

Our oceans provide jobs, contribute to national prosperity and hold intrinsic value for all Australians. Sustainable growth in Australia's marine industry and the preservation of all that are in our oceans is underpinned by strong marine science delivered by AIMS.

Our scientific research provides the knowledge that contributes to industry's competitiveness while protecting our unique marine ecosystems. It helps marine-based industries understand their operating environment and reduce uncertainty so they can make the right long-term decisions with confidence and maintain their social licence to operate.

AIMS recognises that Indigenous peoples are the Traditional Owners of the sea country within which AIMS works. Traditional Owners have a knowledge system that is based on thousands of years of observations and environmental information that is passed down through the generations. AIMS seeks to build meaningful partnerships with Traditional Owners of sea country in northern Australia to deliver impactful research for all Australians. That is why, in AIMS Strategy 2025, we commit to undertaking science collaborations with Traditional Owners in key projects based on sea country.

Our Traditional Owner collaboration is a growing relationship based on trust, respect and two-way knowledge sharing that blends traditional knowledge with western science to create new insights into local marine ecosystems.

Part 2: Performance Statements



TOWNSVILLE | DARWIN | PERTH

STATEMENT OF PREPARATION

On behalf of the Council of the Australian Institute of Marine Science (the Accountable Authority), I present the 2020-21 annual performance statements of the Australian Institute of Marine Science, as required under paragraph 39(1)(a) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and other applicable legislation. In my opinion, these annual performance statements are based on properly maintained records, accurately reflect the performance of the entity, and comply with subsection 39(2) of the PGPA Act.

The content of the performance statements was endorsed on 10 September, 2021.

A handwritten signature in cursive script that reads 'Penelope Wensley'.

The Hon Penelope Wensley AC
Council Chairman
Australian Institute of Marine Science

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Entity Purpose

AIMS' purpose is to contribute to the economic and environmental wellbeing of Australians by conducting research into the tropical marine estate. AIMS was established by the Australian Government in 1972 to conduct research and development relating to, and to promote, the application and use of marine science and marine technology. The Institute's mission is to provide the research and knowledge of Australia's tropical marine estate required to support growth in its sustainable use, effective environmental management and protection of its unique ecosystems.

Intended Outcomes

AIMS' annual Portfolio Budget Statement provides the Parliament of Australia with information on how AIMS will use its allocated resources to achieve the government-mandated outcome over the current budget and forward years. AIMS is funded to deliver *Outcome 1: Growth of knowledge to support protection and sustainable development of Australia's marine resources through innovative marine science and technology.*

Government funding for AIMS is delivered through Program 1: Marine Research. This program provides research services focused on supporting the sustainable development of Australia's marine estate by industry, while ensuring the protection of high-value marine and coastal ecosystems through effective environmental management.

Through engagement with stakeholders, including Commonwealth and state governments, industry, Traditional Owners, science agencies and universities, AIMS has developed a comprehensive research program that continues to deliver world-leading science while ensuring its multidisciplinary science capability, infrastructure and research investment remain focused on addressing national needs and aspirations.

The 2020-21 Portfolio Budget Statement Table 2.1.2 identifies how AIMS is working to deliver research outcomes by providing:

- comprehensive baseline, status and trends reporting systems for tropical marine ecosystems
- efficient, cost-effective delivery of information through the application of innovative autonomous and automated marine observing technologies and assessment methods
- recovery of key threatened and endangered marine species achieved through effective conservation and management of critical habitats and populations
- enhanced management of tropical marine ecosystems informed by regional models of environmental condition and function
- improved health of tropical marine ecosystems through the development of effective solutions for the management of local, regional and cumulative pressures
- improved forecasting ability of future coral reef status based on information on the scope and rates of recovery, acclimatisation and adaptation of coral reef taxa to climate change
- new tools for coral reef restoration that enhance resistance and resilience of key coral reef taxa to environmental change, particularly climate change
- enhanced understanding of tropical marine ecosystems among industry, government and the public delivered through improved data analysis workflows and knowledge delivery systems
- strengthened management and policies delivered through the development of structured decision support tools that link risk, monitoring, modelling and adaptive management.

The success of AIMS' marine research program is assessed against a set of eight high level performance criteria:

- AIMS research creates a positive triple bottom line contribution (impact value) to Australia
- deliver strategic and applied research and monitoring that addresses national research priorities and stakeholder needs
- maintain or increase current standings for scientific excellence, innovation and impact
- deliver research advice and scientific products that are critical for stakeholders to assess the impacts of natural and human pressures on sensitive marine ecosystems
- increase research capability, capacity, impact and science diplomacy through participation in key advisory panels and committees, formal national and international collaborations, joint ventures, partnerships and strategic alliances
- improve research outcomes and impact through increased Traditional Owner partnerships in the planning and delivery of coastal research and development
- reduce AIMS' environmental footprint
- optimise use of research infrastructure assets.

Results and Commentary on Performance

AIMS successfully achieved all high-priority research outcomes detailed in the AIMS Portfolio Budget Statement 2020-21, and the AIMS Corporate Plan 2020-21.

At the start of each annual reporting cycle, only a proportion of external revenue (typically 40–60 per cent) is contracted. This creates two risks that AIMS manages within the cycle:

- Annual external revenue earnings are subject to forecasting error. The market sectors in which AIMS operates are dominated by short-term bespoke research projects; there are few routine or regulated external revenue sources.
- Clients contract AIMS to undertake specific research projects (i.e. the research scope is contractually linked to the funding). While AIMS undertakes extensive stakeholder consultations when developing plans, it is still not feasible to predict exactly which areas of research will be externally funded.

In response, AIMS operates an adaptive research planning process that continually reviews and adjusts its research portfolio so that the highest priority research is completed.

COVID-19 has not had a significant impact on AIMS' science deliverables, but it did affect negatively our external revenue earnings in 2019-20 and, to a lesser extent, in 2020-21. Expected projects were deferred or cancelled, and COVID-19 controls to ensure the safety of AIMS staff and collaborators resulted in a reduced field program, which meant that some contracted work could not be delivered, and the associated planned external revenue could not be realised. The COVID-19 controls also resulted in lower utilisation of AIMS major research assets – the National Sea Simulator and the two large research vessels, the RV Cape Ferguson and the RV Solander.

Consistent with the overall economic recovery experienced in Australia, and as a result of ongoing stakeholder focus, our external revenue pipeline for 2021-22 and beyond is healthy. However, we expect COVID-related delivery risks, due to localised outbreaks and associated lockdowns and restrictions, to remain in 2021-22. We expect that these risks will diminish significantly in 2022-23 and beyond.

The 2020-21 external revenue budget reflected growing optimism in the industry sector of the market and commencement of the research and development phase of the Reef Restoration and Adaptation Program. AIMS achieved external revenue of \$20.67 million.

Table 1 provides a summary of our performance against the AIMS 2020-21 Key Performance Indicators.

Table 1: Overall performance summary

Table legend

All expectations met = Y

Most expectations met = -

Expectations not met = N

Performance Criteria	Portfolio Budget Statement (PBS) performance targets	KPIs (Corporate Plan)	Result	Expectations Met
AIMS research creates a positive triple bottom line contribution (impact value) to Australia	Minimum two case studies	≥ 2 new triple bottom line case studies published per year (pa)	Four case studies were produced in 2020-21.	Y
		Demonstrate ≥\$15 million pa total impact value	AIMS commissioned The Centre for International Economics to independently value AIMS' impact. Using the most recent available public data, they determined that AIMS delivered at least \$355.8 million return to Australia in 2019-20. At the time of writing, the CIE report has not been published, but can be provided upon request.	Y
Deliver strategic and applied research and monitoring that addresses national research priorities and stakeholder needs	Maintain or increase the amount of research commissioned by stakeholders	Achieve revenue budget from stakeholder commissioned research	Net external revenue for 2020-21 is \$15.29 million compared with a budget of \$15.1 million and an actual of \$10.45 million in 2019-20, an increase of 46.3 per cent . The lower than budgeted performance was primarily due to COVID-19 and delays in new RRAP projects.	Y

Performance Criteria	Portfolio Budget Statement (PBS) performance targets	KPIs (Corporate Plan)	Result	Expectations Met
Maintain or increase current standings for scientific excellence, innovation and impact	Maintain acknowledged domestic and global high standing in relevant fields of research, and confidence of key stakeholders in research outputs	Maintain Top 3 global ranking in the field of marine and freshwater biology	Benchmarking of AIMS' Citation Impact in April 2021 demonstrated that in the field of marine and freshwater biology, AIMS remains in the top 3 ranked research institution in the world.	Y
		Maintain high stakeholder confidence in AIMS' scientific outputs gauged using a net promoter score	A net promoter score (NPS) survey of key stakeholders assessed AIMS provided AIMS rating of 53, which is considered "great". The NPS is a common method to measure and improve customer loyalty. Customers rate their likelihood of recommending a company to others. The index ranges from -100 (unlikely to recommend) to +100 (very likely to recommend).	Y
Deliver research advice and scientific products that are critical for stakeholders to assess the impacts of natural and human pressures on sensitive marine ecosystems	Maintain or increase the number of peer reviewed publications and other knowledge products, and make datasets or data products publicly available	Maintain annual journal publication rates > 200 papers per annum	AIMS published 212 journal articles in 2020, exceeding target. This measure is reported on a calendar year basis.	Y
		100 per cent of datasets collected using public monies are made publicly available within one year of collection	The outputs of research funded by specific government programs are available on the appropriate (government) website or on request, at the completion of the project.	Y
Increase research capability, capacity, impact and science diplomacy through participation in formal national and international collaborations, joint ventures, partnerships and strategic alliances	Maintain or increase the number and scale of domestic and international research partnerships, collaborations, joint ventures and strategic alliances	Maintain proportion of AIMS' projects involving collaborators (≥ 70 per cent)	During the 2020-21 FY, AIMS maintained its strong record of collaboration. The proportion of AIMS' projects involving collaborators was 78 per cent by total value and 75 per cent by number of projects.	Y
		Maintain proportion of published papers and reports that include collaborators (≥ 80 per cent)	During 2020, AIMS maintained its strong collaborative publication record. Ninety-six per cent of papers authored or co-authored by AIMS scientists involved collaborators.	Y
	Maintain or increase participation by AIMS on advisory panels and committees	Representation on key relevant advisory committees	AIMS continues to contribute its expertise toward major initiatives through its ongoing representation and participation in the National Marine Science Committee, the Reef 2050 Plan Reef Advisory Committee, Independent Expert Panel and the RIMReP Executive and Operations Committees. The Secretariat for the International Coral Reef Initiative was jointly chaired by Australia and Monaco this past year, with AIMS playing a leadership role for Australia. The USA will take over the chairmanship in 2021-22, but AIMS will continue to play a key role in both ICRI and the Global Coral Reef Monitoring Network Steering Committee. AIMS routinely contributes advice and submissions to a range of government reviews and Parliamentary inquiries, as well as participating in or leading international and national committees and forums.	Y
Improve research outcomes and impact through increasing Traditional Owner engagement in the planning and delivery of coastal research and development	Increase the percentage of projects with Indigenous engagement in the planning and delivery phases	≥ 50 per cent of new projects that involve work in sea country achieving Bronze status and At least one large project with Gold status	Forty-one per cent of new projects have been assessed as having bronze status or higher. AIMS has two gold status projects underway. An example is the Northern Australia Marine Monitoring Alliance initiative, which involves the Bardi Jawi, Torres Strat, Anindilyakwa, Ipima Ikaya, Thamarrur and Wadeye. The AIMS Indigenous Partnership Plan (IPP) describes a tiered approach to inform the level of engagement required of projects. Bronze projects are those which have fundamental levels of engagement involving identification and acknowledgement of relevant Traditional Owner groups for sea country followed by communication about intended projects. Gold level projects are true equal partnerships with projects co-designed and jointly led	-

Performance Criteria	Portfolio Budget Statement (PBS) performance targets	KPIs (Corporate Plan)	Result	Expectations Met
			collaborations with extensive Traditional Owner involvement and ownership.	
Reduce AIMS' environmental footprint	10 per cent reduction in AIMS' carbon emissions compared with 2017-18	Carbon emission reduction \geq 10 per cent compared with 2017-18	The overall per cent reduction in total CO ₂ compared with 2017-18 is 25 per cent. The most significant contributors to the reduction were: 1) a 1,000 MW PV solar system in Townsville, and 2) approximately 20 per cent of purchased electricity was certified clean energy, drawn from three renewable energy sources – wind, hydro and biomass.	Y
Optimise use of research infrastructure assets	Maintain or increase use of research infrastructure	\geq 90 per cent use of major research assets	The overall utilisation of major assets was 85 per cent. SeaSim utilisation remains high but is slightly lower than target due to COVID-19 restrictions, which have caused project delays and have prevented some collaborators visiting the facility. RV Solander and RV Cape Ferguson utilisation was also impacted due to restrictions in field work management required to control COVID-19 risks. RV Cape Ferguson utilisation was further impacted by mechanical breakdowns associated with the vessel approaching the end of its design life.	N

Statement of (Ministerial) Expectations

On 13 February 2020, the then Minister for Industry, Science and Technology, the Hon Karen Andrews MP, provided the AIMS Council with a Statement of Expectations outlining the Minister's expectations for AIMS in resolving national challenges, advancing the Government's policy priorities, and driving organisational performance¹. The AIMS Council responded to the Minister with a Statement of Intent confirming AIMS' commitment to the Australian Government's policy agenda and the strong connections between this and the AIMS Strategy 2025.

The below table illustrates how AIMS delivered against the Minister's expectations.

Table 2: AIMS delivery against Minister's expectations

<p>Resolving national challenges</p> <p>AIMS provided key leadership during 2020-21 in addressing Australia's significant national and environmental challenges. For example, by:</p> <ul style="list-style-type: none"> • providing a leadership role in the National Marine Science Committee - helping to advance the knowledge, technology, tools, and innovation that will drive development of Australia's blue economy. • providing leadership, and contributing marine science expertise, to the national Reef Restoration and Adaptation Program (RRAP) effort to support the resilience, adaptation and restoration of the Great Barrier Reef (GBR) - and other coral reefs around Australia. • conducting research that supported implementation of the Australian and Queensland government's Reef 2050 Long-term Sustainability Plan for the GBR (Reef 2050 Plan), including by working closely with partners in government, industry, Traditional Owners, other research organisations and universities, and the community.
<p>Advancing the Government's policy priorities</p> <p>In 2020-21 AIMS made strong contributions to advancing the government's policy priorities, including through:</p> <ul style="list-style-type: none"> • leading the unincorporated joint venture partnership for the research and development phase of the Reef Restoration and Adaptation Program (RRAP), a significant program that is contributing to one of the Government's most important priorities for AIMS - science for the restoration and (climate) adaptation of the Great Barrier Reef. AIMS and consortium partners commenced several new projects under the Research and Development phase of the RRAP. • working on a commercial basis with the offshore oil and gas, mining and resource processing, ports and tourism sectors to provide the science that helps them to work in a way that protects the marine environment. For example, AIMS delivered findings from a significant research activity – the Northwest Shoals to Shore Project - that provided valuable information concerning the impacts of underwater seismic testing on marine organisms. • providing diplomatic and technical leadership for the Commonwealth Blue Charter (CBC) Action Group on Coral Reef Protection and Restoration. The CBC has been adopted by all 53 member countries of the Commonwealth with the Coral Reef Action Group, one of ten working groups tackling marine ecosystem health. AIMS and DFAT (plus Queensland University of Technology, the Coral Reef Innovation Project and partner Pacific Island nations) are also collaborating to develop technologies to monitor coral reefs in Australia and the Pacific.

¹ The statement is available at: <https://www.aims.gov.au/docs/about/corporate/corporate-profile-governance/statement-of-expectations>

- developing an Indigenous Partnerships Policy, which provides a foundation for how we undertake science collaborations with Traditional Owners in key projects focused on sea country - underpinned by the principle of free prior and informed consent from those with recognised cultural authority for sea country.
- continuing to develop and deploy linked autonomous systems and automated analysis to increase productivity and accelerate the conversion of marine data into accessible information products.
- continuing to progress equity and diversity measures under a four-year Action Plan. On 2 February 2021, AIMS was awarded Bronze Accreditation Science in Australia Gender Equity (SAGE) Athena Swan initiative, which recognises AIMS' commitment to creating a more equitable, diverse and inclusive work environment.

Driving organisational performance

AIMS' Strategy 2025 expresses our organisational Values, and our planned Impact, Enhanced Capability, Performance and Reputation targets. These provide the framework for ongoing organisational improvement. During 2020-21, we:

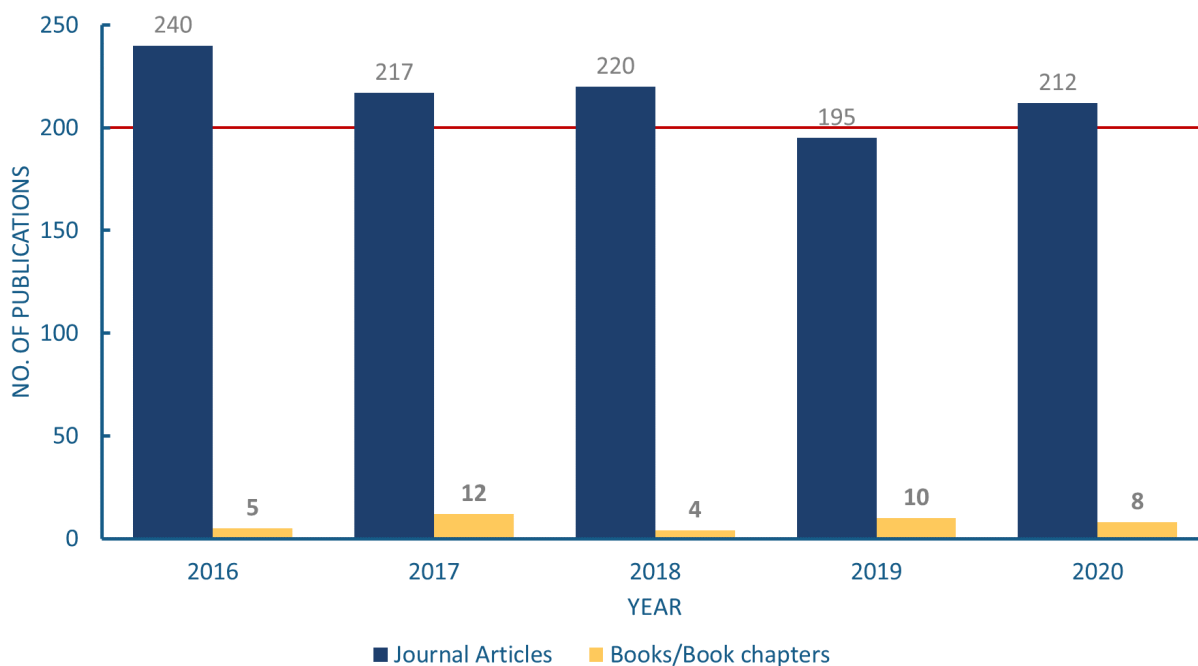
- managed our resources efficiently and effectively, implemented several continuous improvement initiatives, and worked closely with the department to ensure we were able to meet current and emerging challenges in Australia's marine environment.
- delivered our science to the broader community through a variety of communication mechanisms including through the AIMS website and by publishing numerous high-quality scientific papers in peer reviewed journals.
- efficiently managed our research infrastructure, including SeaSim and our coastal research vessel fleet, to undertake world-leading science, as well as attracting industry partners and other researchers as part of collaborative research projects.
- provided a safe, inclusive, and sustainable workplace environment and culture that attracted, supported, retained and celebrated an inclusive, diverse and talented workforce.
- delivered on our commitment to support the growth of STEM capabilities in marine science by co-supervising postgraduate students and providing postdoctoral and early career pathways and employment opportunities.
- retained our position as the top ranked research institution in the world for citation impact in the field of marine and freshwater biology.
- maintained high utilisation for the National Sea Simulator (the most advanced research aquarium in the world) and AIMS' research vessels, to attract and be used by industry partners and other researchers as part of collaborative research projects.
- continued to work to provide a safe, inclusive and sustainable workplace environment and culture that attracts, supports, retains and celebrates an inclusive, diverse and talented workforce.

Research Performance

Publications

AIMS maintained a strong publication record within the field of marine and freshwater biology and related fields of expertise including marine biodiversity, threatened and endangered species, oceanography, ecosystem processes, ecosystem status and trends, genetics, marine microbiology and the impacts of climate change, ocean acidification, declining water quality and other pressures affecting marine and coastal ecosystems. During 2020, AIMS published 212 peer reviewed journal articles, and 8 books or book chapters. This was an increase on last year where our publication number was just under our annual target of 200 (Fig. 2). While the main types of publications produced by our research staff were peer reviewed journal articles and reviews, we also produced a number of client reports, technical reports and conference papers. Notably, in 2020 AIMS continued to publish reports on the long-term health of the inshore, mid-shore and offshore reefs of the Great Barrier Reef through the Long-Term Monitoring Program (LTMP). The LTMP's Annual Summary Reports provide an invaluable record of change by surveying coral reef communities over an expansive area of the Great Barrier Reef (GBR). The surveys are reported both after the conclusion of each field trip and annually, providing the most comprehensive record of reef condition available for the GBR. Major reports were also delivered to industry collaborators under the North-West Shores to Shoals Research Program, which determined the impacts of petroleum exploration and development, especially seismic surveys, to other industries operating in regions prospective for oil and gas. AIMS' complete bibliography for 2020 is available at <https://www.aims.gov.au/docs/publications/annual-reports.html>.

Figure 2: Number of AIMS publications by type, 2016-2020, including annual performance target (red line).



In the field of marine and freshwater biology, AIMS was the top-ranked research institution both in Australia and globally (Figure 3 and Figure 4) over the period 2016–20. Many of the other organisations that appear in these top ranks are close collaborators with AIMS. For instance, we most frequently collaborate with James Cook University, in part powered by the AIMS@JCU joint venture which focuses on student training. The University of Western Australia and our sister publicly-funded research agency, CSIRO, are the next most common collaborators on our scientific articles.

Figure 3: Top six organisations in the field of marine and freshwater biology ranked by citation impact, 2016 to 2020 in Australia (InCites April 2021)

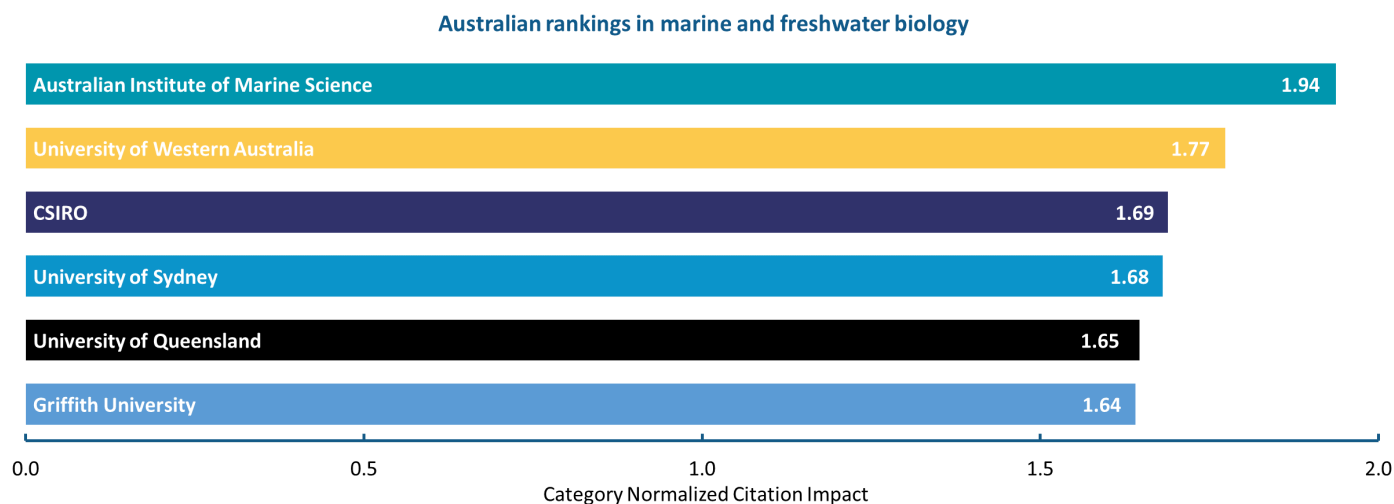
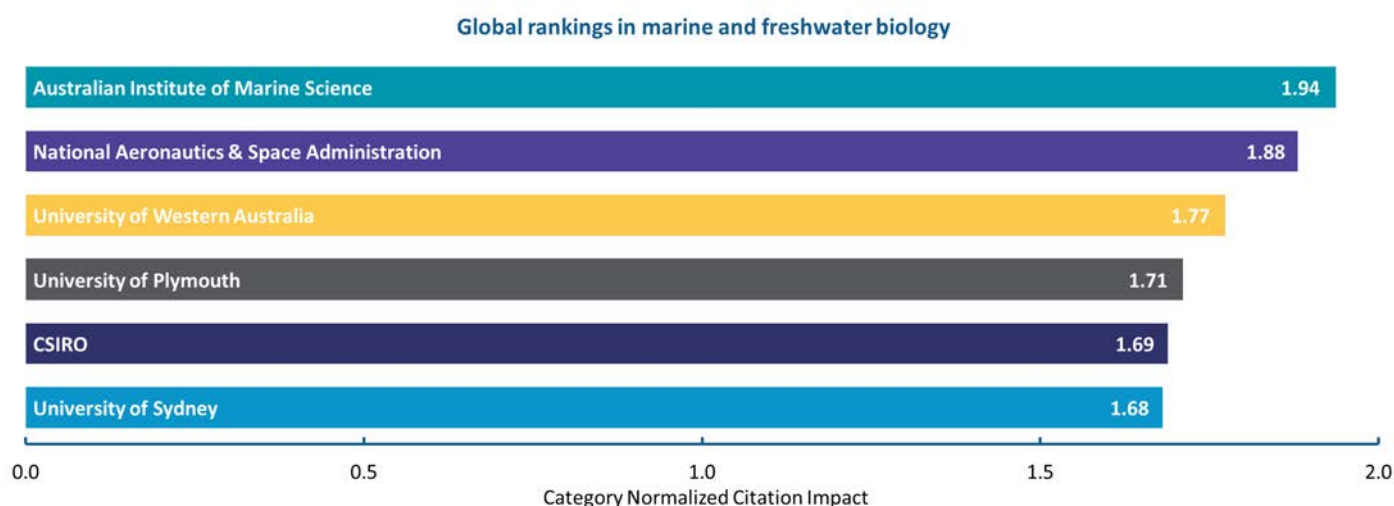


Figure 4: Top six organisations globally in the field of marine and freshwater biology ranked by citation impact, 2016 to 2020 (InCites April 2021)



Science Leadership

AIMS science leadership is also expressed by representation in national and international fora and through the provision of high level advice. Nationally, AIMS plays a prominent role in the National Marine Science Committee (NMSC) which represents all marine science providers and many major stakeholders. AIMS' Chief Research Officer, Dr David Souter represents AIMS on the NMSC, and chaired the NMSC's National Marine Baselines and Monitoring Working Group.

The Australian and Queensland Governments developed the Reef 2050 Long-term Sustainability Plan to assist management of the GBR and the GBR World Heritage Area by focusing on maintaining and enhancing reef health and resilience while allowing ecologically sustainable development. The plan was developed in partnership with government, key industry organisations, Traditional Owners, environment groups, researchers and the community. AIMS provided strong leadership in its implementation, with the Chairman of AIMS Council also Chairing the Reef Advisory Committee (RAC) and the AIMS CEO being a member of RAC and associated RIMReP (Reef 2050 Integrated Monitoring and Reporting Program) Steering Committee. Drs Britta Schaffelke and Richard Brinkman, who lead our Healthy and Resilient Great Barrier Reef and Sustainable Coastal Ecosystems Programs respectively were members of both the Reef 2050 Plan Independent Expert Panel and the RIMReP Operations Committee.

The Reef Trust Partnership, one of the key mechanisms in delivering the Reef 2050 Plan, includes the Crown of Thorns Control Innovation Program (CCIP), a major initiative to investigate ground-breaking ways to control crown-of-thorns starfish. AIMS is an integral member of this effort and is represented on both the Scientific Steering Committee and the Technical Team leading the feasibility study of the program.

AIMS' expertise and leadership in coral reef science and management has been critical to the development of the Reef Restoration and Adaptation Program which received \$100 million investment from the Australian Government after the satisfactory conclusion of a \$6 million feasibility study. The funding is being administered by the Great Barrier Reef Foundation with the science program being delivered by an unincorporated joint venture managed by AIMS. All parties are collaborating to attract further investment into the Program.

AIMS actively engaged with representatives from the government, regulatory authorities, research and industry sectors through the Commonwealth National Environmental Science Program (NESP) Tropical Water Quality (TWQ) and Marine Biodiversity Hubs. AIMS represented the consortia of science providers on both Hub Steering Committees, contributed to the TWQ Hub Science Advisory Committee and chaired the MB Hub Partners Committee. In addition, AIMS' scientists led research projects in both Hubs to investigate practical solutions for mitigating the impacts of climate change and poor water quality on the GBR, improve knowledge of the biodiversity of northern Australia's marine estate and enhance the recovery of threatened and endangered marine species. We also provide expertise as a member of the Gladstone Healthy Harbour Partnership (GHHP) Independent Science Panel, which guides the implementation of the GHHP endorsed Gladstone Healthy Harbour Report Card through the provision of impartial scientific advice.

Internationally, AIMS coordinates the Global Coral Reef Monitoring Network (GCRMN), which is a network of scientists, managers and institutions that monitor the status of and trends in the world's coral reefs. The GCRMN is an operational network of the International Coral Reef Initiative, which is an informal partnership between nations and organisations striving to preserve coral reefs and related ecosystems around the world. Australia continues to co-chair ICRI in partnership with Monaco and Indonesia, with leadership delivered via the Great Barrier Reef Marine Park Authority and AIMS and supported by the Commonwealth Department of Foreign Affairs and Trade. This global effort will publish the next *Status of Coral Reefs of the World* report in 2021. In addition to our leadership within the GCRMN and ICRI, AIMS contributes substantially to three of ICRI's four themes, namely promoting effective and adaptable solutions to improve the protection of coral reefs, understanding trends in coral reefs and reducing anthropogenic threats to coral reefs, particularly those that occur at global or regional scales. The relationship between AIMS and DFAT continues to grow as we partner to provide diplomatic and technical leadership for the Commonwealth Blue Charter (CBC) Action Group on Coral Reef Protection and Restoration. The CBC has been adopted by all 53 member countries of the Commonwealth with the Coral Reef Action Group, one of 10 working groups tackling marine ecosystem health. AIMS and DFAT (plus Queensland University of Technology, the Coral Reef Innovation Project and partner Pacific Island nations) also collaborate to develop technologies to monitor coral reefs in Australia and the Pacific. This technology, otherwise known as *Reef Cloud*, is an end-to-end cloud-based solution employing artificial intelligence and machine learning technologies to automate reporting from image-based coral reef monitoring programs. *Reef Cloud* has been developed in conjunction with partners in Fiji and Palau and other users within the Pacific to assist reef managers with making more timely and accurate decisions to improve the long-term resilience of coral reefs worldwide.

A complete list of external committees and national and international fora that we advise on is available at <https://www.aims.gov.au/docs/publications/annual-reports.html>.

Expert advice

In 2020-21, AIMS provided expert analysis and advice and contributed to the following reviews and papers:

- Inquiry into the identification of leading practices in ensuring evidence-based regulation of farm practices that impact water quality outcomes in the Great Barrier Reef
- Review of the Reef 2050 Long-Term Sustainability Plan
- Review of seabed mining in the Northern Territory
- Inquiry into the Australian aquaculture sector.

Partnerships

AIMS partners for two reasons: to increase the capability and capacity that can be focused on the scientific challenges we need to tackle, and to improve the impact of our science by involving stakeholders and users in the design and implementation of research. We engage with both national and global marine science capability, establishing joint ventures and strategic alliances to increase the number and scale of collaborative research projects.

We adopt a collaborative approach to R&D at the national level, engaging early with the right partners to deliver science at the required scale and relevance. These include initiatives like the Western Australian Marine Science Institution, the National Environmental Science Program, the Integrated Marine Observing System, the Indian Ocean Marine Research Centre, and the newly formed AIMS@UWA. The latter two focus on early career researchers (ECR's) to produce the next generation of marine scientists. Internationally, we continue to participate in the Partnership for Observation of the Global Oceans (POGO), a forum to promote and advance the observation of the global ocean.

We have memoranda of understanding with James Cook University, Queensland University of Technology, Monash University and several international institutes, including the Institute of Oceanology, Chinese Academy of Sciences (China), the National Oceanic and Atmospheric Administration (US), King Abdullah University of Science and Technology (Saudi Arabia), Institut Océanographique (Monaco), the Okinawa Institute of Science and Technology (Japan), the University of South Pacific (Fiji) and the Palau International Coral Reef Center. Such partnerships promote effective and adaptable solutions to improve the protection of coral reefs and other reef-dependent biodiversity which underpin substantial socioeconomic benefits.

Fostering Research Capability

AIMS is committed to developing early career researchers to meet the challenges facing the marine environment, and to keep Australia globally competitive. AIMS supports postdoctoral studies, postgraduate studies, postgraduate scholarship funding and traineeships. AIMS also provides opportunities for Indigenous high school students to be exposed to marine science.

Postdoctoral research

During 2020-21, AIMS co-funded or fully supported 29 postdoctoral fellows (Table 3) under agreements with:

- ARC Centre of Excellence for Coral Reef Studies (2)
- ARC Centre of Excellence for Mathematical and Statistical Frontiers of Big Data, Big Models, New Insights (1)
- AIMS–QUT Memorandum of Understanding (2)
- Santos (2)
- Woodside (1)
- BHP (1)
- Charles Darwin University (2)
- Indian Ocean Marine Research Centre Partnership (5)
- Bertarelli Foundation (1)
- King Abdullah University of Science and Technology (Saudi Arabia) (2)
- Australia–China Strategic Research Fund (ACSRF) Program (1) – funded by the Department of Industry, Science, Energy and Resources
- Western Australian Department of Biodiversity, Conservation and Attractions (1)
- Reef Restoration and Adaptation Program (RRAP) (3)
- AIMS (5)

Postgraduate students and occupational trainees

During 2020-21, AIMS staff co-supervised 68 postgraduate students from six universities within Australia, of whom 43 are part of the AIMS@JCU program.

AIMS' involvement in early career researcher training is reflected in individual staff members holding adjunct academic appointments at Australian or international institutions, including:

- James Cook University, primarily within the Coral CoE, the College of Science and Engineering, and the Division of Research and Innovation (through the AIMS@JCU partnership)
- University of Queensland
- University of Western Australia
- Charles Darwin University
- Queensland University of Technology
- University of Melbourne

Many of these adjunct positions reflect a large personal contribution to postgraduate supervision.

Table 3: Number of Postdoctoral Fellows, postgraduates and occupational trainees, 2016-17 to 2020-21

	2016-17	2017-18	2018-19	2019-20	2020-21
Postdoctoral Fellows	14	24	21	25	29
Postgraduate students supervised by AIMS staff	70	57	68	62	68
Occupational trainees and interns	10	7	17	21	14

The AIMS Quality Management Policy, approved by the AIMS Council, establishes the expectations for the delivery of quality scientific research and services. It forms an integral part of our governance framework and promotes ethical research behaviour, providing a foundation for high-quality research, credibility and stakeholder trust.

Rigorous quality assurance and quality control procedures ensure we deliver high quality and timely research to stakeholders. Our research is peer reviewed at multiple stages through the research pipeline using internal and external reviewers. At inception, all projects are reviewed by the relevant Research Program Directors, the Chief Research Officer and, if the magnitude of the project warrants, the CEO to ensure that they align with AIMS Strategy 2025, to ensure that they use public funds and resources appropriately, and that they will deliver tangible benefits to one or more of AIMS' stakeholders.

Individual projects are managed by Project Leaders who are supported by staff of a dedicated Project Management Office that was established during 2019-20. The subsequent release of project outputs involves rigorous internal review and is governed by several policies and procedures, including Intellectual Property, Data Access and External Document Control policies.

In 2020-21, we implemented a new Quality Policy that establishes clear standards and expectations for the delivery of quality scientific research and services in line with the Australian Code for Responsible Conduct of Research 2018 and underpins our commitment to achieving ISO 9001:2015 accreditation. We also implemented the AIMS Responsible Conduct of Research Framework, which sets out AIMS' expectations for the conduct of all persons engaged in research under the auspices of the Institute, introduced Researcher Integrity Training and appointed Research Integrity Advisors. These measures establish a framework that provides a foundation for high quality research, credibility and community trust in our research outputs. We have also introduced team-based peer reviews of our research, based on US military red-on-blue exercises. The review process drives continuous improvement, highlights and eliminates any subconscious bias, and helps to identify critical questions that remain unanswered and require additional research.

Data management and dissemination

The AIMS Research Data Centre manages and secures the Institute's data, making it globally discoverable and accessible via the internet. Our metadata and data holdings are also submitted to the Australian Ocean Data Network portal and the Research Data Australia data catalogue, increasing their accessibility and allowing integration into national datasets.

The following figure depicts some of the types of data that AIMS collects, along with some of their key data metrics.

Figure 5: AIMS' research programs deliver data into the Research Data Centre allowing centralised management and facilitating reuse

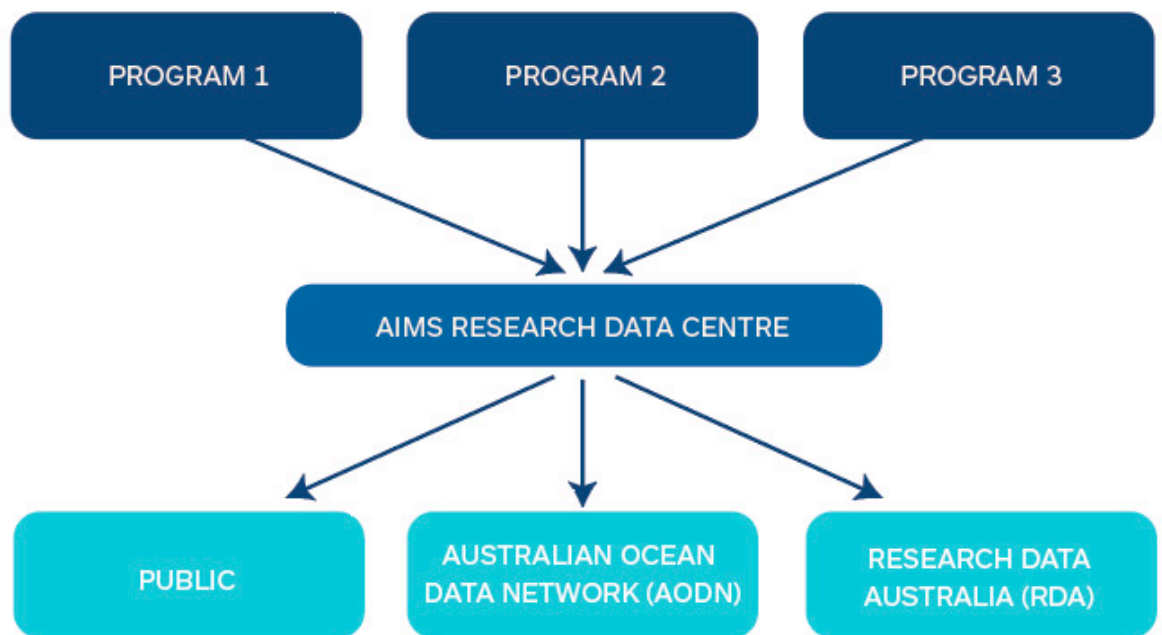
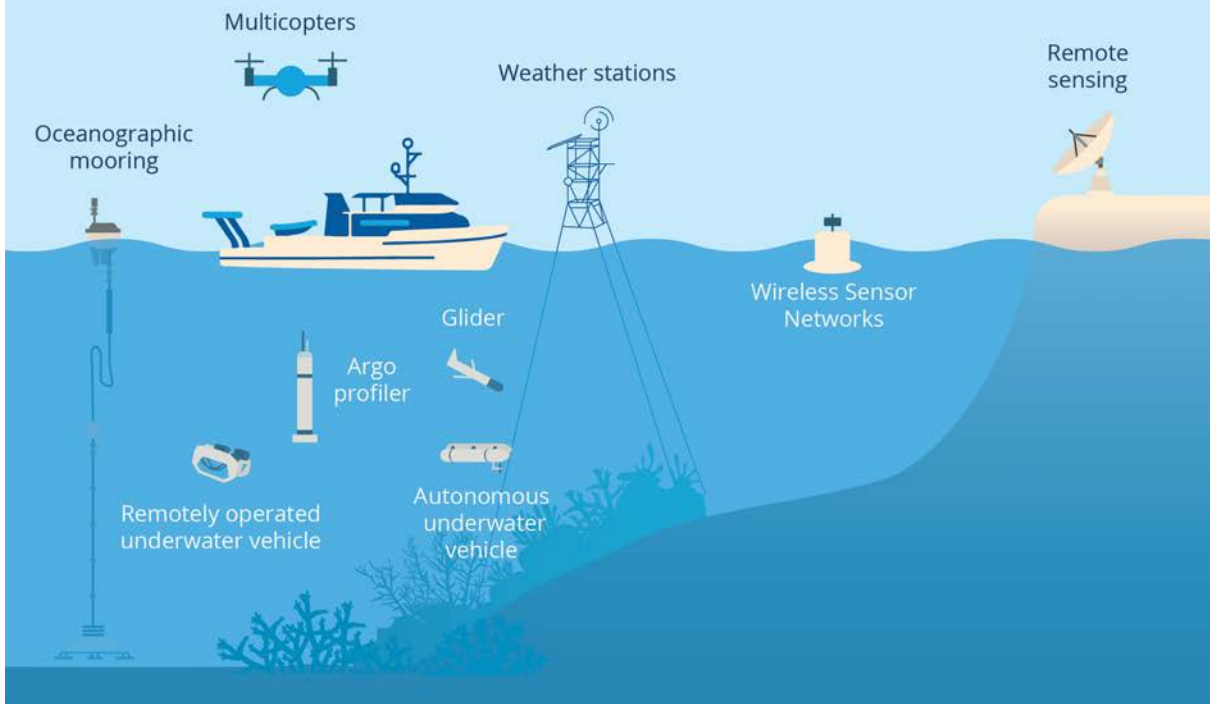


Figure 6: Extensive technology deployed to provide environmental variations in Australia's coastal seas and landmark datasets critical to national and international stakeholders in marine science

Data holdings

Substantial data holdings include	Coral reef condition	GBR water quality	Weather	Water temperature loggers
	Over 35 years monitoring the Great Barrier Reef	34 water quality monitoring sites across 1000km of the inshore GBR 1156 samples analysed each year	16 operating weather stations across Australia	Over 300 loggers collecting temperature data
	Integrated Marine Observing System (IMOS)			
	2 national reference stations with moorings and biogeochemical sampling (Darwin and Yongala) 11 instrumented moorings North West Shelf: 5 Great Barrier Reef: 6 Decades of data from historical moorings (NWS:14, GBR:3)	2 research vessels collecting underwater seawater measurements 8 gliders per annum in the Great Barrier Reef	1 Satellite Receiving Station Acoustic listening stations array tracking important fish species	

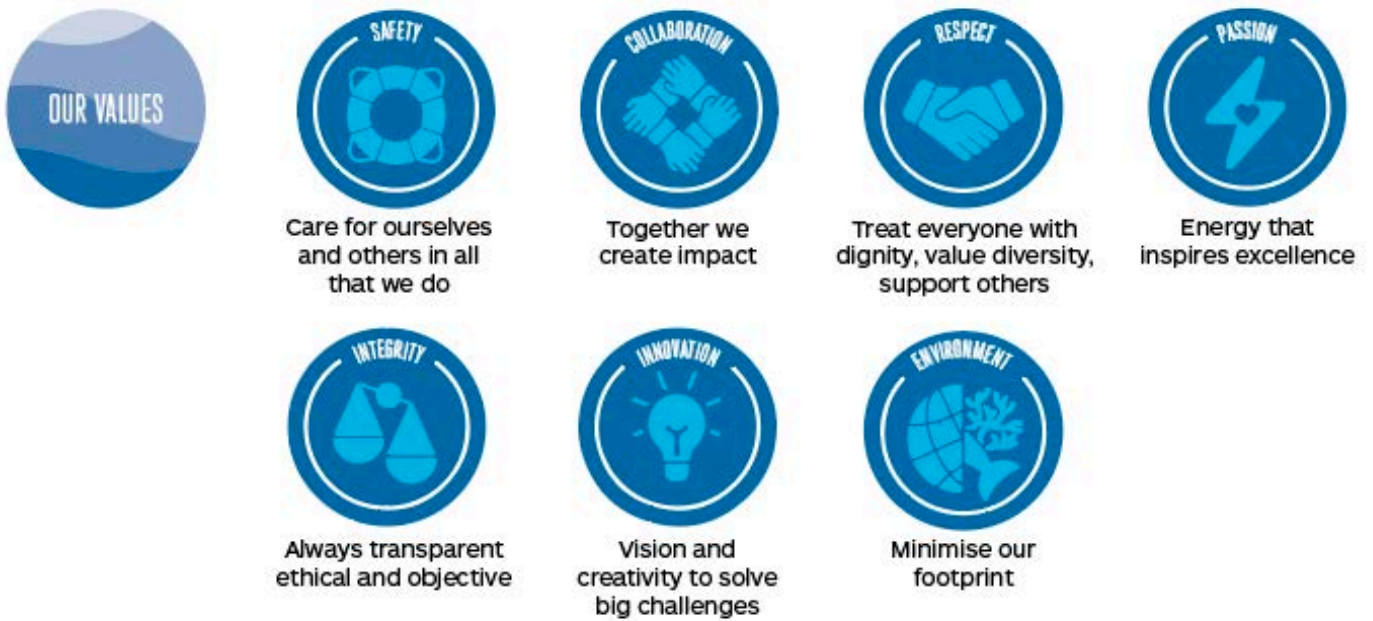


Stakeholder Engagement

Our research, internal and external relationships, and organisational ethos are guided by a set of operating principles that inform and underline our focus on supporting key stakeholders.

Our values are:

Figure 7: AIMS Values



Supporting our stakeholders’ needs is a primary focus of AIMS. Our expertise in molecular and microbiology, mathematical modelling, ocean monitoring (from microbes to regional ecosystems), marine noise, and decision support capability align with these evolving needs – from the ocean to the laboratory, from data analysis and models, to the ultimate development of products for direct use by end users. AIMS works closely with stakeholders to identify and meet their needs for high quality research over long and short timeframes.

Despite the restrictions imposed by the COVID-19 pandemic, AIMS developed innovative solutions and was able to advance a substantial portion of its research including its engagement with stakeholders and delivery of science. Key stakeholders who benefited from AIMS’ activities during the year are shown in Table 4.

Table 4: Stakeholders benefiting from AIMS activities in 2020-21

Stakeholder category	Sector/organisation	Examples of AIMS delivering for stakeholders
Industry	North-west Australian oil and gas industry	<ul style="list-style-type: none"> enabling industry to plan and manage their risks and environmental compliance by developing practical and meaningful baselines understanding ecotoxicology of complex mixtures of contaminants that are experienced in real world situations determining potential impacts of oil and gas industry activity on stakeholders, such as the effect of seismic surveys on pearl oyster populations maintaining a rapid response science capability for hydrocarbon spills to guide environmental mitigations injecting our expertise into multiple fora to minimise environmental impacts of dredging, drilling and other excavation activities informing strategies and plans of both regulators and companies for the decommissioning of offshore operations championing and enabling the sharing of marine environmental data across industry sectors through collaboration

Stakeholder category	Sector/organisation	Examples of AIMS delivering for stakeholders
	<ul style="list-style-type: none"> Commodity ports: Port of Townsville, Gladstone Healthy Harbour Partnership Northern Territory Government: Darwin Ports Corporation 	<ul style="list-style-type: none"> delivering systems to improve Darwin Harbour's port operations and informing development decisions that maintain environmental conditions assessing the impacts of dredging to improve risk-based dredging protocols and identifying better parameters to measure these impacts improving understanding of how priority commodities (e.g. metals) behave in the marine environment so ports and their stakeholders can ensure their operations have minimal environmental impact determining likely targets, and their sensitivities, in the event of accidental release of contaminants from point sources developing historical baselines for environmental performance by analysing coral skeletons for evidence of local environmental events such as floods and potential contaminations
	Coastal industries	<ul style="list-style-type: none"> ensuring what is monitored for regulatory compliance is practical, relevant and meaningful (Australia and New Zealand Environment and Conservation Council guidelines and regulated industry) applying and proving new technologies for improved in situ monitoring of dredging operations and environmental regulatory compliance determining where industrial effluent can travel to inform the implementation of appropriate preventions, mitigations and responses developing ecotoxicological assays that are relevant to the tropics so that subsequent assessments, standards and guidelines have real-world utility
Government and public	Australian Government and public	<ul style="list-style-type: none"> enabling assessment of cumulative impacts from natural and anthropogenic stressors on the Great Barrier Reef active participation in the delivery of the Reef 2050 Long-term Sustainability Plan partnering with the Department of Foreign Affairs and Trade to build reef monitoring and reporting capability within Pacific nations, lead the Global Coral Reef Monitoring Network and contribute to the Commonwealth Blue Charter Action Group on Reef Protection and Restoration developing an accessible mapping system for visualising complex environmental research data engaging with the public and stakeholders directly and via the AIMS website to increase environmental knowledge and identify any gaps and potential risks investing in postgraduate students to ensure tropical Australia has the required marine science workforce advising Australian Government ministers and their advisers on major marine science developments, risks and long-term effects of disturbances affecting the marine environment fostering education and employment potential of northern Australia's Indigenous youth through participation in the Aboriginals and Torres Strait Islanders in Marine Science (ATSIMS) and Aboriginal Summer School for Excellence in Technology and Science (ASSETS) programs informing parliamentary inquiries through submissions and testimony at hearings
	Higher education	<ul style="list-style-type: none"> supporting post-doctoral fellowships and higher degree research students through the provision of supervision and funding making our research infrastructure available for postgraduate student projects to train them in cutting edge capabilities not available in universities, like our research vessels and National Sea Simulator freely publishing our data for use by university researchers
	Philanthropic Foundations	<ul style="list-style-type: none"> leading implementation of the Reef Restoration and Adaptation Program with the Great Barrier Reef Foundation (GBRF), including understanding coral health, their resilience to acute and chronic pressures, potential interventions and management options working with the GBRF to improve our ability to forecast and respond to Crown-of-thorns starfish outbreaks by understanding outbreak triggers and developing potential management responses working with the Vulcan and the Paul Allen Foundation to lay the groundwork for new coral interventions to build resilience to climate change collaborating with the Bertarelli Foundation and its partners to determine the effectiveness of Marine Protected Areas within coral reef nations

Stakeholder category	Sector/organisation	Examples of AIMS delivering for stakeholders
	Queensland Government and public	<ul style="list-style-type: none"> • understanding the impact and risks of changed land use practices on water quality in the GBR Marine Park • deploying oceanographic buoys under the Queensland Research Infrastructure Co-investment Fund to monitor wave conditions, better understand risks to Queensland fisheries species and increase safety within the maritime sector
	Western Australian Government and public	<ul style="list-style-type: none"> • determining patterns of seabed biodiversity in the Kimberley region and their causes to enable management • evaluating dredging impacts by surveying sensitive seabed organisms • informing guidelines of for marine dredging programs • partnering with the Departments of Biodiversity, Conservation and Attractions, and Primary Industry and Regional Development to deliver monitoring of key species in Western Australian coastal waters • collaborating with WA government and IMOS to maintain an oceanographic mooring for monitoring conditions at Ningaloo Reef, one of Australia's World Heritage sites
	Traditional Owners	<ul style="list-style-type: none"> • partnering with traditional owners to support their plans to directly manage marine resources and cultural heritage within Sea Country • identifying projects that deliver tangible benefits to Traditional Owners and developing them in partnership Traditional Owner groups
Managers and regulators	Great Barrier Reef Marine Park Authority	<ul style="list-style-type: none"> • publishing with GBRMPA and CSIRO the Reef Snapshot, a new annual report of how the Great Barrier Reef has fared over summer • continuing to survey the state of the GBR and report on its condition • contributing expertise about the impacts of development activities on the GBR • participating in developing the RIMReP (Reef 2050 Integrated Monitoring and Reporting Program) • advising on the implementation of the Reef 2050 Plan, a joint initiative of the Queensland and Commonwealth governments • collaborating with GBRMPA's Joint Field Management Program to expedite adoption of more autonomous technologies and automated data analyses to magnify surveillance coverage • starting new microbial observatories in collaboration with Queensland universities and IMOS to provide another powerful tool to monitor the health of, and risks to, the GBR
International Stakeholders	ICRI G20	<ul style="list-style-type: none"> • actively contributing to the delivery of the ICRI Plan of Action through the hosting of the GCRMN, technical input to the ICRI Secretariat and engagement in ICRI fora • representation of the Australian Government during the development and establishment of the G20 Coral Reef R&D Accelerator Platform

Communication

The promotion of AIMS' science was a particularly important function during the 2020-21 period, but it was also disrupted by COVID-19. AIMS communication adapted to the circumstances presented at the time including the shift in behaviour seen nationally as more people increased significantly their consumption of online news as they spent more time at home. With travel restrictions and physical distancing requirements in place to combat the COVID-19 pandemic AIMS introduced new channels for scientists to communicate: live events became online webinars which, while less personable, could reach audiences in their home.

AIMS' approach to National Science Week for example reflected this major shift in online content consumption through webinars to encourage an interest in science pursuits among the general public.

Scientific integrity continues to be topical issue for many Australians.

The increasing polarisation of science creates public uncertainty about the health of the Great Barrier Reef and has prompted uninformed commentary. Despite attempts by other parties to involve AIMS in adversarial debates, AIMS continues to conduct scientific discussions in a constructive and collegiate way and engage with interested parties, and the media to foster community understanding of the issues. Part of this approach is to communicate the science in ways that reduce potential for misunderstanding

by the public and media, and misuse by agenda motivated groups. It also reaffirms AIMS position as objective, impartial and independent.

The science communication highlights during the period were:

- A landmark study on shark populations worldwide as part of the Global FinPrint project was published in the journal *Nature*. Two key communication themes were: good management plays a key role in determining the status of reef sharks and control of shark fishing can make effective conservation and economic gains.
- Work on population genetic analyses identified corals that are less likely to bleach from marine heatwaves. The research published in *Science*, will be used to target protection of resilient corals and facilitate research into adaptation measures such as selective breeding.
- Researchers published in *Science Advances* successfully produced a coral more resistant to increased ocean temperatures (in collaboration with CSIRO).
- A paper published in *PNAS* detailed an international study which used the CRISPR-Cas9 technique to make precise, targeted changes to the genome of coral.
- A paper published in *PLOS ONE* that detailed the challenges facing R&D programs in selecting reef science interventions for subsequent development.
- A rapid field-based dipstick test developed by AIMS scientists that can detect crown-of-thorns starfish (CoTS) by measuring their DNA released into the seawater on coral reefs (published in *Environmental DNA*).
- AIMS strengthened its position as one of the nation's experts in whale shark research through a study (published in the journal *Frontiers in Marine Science*) that examined whale sharks on Western Australia's Ningaloo Reef with the first evidence that males and female whale sharks grow differently.
- AIMS found the world's oldest tropical reef fish. This research, published in *Coral Reefs*, provides important understanding about life span and vulnerability in similar harvested species, and will help inform the management and conservation of wild fish populations.
- An international paper published in *Science* assessed the evidence of the impacts of human-induced marine noise in our oceans. This research looked at how ocean soundscapes can be responsibly managed so that we can use the ocean and its resources sustainably to build economic value while preserving the health of our marine ecosystems.

Other communications work supported key projects and collaborations:

- The Coral Reef Innovation Project or 'ReefCloud' co-funded by the Department of Foreign Affairs and Trade (DFAT) will deliver a transformational change in how coral reef monitoring will be done in the future. AIMS communication profiled the work to develop cloud-based technology (with software supplier Accenture) to help reef managers make more timely and accurate decisions to improve the long-term resilience of global coral reefs.
- The Australian Coral Reef Resilience Initiative (ACRRI) is a national endeavour, jointly funded by BHP, to study and protect coral reefs on both sides of the country. It combines the hitherto successful progress made in the Keppel Islands Coral Project (in partnership with the Woppaburra Traditional Owners), with a new component to determine whether attracting more fishes to a reef by acoustic enrichment will positively influence the settlement and growth of coral.
- The Reef Snapshot for 2021 was published in collaboration with the Great Barrier Reef Marine Park Authority and CSIRO to produce a clear, evidence-based, easy-to-understand booklet, that helps the non-scientist understand better the status of the Reef.
- The National Sea Simulator was one of the sites for the national broadcast of "Reef Live" on ABC TV & iView AIMS' during the December coral spawning on the Great Barrier Reef. It was an opportunity to promote AIMS' partnership in RRAP and our own research to propagate corals and help the reef survive the increased disturbances. AIMS presence as a publicly funded research agency on Reef Live was an important element of strategic positioning in that it made it apparent to audiences that the Australian Government is invested in research solutions to protect the Reef now and into the future.
- The AIMS Index of Marine Industry is published as a biannual update of the value our marine sector provides to Australia's wealth. This 2020 issue the Index includes breakdowns of key marine industry sub-sectors by state or territory and discusses the possible effects of climate change on future economic output and value add from the Great Barrier Reef.
- AIMS led a three-week deep-sea expedition at Ashmore Reef Marine Park, exploring the mesophotic coral ecosystem. The voyage – on board the Schmidt Ocean Institute's RV Falkor - used underwater robotics and imaging technology to capture high resolution video which was live-streamed allowing the public to explore Ashmore's mesophotic corals for the first time alongside the scientists.

AIMS' 50th Anniversary takes place in 2022. As well as marking a significant milestone, it is an important opportunity to promote AIMS and highlight our people, science and capabilities that contribute to the sustainable use, management and protection of Australia's tropical marine environment.

Building Indigenous Partnerships

The Aboriginal and Torres Strait Islander peoples of Australia are the Traditional Owners of the places where AIMS works both on land and sea. They have inherent rights, responsibilities and spiritual and cultural connection with their land and sea country, and all within it. A growing awareness of the significance and value of Indigenous knowledge led AIMS to seek more partnerships with Traditional Owners within its tropical marine science portfolio. In March 2021, we adopted AIMS Indigenous Partnerships Policy, which sets out the principles by which the AIMS Indigenous Partnerships Plan will be implemented to support AIMS Strategy 2025. The policy establishes the foundations for AIMS to build genuine research partnerships with Traditional Owners to share and generate knowledge that supports sustainable use, protection and management of Australia's sea country. AIMS' approach to Indigenous Partnerships was highlighted in the national webinar hosted by AIMS during NAIDOC week, and under AIMS' leadership our approach has been adopted within the Indigenous Engagement Framework being implemented within the Reef Restoration and Adaptation Program.

This year, we also continued to develop technologies and data platforms that enable Traditional Owners to monitor sea country independently. The Northern Australian Marine Monitoring Alliance (NAMMA) is establishing an alliance between AIMS and Traditional Owners across northern Australia to collaborate in marine monitoring. Monitoring projects have been established with Bardi-Jawi (Kimberley), Anindilyakwa (Groote Eylandt), Mer and Erub (Torres Strait), and Wadeye/Thamarrur (Bonaparte Gulf) rangers and Traditional Owners.

AIMS has also dedicated effort to engage Indigenous students in marine science. AIMS continues to sponsor the Aboriginals and Torres Strait Islanders in Marine Science (ATSIMS) Scholars' Initiative in conjunction with partners in marine science, education and biological conservation. We are also working with the Registered Training Organisation LMC Training to adapt the Certificate III Aquaculture training package and are employing the first two Indigenous identified trainees in a proposed ongoing pipeline of Indigenous vocational training in aquaculture for reef restoration.

Research Infrastructure

Our research focuses on Australia's tropical marine environments, from the southern end of the Great Barrier Reef and across the north of the country to Shark Bay and the Abrolhos Islands in the west. Field activities are supported by laboratory and administrative facilities located at Townsville, Darwin, Perth and Canberra.

Our major research infrastructure is subject to detailed capital planning and asset management to ensure our facilities and equipment are safe, reliable, available and functional. Delivery against preventive maintenance and capital investment plans is monitored throughout the year to ensure that targeted outcomes are met.

Table 5: AIMS Research Infrastructure

Description	Capability	Co Located Partners
Cape Ferguson Campus 50 km from Townsville in North Queensland	National Sea Simulator - the world's most advanced aquaria facility Coral core library Genetics and PC2 laboratories General laboratories Specialised electrical and mechanical workshops Small research vessels	James Cook University (AIMS@JCU) Bureau of Meteorology Geoscience Australia (GA)
Arafura Timor Research Facility Located at Australian National University Campus in Darwin	Research aquarium facility General laboratories Small research vessels	Charles Darwin University Australian National University
Indian Ocean Marine Research Centre Located at University of Western Australia Campus	General laboratories	CSIRO University of Western Australian Institute of Marine Science WA Department of Primary Industries and Regional Development
RV Solander AIMS Vessel Facility located in South Townsville Operates between Exmouth (WA) and Southern GBR	35 metre 12 researchers 28 day / 3,000 nm endurance	
RV Cape Ferguson AIMS Vessel Facility located in South Townsville Operates on GBR	24 metre 8 researchers 14 day / 3,500 nm endurance	

Field operations

Our field activities are supported by a research fleet—two large, well-equipped research vessels, the RV Cape Ferguson and the RV Solander— and several smaller vessels, carrying researchers to diverse habitats in Australia’s tropical waters. About half of all trips on the RV Cape Ferguson and RV Solander involved researchers from collaborating organisations.

The AIMS field program provides essential science for Australia and lies at the core of who we are as an organisation. However, our field work typically requires close working conditions and is often conducted in remote locations. To protect our field staff and scientists from COVID-19, AIMS applies a risk-based approach, monitoring rates of infection and transmission in the community, following physical distancing measures and screening scientists and vessel crew, and implementing additional control measures. These controls limited our field-going capacity, reducing the number of scientists that can be accommodated on voyages and the number of days the vessels could be at sea. This approach maintains the health and well-being of our people while keeping important scientific research functioning.

The demand for AIMS' vessels exceeds their capacity. To meet this demand, AIMS typically charts an additional 150 days of vessel time each year. In 2020-21, AIMS worked with Riverside Marine, a Queensland based vessel operator, to develop innovative solution to allow for increased field work participation under COVID restrictions and support additional demand from the Reef Restoration and Adaptation Program which involved converting a vehicle ferry into a research vessel, using shipping containers to modularise accommodation and scientific capability.

Table 6: Field Operations Statistics

Operating Statistics	Metric
Vessel Utilisation (per cent)	85
Science Sea Days (including Charters)	1183
Researcher Sea Days	6200
# Collaborators	104

Figure 8: AIMS' facilities and activities of the major research vessels



National Sea Simulator

The SeaSim is a globally unique marine experimental aquarium facility that provides researchers with unprecedented control of a range of environmental parameters, allowing investigation of individual and combined effects of variables on tropical marine ecosystems and organisms.

The SeaSim provides a step change in capability compared with other facilities and is essential for the success of many of our research programs, allowing experiments that previously were not possible.

Access to the SeaSim’s unique capability is available to national and international scientists and research institutions from around the world. The SeaSim provides a facility that fosters collaboration; we work closely with national and international collaborators,

with over 80 per cent of all experiments in the SeaSim involving external collaborators. In 2020-21, researchers have come from 9 different national and 1 international organisation.

The National Sea Simulator remained fully operational during the COVID-19 crisis. It is a key facility that requires ongoing service and maintenance by technical staff and scientists to ensure the viability of experiments and survival of organisms. Revised working arrangements were put in place to ensure increased physical distancing between people and to protect the ongoing operations in the event of suspected or confirmed COVID-19 cases.

Statistics showing use of the National Sea Simulator (SeaSim), 2020-21:

- 320 colonies spawned
- 27 coral species spawned
- 30 M larvae produced
- ~8M larvae sent to Magnetic Island for settlement on the reef
- >50,000 coral recruits settled in the SeaSim
- Hybrids spawned and crossed with field collected corals.

Projects have attracted funding from a range of sources including industry partners, universities, the Australian Research Council, the National Environmental Science Programme, BHP, the Great Barrier Reef Foundation, the Moore Foundation and the Paul G. Allen Philanthropies.

Collaborating organisations include:

National – CSIRO, Southern Cross University, James Cook University, University of Melbourne, Deakin University, University of Queensland, Queensland Department of Agriculture and Fisheries, Taronga Conservation Society, Sunshine Coast University and Queensland University of Technology.

International – University of Hawaii (US)

The SeaSim boasts a number of unique capabilities developed by our staff to assist researchers:

- full solar spectrum lighting with the ability to dynamically manipulate intensity and spectrum to model natural lighting conditions as found in the field (e.g. sediment plumes from dredging operations)
- 18 large, fully independent mesocosm systems with the ability to provide daily, monthly and seasonal patterns of light, temperature and pCO₂
- sophisticated climate change and ocean acidification systems with tightly controlled temperature ($\pm 0.1^\circ\text{C}$) and diel pCO₂
- large-scale systems for coral spawning, larval rearing, settlement and long-term grow out
- flow-through contaminant dosing systems for ecotoxicology research on priority contaminants.

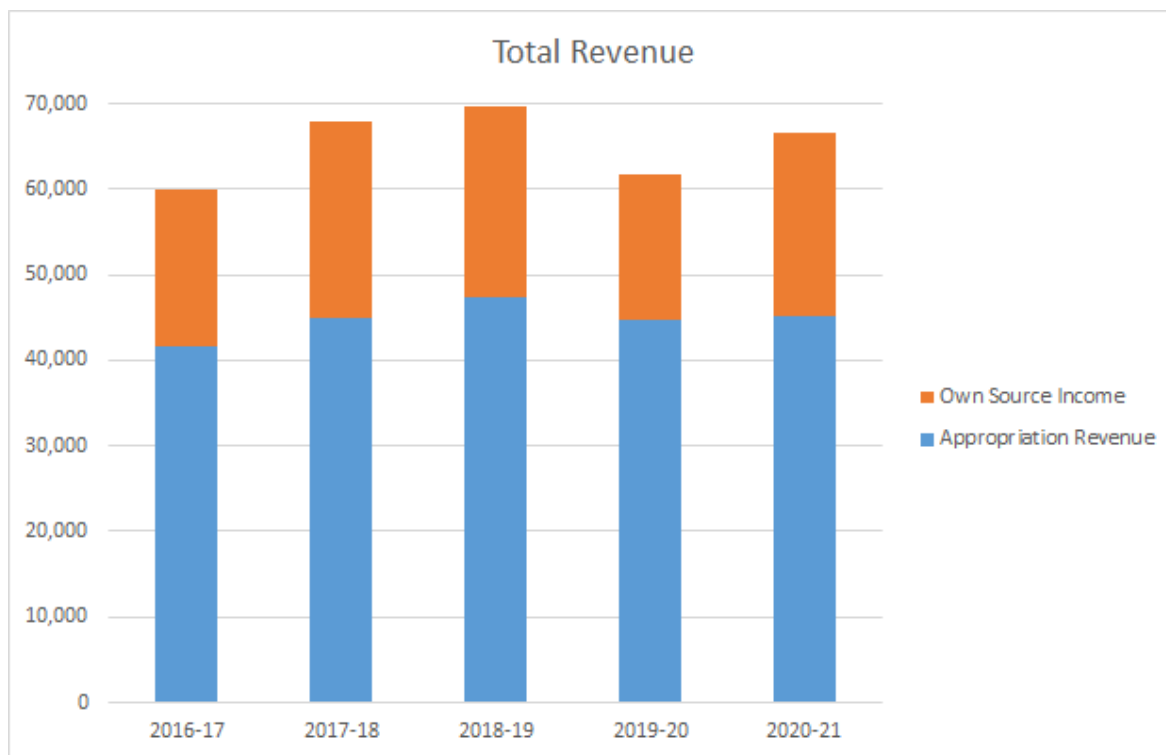
These capabilities have been applied to a range of high-priority research areas, including climate change and ocean acidification, reef restoration and adaptation, impacts of dredging, pest management and impacts of contaminants.

Revenue

AIMS' operations were supported by a mix of Australian Government appropriation funding and non-appropriation funding from state and territory governments, competitive research funds, environmental regulators and the private sector.

Total revenue for 2020-21 was \$66.945 million, representing an increase of 8.5 per cent on 2019-20 revenue (Figure 9). The \$5.236 million increase was due to an increase in revenue from contracts with customers (\$5.378 million).

Figure 9: AIMS revenue, 2016–17 to 2020–21



External Revenue

External funding is critical for AIMS to maintain its present level of scientific research. The COVID-19 pandemic affected AIMS' revenue earning capacity in 2019-20, however in 2020-21 additional projects such as the Reef Restoration and Adaptation Program with the Great Barrier Reef Foundation were started.

Prior to COVID-19 our forecast external revenue remained consistent with the approved budget.

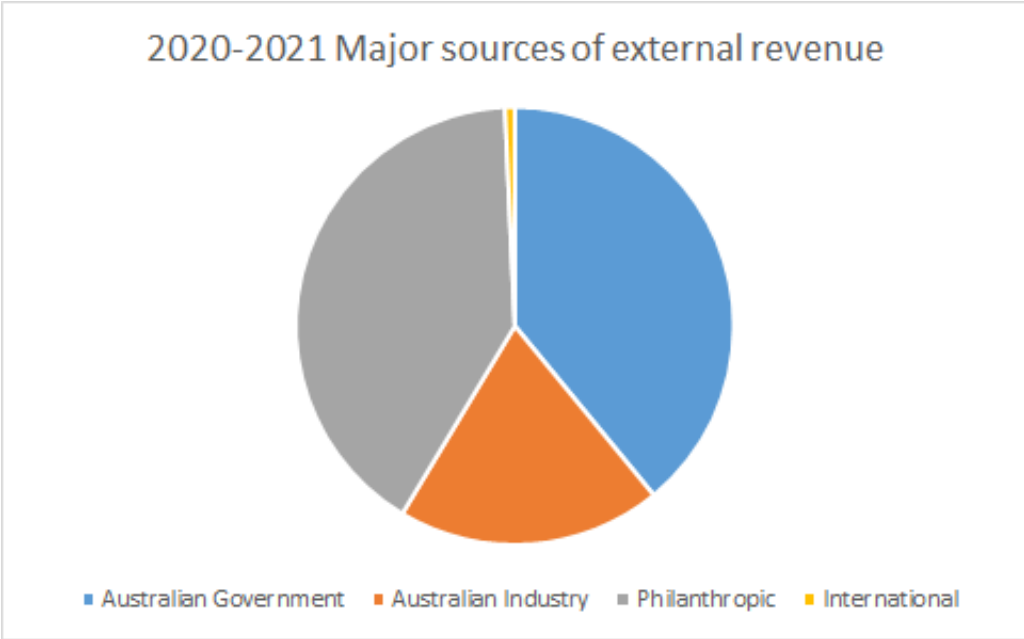
In 2020–21, revenue from external sources was \$20.669 million, which accounted for 31 per cent of total revenue.

In support of the refreshed Strategy 2025, during 2019-20 AIMS continued to build and maintain long term strategic alliances, working with our stakeholders to develop multi-year programs of work that provide solutions and address challenges at regional and national scales. This has enabled the leverage of our strategic science work with industry and philanthropy, broadening the external revenue opportunities and moving away from individual smaller discrete pieces of revenue earning work. This approach should assist to mitigate some of the impact of COVID-19 on our external revenue.

Sources of co-investment funding for 2020-21

Australian Government departments and agencies and Australian industry partners together provide 59 per cent of AIMS' total external revenue (i.e. funds earned on top of AIMS' appropriation allocation) through major grants and project contracts (Figure 10).

Figure 10: Major sources of external revenue, 2020–21



Part 3: Management and Accountability

Government Engagement

AIMS has a comprehensive system of financial reporting practices that provide compliance, disclosure and accountability of its activities.

Role and Legislation

AIMS was established by the Australian Institute of Marine Science Act 1972 (AIMS Act) and is a corporate Commonwealth entity under the Public Governance, Performance and Accountability Act 2013 (PGPA Act).

The Institute's functions and powers are set out in the AIMS Act.² AIMS has two main roles under its governing legislation:

- carry out research and development in relation to
 - marine science and marine technology
 - the application and use of marine science and marine technology
- encourage and facilitate the non-commercial and commercial application of the results arising from such activities.

The PGPA Act sets out reporting, accountability and other requirements relating to our operations, management and governance. Section 39 of the PGPA Act requires corporate Commonwealth entities to prepare annual performance statements and to include them in an annual report to the Australian Parliament. Part 2-3, Division 3A, Subdivision B of the Public Governance, Performance and Accountability Rule 2014 sets out the requirements for annual reports to be produced by corporate Commonwealth entities in accordance with s. 46 of the PGPA Act. A list of annual report requirements provides details of how this annual report meets those requirements is provided in Part 6.

Responsible Minister

This year, there were two ministers with responsibility for matters relating to AIMS: the Hon. Karen Andrews MP, Minister for Industry, Science and Technology (28 August 2018 to 30 March 2021), and the Hon. Christian Porter MP, Minister for Industry, Science and Technology (30 March 2021 to 30 June 2021). Both Ministers were supported in this role by the Hon. Jonathon Duniam, Assistant Minister for Industry Development (22 December 2020 to 30 June 2021).

General Policies of the Australian Government

Under s. 22 of the PGPA Act, the Finance Minister may make a government policy order that specifies a policy of the Australian Government that is to apply in relation to one or more corporate Commonwealth entities. No ministerial directions were received by the AIMS Council during 2020-21.

On 1 December 2020, the unincorporated joint venture for the Reef Restoration and Adaptation Program (RRAP) component of the Reef Trust Partnership was established under a Collaboration Agreement signed by all members of the consortium, under which AIMS was appointed the Managing Entity for the Program. No other companies, trusts or partnerships were formed by AIMS during 2020-21.

Governance

AIMS Council

AIMS is governed by a Council that reports to the relevant Minister. The CEO is responsible for the day-to-day affairs of the Institute.

Role of Council

The AIMS Council sets AIMS' key objectives and research strategies and oversees management. The Council advises the Minister and the Department of Industry, Science, Energy and Resources of AIMS' progress against the targets outlined in the AIMS Strategy 2025, its Portfolio Budget Statements and the AIMS Annual Corporate Plan. The Minister is also provided with advice on developments of significance, as appropriate.

The PGPA Act requires the AIMS Council, as the accountable authority of AIMS, to comply with the following specific duties:

- to lead, govern and set the strategic direction of the Commonwealth entity

² The Australian Institute of Marine Science Act 1972 is available on the Federal Register of Legislation website: <https://www.legislation.gov.au/Details/C2016C01009>

- to establish and maintain systems relating to risk and internal controls
- to encourage cooperation with others to achieve common objectives
- to take into account the effects of imposing requirements on others
- to keep the responsible minister and the Finance Minister informed.

Council membership

The AIMS Council consists of a Chairman, AIMS' CEO, a member nominated by James Cook University, and four other members. The AIMS Act requires that at least three members of the Council have scientific qualifications. All members of the Council, with the exception of the CEO, are non-executive appointments made by the Governor-General on the nomination of the Minister. Appointments can be up to five years and reappointment is permissible. The CEO is appointed by the Council for a period not exceeding five years and is eligible for reappointment.

The AIMS Council for 2020-21 comprised the Hon. Penelope Wensley AC (Chairman), Dr Thomas Barlow, Professor Sandra Harding AO (JCU Representative), Dr Paul Hardisty (AIMS CEO), Ms Anna Matysek, Ms Jeanette Roberts and Professor Erika Techera. Biographical information of AIMS Council Members is provided below.

The Honourable Penelope Wensley AC, BA (Hons), FAIIA, HFEIANZ

Council Chairman: 1 January 2015 to 31 March 2022

As a former career diplomat (1968–2008) and Governor of Queensland (2008–2014), Ms Wensley has a distinguished record of public service and extensive experience of government processes and public policy formulation.

She has held many leadership roles, nationally and internationally, and, in addition to her deep knowledge of foreign and trade policy, brings to the AIMS Council particular expertise in strategy development and implementation, communication and negotiation, and community and stakeholder engagement.

In 2001, Ms Wensley was made an Officer of the Order of Australia (AO) for her distinguished contributions to Australia's international relations and in 2011, a Companion of the Order (AC) for eminent contribution to the people of Queensland and to Australia's international relations through senior diplomatic representational roles and as a key contributor to initiatives of the United Nations. These senior roles included: Australian Ambassador to the UN, in both Geneva and New York; Ambassador to France; High Commissioner to India and Ambassador for the Environment.

An Arts Honours graduate of the University of Queensland, Ms Wensley holds honorary doctorates from UQ, Griffith University, James Cook University and the Queensland University of Technology.

She is a Fellow of the Australian Institute of International Affairs (FAIIA) and an Honorary Fellow of the Environment Institute of Australia and New Zealand (HFEIANZ).

She is a Director of the Lowy Institute, Chairman of the Reef Advisory Committee (advising the Queensland and Australian governments on implementation of the Long-term Sustainability Plan for the Great Barrier Reef (Reef 2050)), and National Patron of Soil Science Australia.

Dr Paul Hardisty MSc, P.Eng, FIEAust

CEO and Council member: 24 July 2017 to 23 July 2022

Dr Hardisty, a recognised thought leader and sought-after speaker in his field, was appointed CEO of AIMS in July 2017.

An engineer who has worked extensively in marine and coastal environments and marine research projects, he is experienced in both the public and private sectors.

Dr Hardisty co-founded international environmental consultancy Komex Environmental Ltd, which he developed from a start-up to a \$50 million-a-year company with 1000 employees.

More recently, he was director at CSIRO's Climate Adaptation Flagship, and business unit director in CSIRO's Land and Water division.

Dr Hardisty holds a Master in Hydrology, and a Doctorate in Environmental Engineering from Imperial College, London. He is an adjunct Professor at The University of Western Australia.

Professor Sandra Harding AO, BSc (Hons), MPubAdmin, PhD, Hon Doc JIU, FACE, FQA, FAICD, FAIM

Council Member: 10 May 2007 to 31 December 2021

Professor Harding is Vice Chancellor and President of James Cook University, represents the university on the AIMS Council and maintains links with the wider education and business sectors.

In 2019, Professor Harding was awarded an Officer of the Order of Australia (AO) for her distinguished service to education at the national and international level, and to the community of Queensland.

A former Chair of Universities Australia and current Chair of the Queensland Vice Chancellor's Committee, Professor Harding is an economic sociologist with an interest in education policy, the global tropics and economic development.

She is a member of a number of boards, including Education Australia Limited, Citizens of the Great Barrier Reef Foundation Board, Townsville Enterprises Limited and Advance Cairns. She is a member of the Committee for Economic Development of Australia Leadership Council.

Ms Anna Matysek, BEcon (Hons), MEnv

Council Member: 15 June 2017 - 14 June 2022

Ms Matysek is an experienced economist, and a business development and investment strategist. She is a senior executive with a strong background in stakeholder engagement and policy development in the resources, energy and infrastructure sectors.

Ms Matysek has worked with leading global mining and manufacturing companies, utilities, agribusinesses, and government. She is a climate change executive with BlueScope and has previously held senior positions in Rio Tinto, TransGrid and economics consulting firms. She has prior experience working for the Australian Bureau of Agricultural and Resource Economics and the Productivity Commission.

Ms Matysek is a Board Member of the Australian Renewable Energy Agency (ARENA), was a lead author on the Intergovernmental Panel on Climate Change Fourth Assessment Report, and the International Assessment of Agricultural Knowledge, Science and Technology for Development.

Ms Jeanette Roberts, BE(Hons), CEng, FICHEM

Council Member: 21 June 2018 to 20 June 2023

Ms Roberts is a chemical engineer and a senior executive with more than 40 years' international experience in the oil and gas industry, including in China, India, Russia, Africa, Europe and the Asia-Pacific.

A director of her own company, Jeanette Roberts Consulting, she has major global merger and acquisitions experience, including divestments, global restructures, risk management and governance.

Ms Roberts has worked on policy development at both state and Commonwealth level, as well as in the research sector, building partnerships and collaboration frameworks, particularly around marine environments and sustainable development.

She has worked for oil and gas operators and service companies both in Australia and internationally.

Dr Thomas William Barlow, BSc (Hons), DPhil

Council Member: 11 March 2020 to 10 March 2025

Dr Barlow serves as an adviser on knowledge investment, research policy, and analytics to a range of technology-intensive companies, government agencies, and universities globally. He previously served a five-year term as an independent member on the Board of the National Computational Infrastructure and is currently also on the Board of the Australian National Imaging Facility.

Dr Barlow is the author of three books on science and innovation, and publisher of the Barlow Report, a biennial resource for higher education institutions in Australia and East Asia.

Dr Barlow has previously worked as a weekly columnist for the Financial Times newspaper in London. He has also been the science policy adviser to the Minister for Education, Science and Training in the Australian Government. He started his career as a computational and theoretical chemist.

Dr Erika Techera, LLB (Hons), PG Cert Higher Ed, M Env Law, LLM, PhD, FAAL, GAICD

Council Member: 16 March 2020 – 15 March 2025

Dr Techera has over 25 years' experience in law, legal practice and academic legal research. She is a specialist in international and comparative environmental law and marine environmental governance with a strong commitment to sustainable development. Dr Techera is a Professor of Law and has held a variety of senior leadership roles in the university sector. She has expertise in strategic leadership, governance and management having led a flagship, multi-disciplinary research institute and a University Faculty of Law. She formerly practised as a Barrister in Sydney for over seven years and prior to this, was Director of a small litigation support business.

Dr Techera has been a member of the Board of Western Australian Maritime Museum Advisory Committee since mid-2018, and in 2020 joined the Heritage Council of Western Australia.

Dr Techera is a Graduate of the Australian Institute of Company Directors, is a Fellow and Director of the Australian Academy of Law, and is Australia's National Focal Point for the Indian Ocean Rim Association (IORA) Academic Group.

Council attendance

Table 7: Attendance at Council meetings, 2020–21

Attendance	25 Aug 2020	14-15 Sep 2020	1-2 Dec 2020	29-30 Mar 2021	21-22 Jun 2021
The Hon. Penelope Wensley AC	yes	yes	yes	yes	yes
Professor Sandra Harding AO	yes	yes	yes	yes	yes
Ms Anna Matysek	yes	yes	yes	yes	yes
Dr Paul Hardisty	yes	yes	yes	yes	yes
Ms Jeanette Roberts	yes	yes	yes	yes	yes
Dr Thomas Barlow	yes	yes	yes	yes	yes
Dr Erika Techera	yes	yes	yes	yes	yes

Education and performance review processes for Council members

At induction, Council members are provided with a comprehensive set of documents including the PGPA Act, AIMS Act, AIMS Strategy 2025, Corporate Plan, Risk Management Framework and key plans and policies including the Business Continuity Plan, Enterprise Agreement and Fraud Control Plan.

Council members are encouraged to maintain their membership with the Australian Institute of Company Directors. The performance of Council members is reviewed regularly through a self-assessment process and, as required, by external review.

Ethics

Council members are briefed on—and are required to sign—the AIMS Code of Conduct.

Disclosure of interests

Section 29 of the PGPA Act provides for the disclosure of material personal interests in a matter that is being considered by the Council, and prohibits participation, deliberation and decision making by any member on such matters, unless so resolved by the Council or entitled by the Minister. Details of such disclosure are recorded in the minutes of Council meetings. All these requirements are currently being met.

Audit Committee

The Audit Committee is a formal subcommittee of the Council that meets quarterly. Audit Committee members in 2020–21 were:

- Mr Roy Peterson (Independent Committee Chairman)
- Ms Jeanette Roberts (Council member)
- Ms Margaret Walker (independent member to November 2020)
- Mr Peter Bell (independent member from February 2021)

The AIMS CEO, Chief Finance Officer, Chief Operating Officer, Finance Manager, representatives of the Australian National Audit Office, and an internal auditor, attend all meetings or relevant parts of all meetings, by invitation.

In accordance with best practice, all Council members may receive copies of the Audit Committee agenda and meeting minutes and can attend meetings as a right.

Mr Roy Peterson attends relevant sections of Council meetings in his capacity as Independent Chairman of Audit Committee.

The Audit Committee is responsible for providing independent assurance and assistance to Council on:

- financial reporting
- performance reporting
- systems of risk oversight and management
- systems of internal control
- internal audit
- external audit.

Four full meetings of the committee were held during FY 2020–21. The committee's charter is available at <https://www.aims.gov.au/sites/default/files/2020-08/Audit%20Committee%20Charter.pdf>

Audit Committee Skills and Experience

Mr Roy Peterson (BCom, FCA, FTI) - Independent Audit Committee Chairman

Mr Peterson is independent Chairman of AIMS Audit Committee and a leader in his field. He served on AIMS Council from 11 December 2014 to 10 December 2019. He is a Chartered Accountant with strong governance and audit committee experience, including internal audit, risk management, process improvement and taxation. Mr Peterson has chaired the North Queensland Committee for the Australian Institute of Company Directors and was a member of the Taxation Institute National Taxation Liaison Committee. He is a Fellow of the Institute of Chartered Accountants, and the Taxation Institute of Australia.

Mr Peter Bell (BSc (Econ), CIPFA, FCPA, IIA)- independent member from March 2021

Peter has more than 30 years' experience in internal audit, external audit, performance audit and risk management. This has included senior roles in the federal government for the Australian National Audit Office and Australian Broadcasting Corporation, and as a Partner in Ernst & Young and Managing Director or Protiviti. Peter is also a member of the Great Barrier Reef Marine Park (GBRMPA) Audit Committee.

Ms Margaret Walker (BCom) – independent member to November 2020

Ms Walker has over 20 years experience as a senior finance executive in the financial services industry and in the last 10 years as an executive director for Tactical Global Management (TGM). Her roles at TGM spanned Executive Director responsible for marketing, business development, finance and compliance. Ms Walker has strong financial, regulatory and risk management experience and worked at a high strategic level within her previous organisations. She has extensive experience in setting strategy and business planning.

Skills and experience of Ms Jeanette Roberts (AIMS Council Member and Audit Committee Member) is included with the Council Member biographies.

Audit Committee Remuneration

Mr Roy Peterson - Independent Audit Committee Chairman: \$13,500

Ms Margaret Walker (Bcom) – independent member to November 2020: \$5,254

Mr Peter Bell - independent member from March 2021: \$4,000

Audit Committee Attendance

Table 8: Audit Committee member attendance, 2020–21

Attendance	4 Aug 2020	10 Nov 2020	2 Mar 2021	1 Jun 2021
Mr Roy Peterson (Independent Committee Chairman)	yes	yes	yes	yes
Ms Jeanette Roberts (Council member)	yes	yes	yes	yes
Ms Margaret Walker (independent member to Nov 2020)	yes	yes	n/a	n/a
Mr Peter Bell (independent member from Feb 2021)	n/a	n/a	yes	yes

Remuneration and Nominations Committee

The Remuneration and Nominations Committee is a sub-committee of the Council of the Australian Institute of Marine Science (AIMS), which provides advice to Council regarding the remuneration of senior AIMS staff and recommends nominations for Council membership. The Committee reviews the employment arrangements of the Council, of the CEO, and of AIMS employees not covered by the AIMS Enterprise Agreement. On an annual basis, the Committee reviews AIMS' reporting arrangements to ensure that AIMS is adhering to the administrative requirements of the Remuneration Tribunal. Remuneration of AIMS employees not covered by the AIMS Enterprise Agreement is determined having regard to the Government's Workplace Relations Bargaining Policy and relativity of comparable positions within AIMS, the APS and the wider employment market. Council member and CEO remuneration is in accordance with the directions of the Commonwealth Remuneration Tribunal.

The Committee comprises of at least three Council members, appointed by the Council.

Independent professional advice

The Council has the right to obtain, at AIMS' expense, relevant independent professional advice in connection with the discharge of its responsibilities. It did not seek such advice in 2020-21.

Fraud Control

AIMS remains committed to mitigating incidences of fraud and managing risks. AIMS has developed a Fraud Control Plan using the Commonwealth Fraud Control Framework 2017 and in adherence to s.10 of the PGPA Rule 2014. AIMS reports its fraud data to the Australian Institute of Criminology by 30 September each year.

Financial Reporting

AIMS' financial statements are prepared in accordance with:

- Public Governance, Performance and Accountability (Financial Reporting) Rule 2015 (FRR);
- Australian Accounting Standards and Interpretations – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board that apply for the reporting period; and
- The financial statements notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements are accompanied by a signed statement by the Accountable Authority, CEO and CFO, declaring that the statements comply with the accounting standards and any other requirements prescribed by the FRR and present fairly the entity's financial position, financial performance and cash flows in accordance with s. 42 of the PGPA Act.

Performance Reporting

Section 39 of the PGPA Act requires an annual performance statement to be provided by corporate Commonwealth entities. AIMS' annual performance statement for 2020-21 is provided in *Results and Commentary on Performance*.

Systems of Risk Oversight and Management

Under s. 17(2) (c) of the PGPA Rule, the Audit Committee is responsible for reviewing the Institute's risk framework (and monitoring management's compliance with that framework) and making recommendations to the Council to address any significant issues raised.

System of Internal Audit Control

The Audit Committee's responsibilities include reviewing the Audit Plan and internal audit reports, and also making recommendations to the Council and management to address any significant issues raised. The committee also reviews whether the internal audit coverage aligns with AIMS' key risks. The internal audit function was performed by PricewaterhouseCoopers (PwC) during the year. The internal auditor is responsible for independently reviewing risk in accordance with the AIMS Corporate Plan.

External Audit

Under s. 43 of the PGPA Act, the Commonwealth Auditor-General, through the ANAO, is the external auditor for the Institute. The Audit Committee reviewed the ANAO Audit Plan and reported to, and met with, ANAO representatives before recommending to the Council that the annual financial statements be accepted, and the Statement by Council be signed.

Risk Management

AIMS has a comprehensive corporate risk management strategy, which includes processes to identify and assess new risks to AIMS, and to monitor and refine existing risks and control measures.

Operational risk management is established across the Institute, with processes, procedures and systems of work in place to manage workplace health and safety risks. We participate in the annual Comcover risk management benchmarking survey.

Investing and Financing Activities

AIMS invested its surplus money in accordance with s. 59 of the PGPA Act and AIMS' policy on investments.

Related Parties

AIMS transacts with Australian Government related entities consistent with normal day-to-day business operations provided under normal terms and conditions, including the purchase and rendering of science services.

AIMS undertook 31 transactions for a total value of \$464,000 in 2021 (24 transactions totaling \$625,000 - 2020) (including GST) with related Commonwealth entities for the rendering of science services (refer to Note 3.3 of the Financial Statements).

AIMS also undertook 22 transactions for a total value of \$2,095,000 in 2021 (31 transactions totalling \$2,395,000 – 2020) (including GST) with related Commonwealth entities for the purchase of science services (refer to Note 3.3. of the Financial Statements).

The AIMS Council delegates decision making for related party contracts up to \$5 million to the AIMS CEO. The AIMS Council retains decision making for any contracts greater than \$5 million. The AIMS Council reviews a schedule of contracts entered into by AIMS at its quarterly meetings. Any AIMS Officer who may have a perceived or real conflict of interest relating to any contract is required to declare the conflict and is not involved in the decision making.

Indemnities and Insurance Premiums for Officers

There were no liabilities to any current or former officials of AIMS during the reporting period. No premium was paid (or was agreed to be paid) against a current or former official's liability for legal costs. AIMS paid \$17,049.26 in premiums for directors' and officers' insurances in 2020-21..

Compliance

AIMS conducted its affairs in accordance with the requirements of all applicable laws and regulations, including the PGPA Act and prescribed rules, the applicable policies of the Australian Government, and the internal policies of AIMS. Any government policy orders notified as being applicable to AIMS would be duly complied with (s. 22(3), PGPA Act). There were no policy orders applied to AIMS in 2020-21.

Duty to Inform and Ministerial Notifications

The AIMS Council is required to notify the responsible minister of any significant issue that has affected AIMS (s. 19(1)(e), PGPA Act). There were no significant issues requiring notification to the responsible minister during 2020–21 relating to non-compliance with finance law.

Consultancy Services

AIMS engages individuals and companies as external consultants from time to time where it lacks specialist expertise or when independent research, review or assessment is required.

Consultants are engaged to investigate or diagnose a defined issue or problem, carry out defined reviews or evaluations, or provide independent advice, information or creative solutions to assist in AIMS' decision making.

Decisions to engage consultants take into consideration the skills and resources required for the task, the skills or resources available internally and the cost-effectiveness of these options. Engagement of a consultant is made in accordance with our Procurement Policy and Procedures and other relevant internal policies.

AIMS spent \$373,000 (excluding GST) on consultancies during 2020-21.

Public Accountability

Judicial decisions and reviews by administrative tribunals

No judicial decisions relating to AIMS were handed down during the reporting period.

Commonwealth Ombudsman

No reports relating to AIMS were given by the Commonwealth Ombudsman during 2020-21.

Office of the Australian Information Commissioner

No reports relating to AIMS were given by the Australian Information Commissioner during 2020–21.

Parliamentary Committees

No reports were produced on the operations of AIMS by a parliamentary committee during 2020–21.

Auditor-General

No reports were produced on the operations of AIMS by the Auditor-General during 2020-21.

Service Charter

AIMS' service charter outlines the standards it commits to regarding management of our relationships, a copy of which is posted on our website. AIMS actively seek and welcome feedback on our performance against our service standards. The charter and details on how to provide feedback can be found at <https://www.aims.gov.au/docs/about/corporate/service-charter.html>

Privacy Act 1988

To ensure the proper management, administration and safety of its officers, employees, visitors, volunteers and contractors, AIMS is required to collect personal, and occasionally sensitive, information. AIMS is committed to the Australian privacy principles contained within the Privacy Act 1988 and has formal processes to manage privacy, as detailed in the AIMS Privacy Policy. AIMS has a privacy officer (privacy@aims.gov.au) who is responsible for ensuring that the Institute's Privacy Policy is adhered to and that AIMS complies with all applicable statutory requirements.

Freedom Of Information (FOI)

Freedom Of Information (FOI) requests, reviews, decisions and statements

One request for documents under the provisions of the Freedom Of Information Act 1982 (FOI Act) was received by AIMS during 2020–21.

In addition, no applications were received during 2020–21:

- for internal review of decisions made under the FOI Act
- for external review by the Administrative Appeals Tribunal of decisions made under the FOI Act
- to amend any records under the FOI Act.

FOI Operations

Agencies subject to the FOI Act are required to make information available to the public as part of the Information Publication Scheme (IPS). Under their IPS, each agency must display on its website a plan showing what information it publishes in accordance with the IPS requirements in Part II of the FOI Act.

The documents listed in our IPS Agency Plan are generally freely available to any person requesting them. The availability of other information is subject to assessment, which is made on a case-by-case basis in accordance with the relevant provisions of the FOI Act, as supplemented and explained in the relevant fact sheets, guidelines and other materials published on the website of the Office of the Australian Information Commissioner (OAIC). The grounds for assessment include considerations of commercial confidentiality, legal professional privilege and personal privacy. The FOI Act and the above website explain these, the other unconditional exemptions and the conditional exemptions as contained in the current legislation.

Requests for any such information from AIMS must be made in writing, addressed to the relevant person, and must contain the information set out under 'How to make an FOI request' on the above website. The request should be addressed to the FOI contact officer at the address given below. There is no fee payable for the request. However, fees and charges may apply and, if they do, will be set in accordance with Part 4 of the FOI Guidelines, which are available from the OAIC and AIMS websites.

Information Publication Scheme

AIMS continues to undertake actions consistent with compliance requirements under the IPS introduced in May 2011 pursuant to the relevant provisions of the FOI Act. The IPS encourages governments and government agencies to provide open, accountable and transparent information in formats that are easy to understand and freely accessible.

Contact

All enquiries and requests for information, or concerning access to documents or any other matters relating to FOI, should be directed to:

FOI contact officer, Australian Institute of Marine Science

PMB No. 3, Townsville Mail Centre MC, QLD 4810

Telephone: (07) 4753 4444

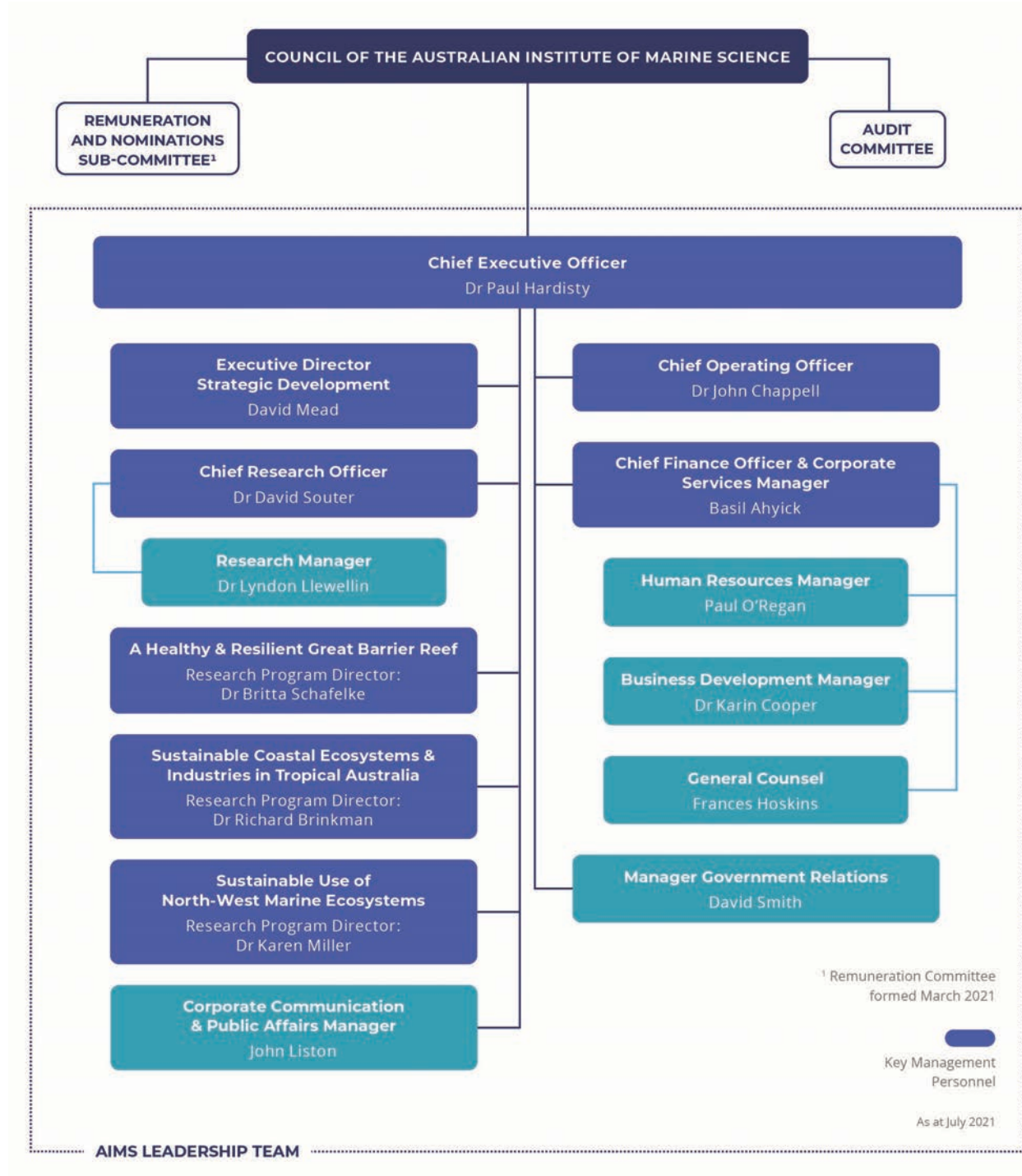
Facsimile: (07) 4772 5852

Email: FOI@aims.gov.au

Part 4: Our People

Organisational Structure

Figure 11: Organisational structure of the Australian Institute of Marine Science.



Staff

AIMS employed an average of 257.56 full-time equivalent (FTE) science and support staff during FY 2020–21, including 23.18 FTE under labour hire arrangements, 0.1 FTE casuals and 3.34 FTE temporary staff. In addition, AIMS engaged 44 FTE personnel via outsourced functions (see Table 9) and 2 FTE of secondments from the Department of Industry, Science, Energy and Resources.

Throughout 2020-21, our staff have continued to adapt and respond to changing conditions because of the COVID-19 pandemic. This has also caused delays in recruiting and onboarding new staff, particularly those required to deliver our contractual obligations under the Reef Restoration and Adaptation Program.

Many of our scientists are world authorities in their field who have achieved international acclaim for their research. The work of the research scientists is supported by a variety of professional and technical support staff skilled in the following:

- research support
- laboratory and analytical services
- data collection and data management
- commercial and business development services
- intellectual property portfolio management
- engineering and field operations services
- science communication
- corporate support functions comprising human resources, financial, information services, supply and general management.

Where appropriate, AIMS contracts services. Currently, contracted services are for catering, cleaning, site maintenance, security and crewing marine research vessels.

AIMS core staff numbers

Table 9: Average Staffing Level Numbers (ASL)

	2018-19			2019-20			2020-21		
Staff category	Female	Part-time	Total	Female	Part-time	Total	Female	Part-time	Total
Research Scientists	24	4	53	24	4	51	27	3	58
<i>Townsville</i>	16	3	32	17	3	32	18	1	34
<i>Perth</i>	7	1	16	6	1	14	8	2	20
<i>Darwin</i>	1	-	5	1	-	5	1	-	4
Research Support	21	2	58	22	3	61	30	2	76
<i>Townsville</i>	17	1	46	18	2	48	26	1	63
<i>Perth</i>	3	1	10	3	1	10	3	1	10
<i>Darwin</i>	1	-	2	1	-	3	1	-	3
Technical and corporate support	37	5	104	40	4	110	37	4	97
<i>Townsville</i>	31	5	89	34	3	97	31	4	86
<i>Perth</i>	6	-	12	5	1	12	5	-	10
<i>Darwin</i>	-	-	3	1	-	1	1	-	1
Total Staff (excluding casual and temporary)	82	11	215	86	11	222	94	9	231
<i>Townsville</i>	64	9	167	69	8	177	76	7	183
<i>Perth</i>	16	2	38	14	3	36	15	2	40
<i>Darwin</i>	2	-	10	3	-	9	3	-	8
Postdoctoral Fellows included in total*	5	-	12	5	-	10	6	-	9
<i>Townsville</i>	4	-	6	3	-	6	3	-	4

	2018-19			2019-20			2020-21		
Staff category	Female	Part-time	Total	Female	Part-time	Total	Female	Part-time	Total
Perth	1	-	5	2	-	4	3	-	5
Darwin	-	-	1	-	-	-	-	-	-
Temporary and Casual staff	19	-	29	15	-	24	17	-	27
Townsville	18	-	26	11	-	19	14	-	24
Perth	1	-	3	4	-	5	3	-	3
Darwin	-	-	-	-	-	-	-	-	-
Contractors	-	-	47	-	-	44	-	-	44

* Most PostDocs are joint appointments with other research organisations. These figures only reflect positions for which AIMS is the host employer

Staff Consultation

Staff consultation and communication takes place via a range of mediums such as all-staff meetings, emails and newsletters. The Joint Consultative Committee—comprising AIMS CEO (Chairman), a management representative (Chief Operating Officer), the Human Resources Manager, Community and Public Sector Union (CPSU) representatives (internal), a CPSU organiser (external), and staff representatives—met four times in 2020–21. This committee provides a forum for discussion and consultation between management and staff representatives on issues that may affect staff conditions and entitlements.

Leadership Development

During 2020–21, AIMS continued with a significant leadership development program affording all staff the opportunity to participate.

Equal Employment Opportunity and Workforce Diversity

Our workforce diversity policy acknowledges differences and adapts work practices to create an inclusive work environment in which diverse skills, perspectives and cultural backgrounds are valued.

The Institute's staffing policies and procedures align with the requirements of the Equal Employment Opportunity (Commonwealth Authorities) Act 1987. Designed to ensure that workforce diversity and equality of opportunity are fundamental operating principles for AIMS, they include:

- regularly reviewing employment policies and practices, and providing ongoing instruction for user groups
- promoting AIMS as an equal opportunity employer in all recruitment advertisements placed in online media and on our website
- supporting equity of access and providing amenities for people with disabilities in AIMS' public access facilities such as conference rooms, theatre, library, cafe and display areas
- constructing new facilities that support equity of access
- catering to staff and visitors with a disability, and providing a wheelchair, if required, on public tours of AIMS
- having mechanisms in place to handle complaints and grievances (formal and informal) to address issues and concerns raised by staff and visitors.

Table 10: Staff numbers in equal employment opportunity categories

EEO category	Proportion of total staff (per cent)				
	2016–17	2017–18	2018–19	2019–20	2020-21
Aboriginal and Torres Strait Islander	1.31	0.98	2.05	2.18	2.47

EEO category	Proportion of total staff (per cent)				
	2016–17	2017–18	2018–19	2019–20	2020–21
Non-English-speaking background	16.44	16.78	14.67	15.1	16.44
Staff with disability	1.84	1.68	1.59	1.32	1.84
Women	37.25	41.36	41.32	39.23	40.92

Inclusiveness and Diversity in the Workplace

Our workforce initiatives support the wider Australia Public Service undertakings on Indigenous employment, diversity and gender equity. In 2020-21 we were awarded Athena Swan Bronze Award certification, AIMS is continuing to demonstrate a solid foundation for improving gender equity and developing an inclusive culture that values all staff. This includes:

- an assessment of gender equality in the institution, including quantitative (staff data) and qualitative (policies, practices, systems and arrangements) evidence and identifying both challenges and opportunities
- a four-year action plan that builds on this assessment, information on activities that are already in place and what has been learned from these
- the development of an organisational structure, including a self-assessment team, to carry proposed actions forward.

The application for the award was part of AIMS' plan to support continuous career improvement for individuals across all gender groups in higher education and research over the next four years, helping to create a more inclusive society.

Code of Conduct

AIMS has a Code of Conduct to which the Council, management, staff and visitors are required to adhere. The Code complies with the Public Governance, Performance and Accountability Act 2014. New Council members, staff and visitors are briefed on the Code during induction.

Workplace Behaviour

Management, staff and visitors at AIMS share responsibility for providing and working in an environment free of harassment and other unacceptable forms of behaviour. In accordance with the AIMS Code of Conduct, staff are required to treat others with courtesy, respect, dignity, fairness and equity, and to have concern for their rights, freedoms and individual needs. A high standard of behaviour is expected and AIMS has a set of principles outlining the way staff are expected to behave towards others.

Workplace harassment contact officers are available throughout AIMS to discuss, in confidence, matters of concern regarding harassment and associated issues raised by a staff member. AIMS received one formal reported case of harassment in 2020-21.

Public Interest Disclosure (Whistle-Blower Policy)

AIMS has a whistle-blower policy designed to facilitate effective notification, assessment and management of the disclosure of serious wrongdoings in accordance with the Public Interest Disclosure Act 2013.

AIMS strongly encourages reporting of serious wrongdoing and will take appropriate and necessary action to uphold the integrity of the Institute and to promote the public interest. To achieve our goals and obligations in this regard, AIMS is committed to creating and maintaining an environment and culture in which the disclosure of serious wrongdoings is fully supported and protected. There were no formal reported public interest disclosure cases in 2020–21.

National Disability Strategy

AIMS is committed to ensuring that people with disabilities are given opportunities for independence, access and full participation. AIMS assesses cases individually and endeavours to implement the most appropriate measures to assist people with disabilities.

AIMS' physical resources continue to be upgraded to meet access needs for people with disabilities, which includes building modifications and the construction of new facilities.

Employee Assistance Program

Lifeworks is contracted by AIMS to provide an independent employee assistance program. The program is free to staff, their family members, and students and provides for up to six sessions to assist with issues of:

- relationship and family problems
- maximising performance
- depression, anxiety and stress
- conflict and communication
- children or family member concerns
- grief and bereavement
- elder care issues
- addiction
- work–life balance
- career path issues
- retirement
- work stress.

Participants can refer themselves or be encouraged by a colleague, supervisor, human resource staff or workplace health and safety staff to access the program. The use rate during 2020-21 was 16 per cent, an increase from 10.9 per cent in the previous year. Analysis reveals that 73 per cent of access was for personal reasons with 27 per cent being for work related matters.

Health and Safety

Performance – Competent, Considered and Focused

Our Approach

The safety of our people, collaborators, contractors, and those with whom we share the oceans remains paramount. AIMS Strategy 2025 defines AIMS safety value, to care for ourselves and others in all that we do. AIMS defines measurable targets with which we will track our progress towards our work, health and safety objectives. At the highest level, AIMS has committed to achieving year on year improvements in safety performance.

Continuous improvement

COVID-19 Response

The COVID-19 pandemic has continued to present organisational risks and challenges. AIMS has implemented a risk-based phased recovery plan, working consultatively across all areas of the organisation to manage a shifting COVID-19 risk context. This phased approach, underpinned by comprehensive communication and consultation strategies, health screening, risk management and active and engaged leadership, has proved effective, and AIMS operations have achieved stability and growth.

Injury Reduction Program

Improving awareness and providing tools and strategies that have reduced serious incident rates.

Leadership and Cultural Change Program

Assisting people to work together more effectively and look out for each other's health and safety, through personalised assessment, review, and coaching.

Physical and Mental Wellbeing Program

Providing improved access to exercise opportunities, including Fitness Passport, in addition to mindfulness workshops and training.

Internal Audit and Inspection Regimes

Providing a safe workplace and practice through site inspection, and Internal Audit Committee review of policies and procedures, and internal stakeholder reviews of the application of key operational procedures.

Safety Pillars

Our health and safety approach is based on six pillars (Figure 12) that guide our annual strategic work planning:

Figure 12: Health and Safety Pillars



Dedicated Safety Roles

Our commitment to the health and safety of workers is demonstrated by the number and diversity of roles dedicated to health and safety management at AIMS:

- HSE Team Members
- Emergency Wardens
- First Aid Officers
- Safety Committee Members
- Health & Safety Representatives
- Harassment Contact Officers
- Cruise Leaders
- Dive Officer & Supervisors
- Dive Safety Committee Members
- Boating Officer & Attendants
- Laboratory Managers
- Quarantine & Biosafety Officer
- Radiation Safety Officer
- Emergency Management Officer
- Emergency Management Team
- Business Continuity Team
- Sustainable Environment Advisory (SEA) Network Participants

In 2020-21 AIMS Emergency Management and Business Continuity teams played a critical role in responding to the COVID-19 pandemic, ensuring the health and safety of all workers. A forward-thinking, flexible, risk-based approach that was centred around communication and collaboration, has resulted in no cases of COVID-19 in the workplace while allowing for continued, but restricted, operations.

Lost Time Injuries

There were no lost time injuries recorded in 2020-21. AIMS has consistently achieved low lost time injury rates over the past five years, averaging less than one per annum.

Lead and Lag Indicators

AIMS' reporting culture remains strong, with the number of hazards around half of all hazards and incidents reported. Of the 91 incidents reported, four resulted in restricted work or medical treatment injuries, and 10 involved minor first aid cases (Table 11).

Year on year improvement has been achieved in the areas of safety delivery, with respect to incident reporting, investigation timeframes and the number of incidents resulting in work restrictions. AIMS' total recordable injury frequency rate³ decreased by half from 16 to 8, equating to 4 recordable injuries.

There were no notifiable incidents.

No new workers' compensation claims were accepted under the Comcare workers' compensation scheme, in large part due to AIMS' early intervention program.

Table 11: AIMS safety reports, 2020–21:

<i>Notifiable Incidents: 0</i>	<i>Hazards: 92</i>
<i>Workers Compensation Claims: 0</i>	<i>Incident Reports: 91</i>
<i>Lost Time Injuries: 0</i>	

Of the four recordable injuries, one was attributable to manual task work. AIMS remains dedicated to reducing the number of manual task-related injuries, providing early intervention, training and information around manual task risk management, including role-based functional assessments which have contributed to a significant reduction in the number of recordable injuries.

Environmental Performance

We have delivered against our commitments to protecting the environment and conserving biodiversity during the year. In particular, we worked with multiple industries, government, the community and other scientific institutions and agencies on programs and projects dedicated to conserving and sustainably managing tropical marine resources. As a community leader and a Commonwealth statutory authority, we have both a moral obligation and a statutory obligation under the EPBC Act to protect and maintain the biodiversity and heritage under our control. Accordingly, we carefully guard against any avoidable adverse impacts on the environment arising from our own activities and work proactively to minimise the environmental footprint of our operations.

Reducing Our Environmental Impacts

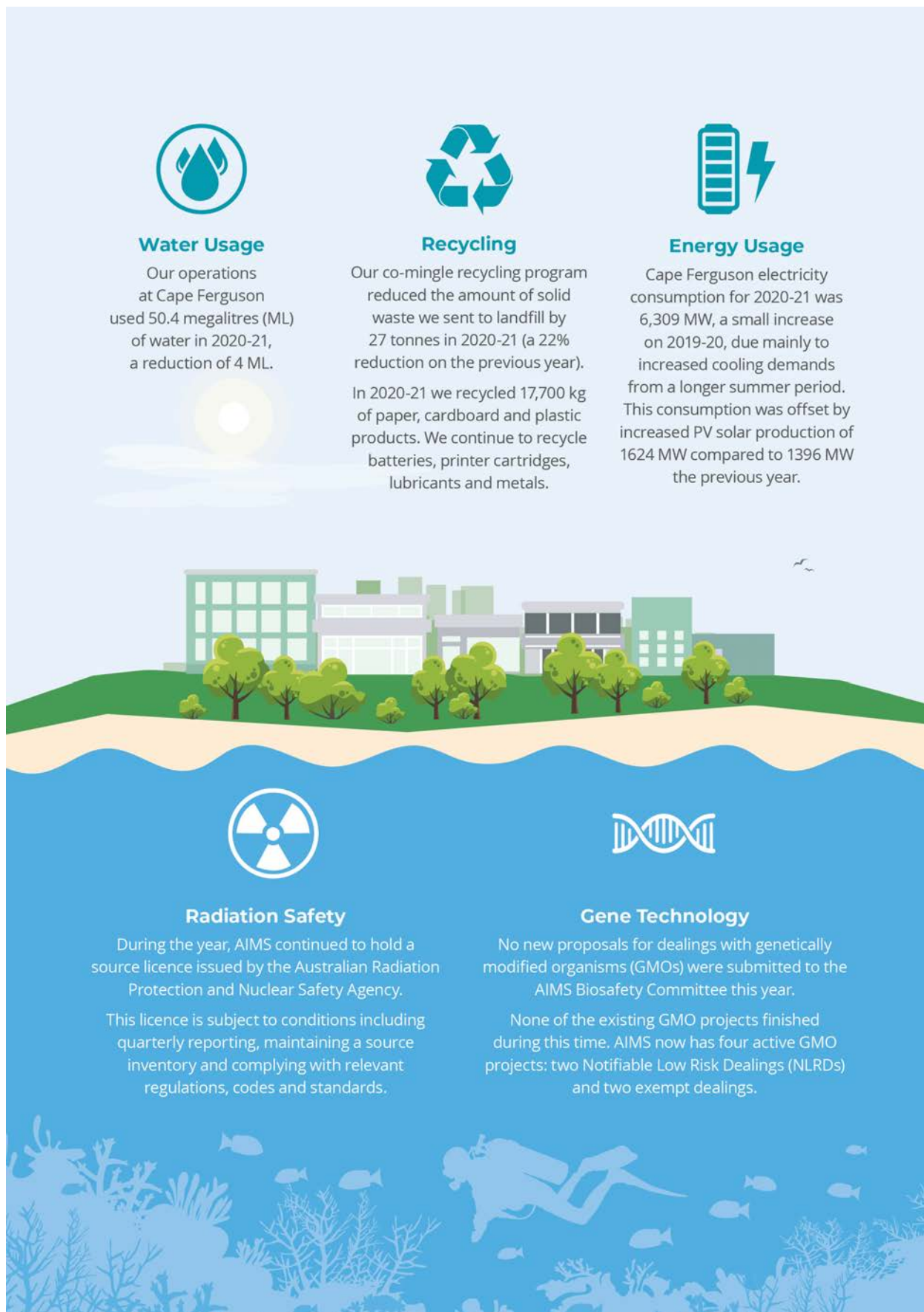
In 2020-21 AIMS met its strategic target of a 25 per cent reduction in own carbon emissions. The overall reduction in total carbon emissions compared with the base year of 2017-18 was 25 per cent. The most significant reductions were due to a 1,000 MW PV solar system in Townsville and negotiating that approximately 20 per cent of purchased electricity is provided from renewable energy sources – wind, hydro and biomass.

AIMS generates solar electricity at each of its three main sites in Townsville, Perth and Darwin. Over the past year, our solar arrays have generated more than 1,700 kWh of electricity to power our science – over 25 per cent of our electricity consumption, reducing our CO₂ emissions by approximately 1,300 tonnes. Our panels are installed across the rooftops of our facilities. At our Townsville site, we also have a large ground-mounted array.

Twenty per cent of the electricity that AIMS purchases comes from renewable sources and we are currently working on a clean energy proposal with our suppliers to increase the proportion of renewables. Our recycling program continues to reduce solid waste to landfill with a reduction of 27 tonnes compared with last year.

³ Total Recordable Injury Frequency Rate (TRIFR) = AIMS Total Recordable Injuries (Lost Time Injuries + Restricted Work Cases + Medical Treatment Cases) / Total hours worked *1000000. Note: The TRIFR calculation includes all recordable injuries, not just those that result in an approved workers compensation claims.

Figure 13: Environmental Performance



Our alignment to ecologically sustainable development

Table 12: Alignment and contribution to ESD Principles

Ecologically Sustainable Development (ESD) Principle	Our Alignment and Contribution
Decision-making processes should effectively integrate both long-term and short term economic, environmental, social and equitable considerations.	All AIMS work is assessed with ESD impact in mind. Projects are selected based on their environmental, economic, and social net value to the organisation, community and country in line with the AIMS Strategy 2025.
If there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation.	<p>AIMS complies with all major environmental laws and requirements in its operations and capital works.</p> <p>Environmental protection is mandated when planning and undertaking major capital works. Any proposed activities that may fall under the Environment Protection and Biodiversity Conservation Act 1999 are assessed for referral to the Department of the Environment and Energy. Proposals for new or modifications to existing facilities undergo rigorous internal safety, regulatory and environmental processes with independent oversight.</p> <p>A continuous improvement program is in place to reduce environmental impact through reducing energy and water consumption and waste generated.</p> <p>AIMS conducts large scale environmental monitoring programs and risk-based modelling to provide impartial advice on management and policy for government and industry decision makers. The organisation is leading the Australian research effort to identify innovative ways to assist coral reefs to recover from the impact of existing environmental conditions.</p>
The principle of inter-generational equity – that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations.	<p>AIMS' Project Management Framework includes evaluations of future impact (targeting net social, economic and environmental benefits) for Australia. The organisation leads the global research effort to assist coral reefs in adapting to future environmental conditions to ensure the benefits of coral reefs are sustained for generations of Australians to come.</p> <p>AIMS actively integrates environmental responsibility and sustainability into our operations, minimising our environmental footprint through building infrastructure and behaviour change, and preventing, minimising and controlling pollution. Reducing our consumption of energy, water and resources not only supports sustainable objectives, it also contributes to our financial sustainability and allows us to redirect more funds into our science.</p>
The conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making.	AIMS provides monitoring, modelling and research ensuring that the impact of policy and decisions on biological diversity and ecological integrity are understood by tropical marine managers. AIMS works with managers and decision makers to deliver sustainability.
Improved valuation, pricing and incentive mechanisms should be promoted.	AIMS has no activities in this area.

Part 5: Financial Statements

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INDEPENDENT AUDITOR'S REPORT

To the Minister for Industry, Science and Technology

Opinion

In my opinion, the financial statements of the Australian Institute of Marine Science (the Entity) for the year ended 30 June 2021:

- (a) comply with Australian Accounting Standards – Reduced Disclosure Requirements and the *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015*; and
- (b) present fairly the financial position of the Entity as at 30 June 2021 and its financial performance and cash flows for the year then ended.

The financial statements of the Entity, which I have audited, comprise the following as at 30 June 2021 and for the year then ended:

- Statement by the Accountable Authority, Chief Executive and Chief Finance Officer;
- Statement of Comprehensive Income;
- Statement of Financial Position;
- Statement of Changes in Equity;
- Cash Flow Statement; and
- Notes to the financial statements, comprising a summary of significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with the Australian National Audit Office Auditing Standards, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Entity in accordance with the relevant ethical requirements for financial statement audits conducted by the Auditor-General and his delegates. These include the relevant independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) to the extent that they are not in conflict with the *Auditor-General Act 1997*. I have also fulfilled my other responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Accountable Authority's responsibility for the financial statements

As the Accountable Authority of the Entity, the Council of the Australian Institute of Marine Science is responsible under the *Public Governance, Performance and Accountability Act 2013* (the Act) for the preparation and fair presentation of annual financial statements that comply with Australian Accounting Standards – Reduced Disclosure Requirements and the rules made under the Act. The Council is also responsible for such internal control as the Council determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council is responsible for assessing the ability of the Entity to continue as a going concern, taking into account whether the Entity's operations will cease as a result of an administrative restructure or for any other reason. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

Auditor's responsibilities for the audit of the financial statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian National Audit Office Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the Australian National Audit Office Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Accountable Authority;
- conclude on the appropriateness of the Accountable Authority's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accountable Authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Australian National Audit Office



Peter Kerr
Executive Director
Delegate of the Auditor-General

Canberra

30 August 2021

STATEMENT BY THE ACCOUNTABLE AUTHORITY, CHIEF EXECUTIVE AND CHIEF FINANCE OFFICER

In our opinion, the attached financial statements for the year ended 30 June 2021 comply with subsection 42(2) of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), are based on properly maintained financial records as per subsection 41(2) of the PGPA Act and the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

In our opinion, at the date of this statement, there are reasonable grounds to believe that the Australian Institute of Marine Science will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the directors and signed in accordance with subsection 60.15(2) of the *Australian Charities and Not-for-profit Commission Regulations 2013*.

Signed



**The Hon Penelope Wensley AC
Chairman
On behalf of the Accountable Authority
30th August 2021**

Signed



**Dr Paul Hardisty
Chief Executive Officer
30th August 2021**

Signed



**Mr Basil Ahyick
Chief Finance Officer
30th August 2021**

Statement of Comprehensive Income
for the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
NET COST OF SERVICES				
Expenses				
Employee Benefits	1.1A	33,029	30,967	34,541
Suppliers	1.1B	25,695	26,237	33,627
Depreciation and amortisation	2.2	12,568	12,426	12,790
Finance costs		19	20	19
Foreign exchange loss		22	-	-
Losses from asset disposal		216	46	-
Total Expenses		71,549	69,696	80,977
Own-source Income				
Own-source revenue				
Revenue from contracts with customers	1.2A	20,669	15,291	27,375
Interest on deposits		358	675	650
Other revenue	1.2B	452	924	550
Total own-source revenue		21,479	16,890	28,575
Gains				
Gains from sale of assets		248	44	-
Foreign exchange gain		-	2	-
Total gains		248	46	-
Total own-source income		21,727	16,936	28,575
Net cost of services				
		(49,822)	(52,760)	(52,402)
Revenue from Government		45,218	44,773	45,218
Total Revenue from Government		45,218	44,773	45,218
Surplus/(Deficit) attributable to the Australian Government		(4,604)	(7,987)	(7,184)
OTHER COMPREHENSIVE INCOME				
Items not subject to subsequent reclassification to net cost of services				
Changes in asset revaluation surplus	2.2	11,926	-	-
Total other comprehensive income		11,926	-	-
Total comprehensive income/(loss) attributable to the Australian Government		7,322	(7,987)	(7,184)

The above statement should be read in conjunction with the accompanying notes.

Statement of Financial Position
as at 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
ASSETS				
Financial Assets				
Cash and cash equivalents	2.1A	25,165	14,128	250
Contract assets	2.1B	5,070	2,338	3,100
Trade receivables	2.1B	3,583	2,003	4,391
Other receivables	2.1B	211	316	200
Investments	2.1C	28,000	26,100	33,523
Total financial assets		62,029	44,885	41,464
Non-Financial Assets				
Buildings ¹	2.2	98,171	94,768	92,600
Infrastructure, plant & equipment	2.2	50,828	47,538	46,621
Computer software	2.2	4,589	4,324	3,882
Prepayments		3,170	3,169	3,681
Inventory		250	208	252
Total non-financial assets		157,008	150,007	147,036
Total assets		219,037	194,892	188,500
LIABILITIES				
Payables				
Suppliers		2,672	1,991	5,635
Other payables	2.3A	9,853	7,496	4,519
Total payables		12,525	9,487	10,154
Interest bearing liabilities				
Leases	2.3B	872	856	819
Total interest bearing liabilities		872	856	819
Provisions				
Employee provisions	3.1	13,180	12,650	12,812
Other provisions		17	-	-
Total provisions		13,197	12,650	12,812
Total liabilities		26,594	22,993	23,785
Net assets		192,443	171,899	164,715
EQUITY				
Contributed equity		101,579	88,357	88,357
Reserves		109,018	97,227	97,227
Retained surplus (accumulated deficit)		(18,154)	(13,685)	(20,869)
Total equity		192,443	171,899	164,715

The above statement should be read in conjunction with the accompanying notes.
1. Right-of-use assets are included in the non-financial assets buildings line item.

Statement of Changes in Equity
for the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
CONTRIBUTED EQUITY				
Opening balance				
Balance carried forward from previous period		88,357	88,357	88,357
Transactions with owners				
Contributions by owners				
Equity injection		13,222	-	-
Total transactions with owners		13,222	-	-
Closing balance as at 30 June		101,579	88,357	88,357
RETAINED EARNINGS				
Opening balance				
Balance carried forward from previous period		(13,685)	(6,151)	(13,685)
Comprehensive income				
Surplus/(Deficit) for the period		(4,604)	(7,987)	(7,184)
Total comprehensive income		(4,604)	(7,987)	(7,184)
Transfers between equity components		135	453	(7,184)
Closing balance as at 30 June		(18,154)	(13,685)	(20,869)
ASSET REVALUATION RESERVE				
Opening balance				
Balance carried forward from previous period		97,227	97,680	97,227
Comprehensive income				
Other comprehensive income		11,926	-	-
Total comprehensive income		11,926	-	-
Transfers between equity components		(135)	(453)	-
Closing balance as at 30 June		109,018	97,227	97,227
TOTAL EQUITY				
Opening balance				
Balance carried forward from previous period		171,899	179,886	171,899
Comprehensive income				
Surplus/(Deficit) for the period		(4,604)	(7,987)	(7,184)
Total comprehensive income		(4,604)	(7,987)	(7,184)
Asset revaluation reserve				
Other comprehensive income		11,926	-	-
Total asset revaluation reserve		11,926	-	-
Transactions with owners				
Contributions by owners				
Equity injection		13,222	-	-
Total transactions with owners		13,222	-	-
Closing balance as at 30 June		192,443	171,899	164,715

The above statement should be read in conjunction with the accompanying notes.

Accounting Policy

Equity injections

Amounts appropriated which are designated as 'equity injections' for a year (less any formal reductions).

Cash Flow Statement
for the period ended 30 June 2021

	Notes	2021 \$'000	2020 \$'000	Original Budget \$'000
OPERATING ACTIVITIES				
Cash received				
Receipt from Government		45,218	44,773	45,218
Sale of goods and rendering of services		21,244	21,349	18,871
Interest		468	800	595
GST received		2,984	3,248	-
Receipts from other		415	922	-
Total cash received		70,329	71,092	64,684
Cash used				
Employees		31,670	29,729	35,252
Suppliers		28,745	30,106	29,421
Interest payments on lease liabilities		19	20	19
GST paid		2,597	1,775	-
Total cash used		63,031	61,630	64,692
Net cash from/(used by) operating activities		7,298	9,462	(8)
INVESTING ACTIVITIES				
Cash received				
Proceeds from sales of property, plant & equipment		248	50	-
Total cash received		248	50	-
Cash used				
Purchase of property, plant and equipment		7,849	8,055	9,263
Investments		1,817	8,898	4,553
Total cash used		9,666	16,953	13,816
Net cash from/(used by) investing activities		(9,418)	(16,903)	(13,816)
FINANCING ACTIVITIES				
Cash received				
Contributed equity		13,222	-	-
Total cash received		13,222	-	-
Cash used				
Principal payments of lease liabilities		65	54	54
Total cash used		65	54	54
Net Cash from/(used by) Financing activities		13,157	(54)	(54)
Net increase/(decrease) in cash held		11,037	(7,495)	(13,878)
Cash and cash equivalents at the beginning of the reporting period		14,128	21,623	14,128
Cash and cash equivalents at the end of the reporting period	2.1A	25,165	14,128	250

The above statement should be read in conjunction with the accompanying notes.

Budgetary Reporting of Major Variances (AASB1055)

The Budget variances reporting commentary provides a comparison between the 2020-21 Portfolio Budget Statements (PBS) provided to Parliament in October 2020 and the final outcome in the 2020-21 financial statements. The PBS is not audited. Major changes in budget have been explained as part of the variance analysis where relevant.

Variances are considered to be 'major' where:

- (a) the variance between budget and actual is greater than +/-10% of the budget for the line items; and
- (b) the variance between budget and actual is greater than +/-2% of the relevant budget base.

Variance explanations will also be provided where there have been major changes to business activities that may not be numerically material but by nature may assist users in understanding underlying business changes that may have occurred since the original budget was released.

Where a revised budget has been presented to Parliament, AIMS may include variance explanations of major variances between the revised budget and actual amounts where they are considered relevant to an assessment of the discharge of accountability and to an analysis of the performance of AIMS.

Affected line items and statement	Explanations of major variances
<p>Expenses Over 50% of the \$7.932M underspend was related to underspend on project expenses, such as travel \$0.570M, general science consumables \$3.000M, contractors and consultants \$0.600M. The project underspend was driven by several field trips that were budgeted to occur from October 2020 that were delayed due to COVID-19 impacting the way field trips could be staffed and also delays in the ability to recruit staff for the Reef Restoration and Adaptation Program (RRAP) projects with most of these field trips did not commence until January 2021. The remaining underspend comprises general expenses supporting projects or other activities that were not undertaken due to COVID-19 impacts such as travel \$0.500M with meetings held via video conference, savings by field support teams \$0.200M, strategic projects investing in capital items \$0.800M that was budgeted as Operating Costs. Also, other expenses where underspend have occurred is vessel refit operating expenses \$0.900M due to the Research Vessels Cape Ferguson and Solander having their slippings brought forward during May, June & July 2020 instead of June and July 2021 and also minimum works being done due to COVID-19 risks, \$0.500M in the National Sea Simulator consumables, \$0.500M in electricity savings with the full year of AIMS solar panel array and \$0.800M in buildings repairs and maintenance due to COVID-19 restrictions on work partly offset by a doubling of Comcover insurance of \$0.400M.</p>	<p>Supplier Expenses - 24%</p>
<p>Revenue As described in supplier expenses, a number of field trips that were scheduled to start in October 2020 were delayed until end of January 2021. The cascading effect delaying the portfolio of projects means that in accordance with AASB 15, revenue is not recognised where the performance obligations are not completed. Interest rates during the fiscal year dropped significantly and additionally the bonus savings rate 0.50% offered by our bank was removed. AIMS other revenue is for work undertaken outside of contracts on a cost recovery basis as well as other income that is received. Part of this budgeted other income is for the gain in relation to the sale of motor vehicles when we routinely change over our fleet. The budget is a best estimate of income for the year and some of this income did not eventuate.</p>	<p>Revenue from contracts with customers - 24%</p> <p>Interest - 45%</p> <p>Other revenue - 18%</p>
<p>Gains Sale of assets are budgeted in other revenue (see above).</p>	
<p>Assets AIMS received the first instalment of the National Collaborative Research Infrastructure Funding (NCRIS) \$13.22M for the construction of the expansion of the National Sea Simulator to be completed in 2023 at the end of June 2021. The other \$7.00M cash difference is in Deferred Revenue in the Other Payables account whereby AIMS receives cash upfront on contractual obligations to undertake work which will be recognised as revenue when the project performance obligations are completed.</p>	<p>Financial Assets - 36%</p>
<p>Liabilities Invoices for revenue for contracts with customers have been raised however expenditure on those projects was not undertaken as per our lower than budget employee and suppliers expenses or performance obligations not met. Under AASB 15, AIMS can only recognise revenue when the performance obligations are met. Supplier invoices were similar to previous years, they were paid within due dates and accruals for invoices similar to previous years.</p>	<p>Payables - 20%</p>
<p>Cashflow As described in supplier expenses, a number of field trips that were scheduled to start in October 2020 were delayed until end of January 2021. AIMS invoices in accordance to milestones achievements and this can include upfront invoices to clients with cash spent at later date. Cash received for interest during the fiscal year dropped significantly and additionally the bonus savings rate 0.50% by our bank was removed. Purchasing of assets was lower than expected due to COVID-19 impacts of our suppliers having trouble with delivery of assets whether from domestic or overseas. Infrastructure works on AIMS buildings and slippage capital works on AIMS vessels was conducted in 2019-20 instead of 2020-21.</p>	<p>Sale of Goods and revenue from contracts with customers - 13%</p> <p>Interest - 45%</p> <p>Purchase of property, plant and equipment - 15%</p>
<p>Equity AIMS received \$13.22M from Department of Education, Skills and Employment (DESE) as part of the National Collaborative Research Infrastructure Strategy (NCRIS) to expand the National Sea Simulator.</p>	<p>Contributed equity</p>

Overview

Objectives of the Australian Institute of Marine Science

The Australian Institute of Marine Science (AIMS) is a corporate Commonwealth entity established by the *Australian Institute of Marine Science Act 1972*. It is a not-for-profit entity.

The mission of AIMS is to provide the research and knowledge of Australia's tropical marine estate required to support growth in its sustainable use, effective environmental management and protection of its unique ecosystems.

The continued existence of AIMS in its present form and with its present programs is dependent on Government policy and on continuing funding by Parliament for AIMS administration and science research programs.

Basis of Preparation of the Financial Statements

The financial statements are general purpose financial statements and are required by section 42 of the *Public Governance, Performance and Accountability Act 2013*.

The financial statements and notes have been prepared in accordance with:

- a) *Public Governance, Performance and Accountability (Financial Reporting) Rule 2015* (FRR);
- b) Australian Accounting Standards and Interpretations - Reduced Disclosure Requirements issued by the Australian Accounting Standards Board (AASB) that apply for the reporting period; and
- c) The financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, except for certain assets and liabilities at fair value. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position.

The financial statements are presented in Australian dollars and values are rounded to the nearest thousand dollars unless otherwise specified.

Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, AIMS has made the following judgements that have the most significant impact on the amounts recorded in the financial statements.

- Recognition of revenue for rendering of services – Refer Note 1.2: Own-Source Revenue and Gains
- Fair value of buildings, plant and equipment – Refer Note 2.2: Non-Financial Assets
- Remaining useful lives of buildings, infrastructure, plant and equipment - Refer Note 2.2: Non-Financial Assets
- Employee entitlement provision – Refer Note 3.1: Employee Provisions
- Contingent assets and contingent liabilities – Refer Note 4.1: Contingent Assets and Liabilities

No accounting assumptions or estimates have been identified that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

New Australian Accounting Standards

All new/revised standards and/or interpretations that were issued prior to the sign-off date and are applicable to the current reporting period, did not have a material effect to AIMS' financial statements.

Taxation

AIMS is exempt from all forms of taxation except Fringe Benefits Tax (FBT) and the Goods and Services Tax (GST). Revenues, expenses, assets and liabilities are recognised net of GST, except:

- a) where the amount of GST incurred is not recoverable from the Australian Taxation Office; and
- b) for receivables and payables.

Insurance

AIMS is insured through the Government's insurable managed fund Comcover. Workers compensation is insured through Comcare Australia.

Events After the Reporting Period

There was no subsequent event that had the potential to significantly affect the ongoing structure and financial activities of AIMS.

Financial Performance

This section analyses the financial performance of Australian Institute of Marine Science for the year ended 2021.

1.1: Expenses

	2021	2020
	\$'000	\$'000
1.1A: Employee Benefits		
Wages and salaries	24,825	22,690
Superannuation		
Defined contribution plans	1,378	1,394
Defined benefit plans	2,943	2,620
Leave and other entitlements	3,336	3,910
Separation and redundancies	246	-
Fringe Benefit Tax	301	353
Total employee benefits	33,029	30,967

Accounting Policy

Accounting policies for employee related expenses are contained in the People and Relationships section.

1.1B: Suppliers

Goods and services supplied or rendered

Consultants	373	255
Contractors	1,809	1,474
Travel	504	1,219
Consumables	978	1,124
Repairs and maintenance	4,272	5,166
Electricity	1,252	1,329
Fuel, oil and gas	747	755
Hire of equipment	1,222	245
Labour Hire staff	2,099	1,857
Vessel management	4,175	4,222
Support for post-doctorate positions	1,441	1,887
Audit fees	156	136
Employee related expenses	931	679
IT Expenses	1,332	1,306
General Expenses	540	655
Science Expenses	359	871
Property Expenses	1,739	1,302
Communications Expenses	749	685
Meeting expenses	246	306
Library Expenses	459	378
Assist to External Providers	66	85
Legal & Instrument Registration Expenses	103	179
Memberships & Subscriptions	97	67
Total goods and services supplied or rendered	25,649	26,182

Goods supplied

4,164

4,647

Services rendered

21,485

21,535

Total goods and services supplied or rendered

25,649

26,182

Other Suppliers

Workers compensation premiums

46

55

Total other suppliers

46

55

Total suppliers

25,695

26,237

Accounting Policy

Short-term leases and lease of low-value assets

AIMS has elected not to recognise right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low-value assets (less than \$10,000). AIMS recognises the lease payments associated with these leases as an expense on a straight-line basis over lease term.

Finance costs

All borrowing costs are expensed as incurred.

1.2 Own-Source Revenue

	2021 \$'000	2020 \$'000
Own-Source Revenue		
1.2A Revenue from contracts with customers		
Rendering of services	20,669	15,291
Total revenue from contracts with customers	20,669	15,291
Disaggregation of revenue from contracts with customers		
Major product/service line:		
Research services	20,669	15,291
	20,669	15,291
Type of customer:		
Australian Government entities (related parties)	6,437	5,970
State and Territory Governments	1,637	1,107
Industry	4,025	6,065
Joint Australian Government and Industry	12	-
Philanthropy	7,917	969
International Government	-	4
International Industry	149	723
International Philanthropic	492	453
	20,669	15,291
Timing of transfer of goods and services:		
Over time	15,511	15,162
Point in time	5,158	129
	20,669	15,291

Accounting Policy - AASB 15 & AASB 1058

AIMS contracts comprise of a number of performance obligations pertaining to research services. Under AASB, AIMS needs to first determine whether such a contract is in scope of AASB 15 or AASB 1058, that is whether the transaction is a contract with a customer (AASB 15) or a genuine donation or volunteer service (AASB 1058).

The standard (AASB 15.9) specifies criteria which must be met for each contract to be in the scope of AASB 15. These are:

- a) The parties have approved the contract;
- b) AIMS can identify each party's rights regarding the goods or services to be transferred;
- c) AIMS can identify the payment terms for the transferred goods;
- d) The contract has commercial substance; and
- e) It is probable that AIMS will collect the consideration to which it is entitled.

Notwithstanding paragraph 15.9, in respect of Not-for-Profits, if a contract that would otherwise be within the scope of AASB 15 does not meet the criteria in paragraph 9 noted above, as it is unenforceable or not sufficiently specific, it is not a contract with a customer within the scope of AASB 15. AIMS shall consider the requirements of AASB 1058 in accounting for such contracts.

Additional considerations from the standard also contemplate cancellability of arrangements, and states a contract does not exist if each party to the contract has the unilateral enforceable right to terminate a wholly unperformed contract without compensating the other party.

A contract is wholly unperformed if both of the following criteria are met (AASB 15.12):

- a) AIMS has not yet transferred any promised goods or services to the customer; and
- b) AIMS has not yet received, and is not yet entitled to receive, any consideration in exchange for the promised goods or services.

If a contract does not meet the criteria above, AIMS shall continue to reassess the contract until the criteria are met. Once the criteria have been met, no subsequent reassessment is needed unless there is a significant change in circumstances (AASB 15.13 and 15.14). AIMS recognises contract liabilities for consideration received in respect of performance obligations paid for up-front and reports these amounts as contractual liabilities in the statement of financial position. Similarly, if AIMS satisfies a performance obligation before it receives the consideration, AIMS recognises either a contractual asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

The transaction price is the total amount of consideration to which the AIMS expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

Receivables for goods and services, which have 30 day terms, are recognised at the nominal amounts due less any impairment allowance account. Collectability of debts is reviewed at end of the reporting period. Allowances are made when collectability of the debt is no longer probable.

Sale of Assets

Gains from disposal of assets are recognised when control of the asset has passed to the buyer.

Interest

Interest revenue is recognised using the effective interest method.

Revenue from Government

Funding received or receivable from agencies (appropriated to AIMS as a corporate body payment item) is recognised as revenue from Government when the entity gains control of the funding unless the funding is in the nature of an equity injection or loan.

Accounting Judgement and Estimates

Revenue recognition for contractual revenue with customers has significant judgements. The determination of the revenue recognition is on contractual term, distinction of research services over time or time and materials at a point in time, transaction price, satisfaction of control has passed to a client, identification of costs that can be capitalised and any material variations to contracts.

1.2B: Other Revenue

Other revenue	423	600
Insurance claims	29	324
Total other revenue	452	924

The total amount of donations received by AIMS under the Australian Charities and Not-for-profits Commission Act 2012 (ACNC) was \$100.

Financial Position

This section analyses the Australian Institute of Marine Science assets used to conduct its operations and the operating liabilities incurred as a result. Employee related information is disclosed in the People and Relationships section.

2.1 Financial Assets

	2021 \$'000	2020 \$'000
2.1A: Cash and Cash Equivalents		
Cash on hand	4	4
Cash on deposit	25,161	14,124
Total cash and cash equivalents	25,165	14,128

Accounting Policy

Cash is recognised at its nominal amount. Cash and cash equivalents includes:

- a) Cash on hand; and
- b) On demand deposits in bank accounts with an original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

2.1B: Trade and Other Receivables

Services receivables

Contract assets	5,070	2,338
Goods and services	3,583	2,003
Total services receivables	8,653	4,341

The contract assets are associated with research services.

Refer Note 2.3A for information relating to contract liabilities.

Other Receivables

GST receivable from the Australian Taxation Office (net)	206	201
Interest	5	115
Total other receivables	211	316
Total trade and other receivables (gross)	8,864	4,657
Total trade and other receivables (net)	8,864	4,657

Credit terms for goods and services were within 30 days (2020: 30 days).

Accounting Policy

Financial Assets

Trade receivables and other receivables that are held for the purpose of collecting the contractual cash flows where the cash flows are solely payments of principal and interest, that are not provided at below-market interest rates, are subsequently measured at amortised cost using the effective interest rate method adjusted for an loss allowance.

2.1C: Investments

Deposits with Westpac Banking Corporation	28,000	26,100
Total investments	28,000	26,100

2.2 Non-Financial Assets

2.2: Reconciliation of the Opening and Closing Balances of Property, Plant and Equipment and Computer Software

Reconciliation of the opening and closing balances of property, plant and equipment and computer software 2021

	Buildings \$'000	Infrastructure Plant & Equipment \$'000	Computer Equipment \$'000	Computer Software \$'000	Vehicles \$'000	Office Equipment \$'000	Ships, Launches & Vessels \$'000	Library Books \$'000	Total \$'000
As at 1 July 2020									
Gross book value	104,875	37,278	2,315	7,462	2,007	8	21,843	3	175,791
Accumulated depreciation and impairment	(10,107)	(9,850)	(1,317)	(3,138)	(910)	(4)	(3,833)	(2)	(29,161)
Net book value 1 July 2020	94,768	27,428	998	4,324	1,097	4	18,010	1	146,630
Additions									
Purchase or internally developed	587	1,410	329	59	710	53	209	-	3,357
New ROU Assets	72	-	-	-	-	-	-	-	72
Work in progress	877	1,078	1,468	572	-	-	425	-	4,420
Revaluations and impairments recognised in other comprehensive income	6,753	151	2	-	748	-	4,272	-	11,926
Depreciation and amortisation	(4,773)	(4,305)	(440)	(673)	(592)	(4)	(1,722)	-	(12,509)
Disposals	(59)	-	-	-	-	-	-	-	(59)
Other	-	(8)	(1)	-	(228)	-	(12)	-	(249)
Net book value 30 June 2021	98,225	25,754	2,356	4,282	1,735	53	21,182	1	153,588
Net book value as of 30 June 2021 represented by									
Gross book value	99,494	26,676	2,493	8,400	1,951	56	21,474	1	160,545
Accumulated depreciation and impairment	(1,323)	(1,119)	(91)	(3,811)	(216)	(3)	(394)	-	(6,957)
Net book value 30 June 2021	98,171	25,557	2,402	4,589	1,735	53	21,080	1	153,588

Depreciation rates are based on the following useful lives:

5-72 years	2-42 years	4-23 years	2-10 years	4-12 years	5-30 years	3-25 years	10-20 years
------------	------------	------------	------------	------------	------------	------------	-------------

- The carrying amount of computer software included \$525,542 purchased software and \$4,063,524 internally generated software.
- No property, plant and equipment and intangibles are expected to be sold or disposed of within the next 12 months.
- In 2021 the carrying amount of property, plant and equipment included \$233,000 relates to expenditure incurred in the course of construction.

There are no contractual commitments for the construction of property, plant and equipment and intangible assets.

Revaluations of non-financial assets

In the current year a full re-valuation was completed by Pickles Valuation Services (PVS). For assets classified as having Level 2 inputs, PVS compared the Written Down Value (WDV) of the assets against similar assets in the most appropriate active market. This enabled PVS to ascertain that the WDV was materially in line with observable market data. For assets that PVS were unable to be valued by identifiable observable market data an alternative approach was utilised. These assets were valued by the cost approach method, a depreciated replacement cost (DRC) approach, utilising Level 3 inputs. In doing so, the PVS review ensured the estimated replacement cost, total useful lives (TUL), and remaining useful lives (RUL) were in line with industry standards to ensure the DRC calculation was reliable. PVS have relied upon previous valuation and asset lives data to conduct this review.

The next scheduled revaluation of Property, Plant and Equipment is in 2023/24 by an independent valuer.

All increments and decrements are transferred to the asset revaluation surplus by asset class and included in the equity section of the statement of financial position. Any disposals of revalued assets, the revaluation amount is transferred to the retained surplus/deficit account. \$135,000 was recognised as a decrement (2020: \$452,871).

2.2 Non-Financial Assets (cont)

Accounting Policy

Assets are recorded at cost on acquisition except as stated below. The cost of acquisition includes the fair value of assets transferred in exchange and liabilities undertaken. Financial assets are initially measured at their fair value plus transaction costs where appropriate.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and income at their fair value at the date of acquisition, unless acquired as a consequence of restructuring of administrative arrangements. In the latter case, assets are initially recognised as contributions by owners at the amounts at which they were recognised in the transferor's accounts immediately prior to the restructuring.

Asset Recognition Threshold

Purchases of property, plant and equipment are recognised initially at cost in the statement of financial position, except for purchases costing less than \$2,000, which are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total such as IT equipment).

Lease Right of Use (ROU) Assets

Leased ROU assets are capitalised at the commencement date of the lease and comprise of the initial lease liability amount, initial direct costs incurred when entering into the lease less any lease incentives received. These assets are accounted for by Commonwealth lessees as separate asset classes to corresponding assets owned outright, but included in the same column as where the corresponding underlying assets would be presented if they were owned.

On initial adoption of AASB 16 AIMS has adjusted the ROU assets at the date of initial application by the amount of any provision for onerous leases recognised immediately before the date of initial application. Following initial application, an impairment review is undertaken for any right of use lease asset that shows indicators of impairment and an impairment loss is recognised against any right of use lease asset that is impaired. Lease ROU assets continue to be measured at cost after initial recognition in Commonwealth agency, GGS and Whole of Government financial statements.

Revaluations

Following initial recognition at cost, property plant and equipment (excluding ROU assets) are carried at fair value less subsequent accumulated depreciation and accumulated impairment losses. Valuations were conducted with sufficient frequency to ensure that the carrying amounts of assets do not differ materially from the assets' fair values as at the reporting date. The regularity of independent valuations depends upon the volatility of movements in market values for the relevant assets.

Revaluation adjustments were made on a class basis. Any revaluation increment was credited to equity under the heading of asset revaluation surplus except to the extent that it reversed a previous revaluation decrement of the same asset class that was previously recognised in the surplus/deficit. Revaluations decrements for a class of assets were recognised directly in the surplus/deficit except to the extent that they reverse a previous revaluation increment for that class.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the asset restated to the revalued amount.

Depreciation

Depreciable property, plant and equipment assets are written-off to their estimated residual values over their estimated useful lives to the entity using, in all cases, the straight-line method of depreciation. Depreciation rates (useful lives), residual values and methods are reviewed at each reporting date and necessary adjustments are recognised in the current, or current and future reporting periods, as appropriate.

The depreciation rates for ROU assets are based on the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Impairment

All assets were assessed for impairment at 30 June 2021. Where indications of impairment exist, the asset's recoverable amount is estimated and an impairment adjustment made if the asset's recoverable amount is less than its carrying amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. Where the future economic benefit of an asset is not primarily dependent on the asset's ability to generate future cash flows, and the asset would be replaced if AIMS were deprived of the asset, its value in use is taken to be its depreciated replacement cost.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

2.2 Non-Financial Assets (cont)

Computer software

These assets are carried at cost less accumulated amortisation and accumulated impairment losses. Computer software costing less than \$2,000 is expensed in the year of acquisition. Computer software is amortised on a straight-line basis over its anticipated useful life. All software assets were assessed for indications of impairment as at 30 June 2021.

Inventory

Inventories held for distribution are valued at cost, adjusted for any loss of service potential. Costs incurred in bringing each item of inventory to its present location and condition are assigned as follows:

- a) raw materials and stores - purchase cost on a first-in-first-out basis; and
- b) finished goods and work-in-progress - cost of direct materials and labour plus attributable costs that can be allocated on a reasonable basis.

Accounting Judgements and Estimates

The fair value of property, plant and equipment is assessed at market value or current replacement costs as determined by an independent valuer. Every 3 years a full revaluation is completed and in between those years a desktop valuation is completed.

2.3 Payables

	2021 \$'000	2020 \$'000
2.3A: Other payables		
Contract liabilities	9,037	7,021
Salary and wages including oncosts	816	475
Total other payables	<u>9,853</u>	<u>7,496</u>
The contract liabilities are associated with research services contracts. Refer Note 2.1B for information relating to contract assets.		
2.3B: Leases		
Lease liabilities	872	856
Total leases	<u>872</u>	<u>856</u>

Total cash outflow for leases for the year ended 30 June 2021 was \$64,936 (2020: \$53,884).

AIMS in its capacity as lessee has significant leasing arrangements at Port of Townsville for vessel berthing facilities. The lease has a monthly amount payable with annual CPI inflator clauses over 25 years.

Maturity analysis - contractual undiscounted cash flows

Within one year	90	55
Between one to five years	260	230
More than five years	689	748
Total leases	<u>1,039</u>	<u>1,033</u>

The above lease disclosure should be read in conjunction with the accompanying note 2.2.

Accounting Policy

For all new contracts entered into, AIMS considers whether the contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. Once it has been determined that a contract is, or contains a lease, the lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease, if that rate is readily determinable, or the Governments incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification to the lease. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or profit and loss depending on the nature of the reassessment or modification.

People and relationships

This section describes a range of employment and post employment benefits provided to our people and our relationships with other key people.

3.1 Employee Provisions

	2021	2020
	\$'000	\$'000
3.1: Employee Provisions		
Leave	12,846	12,544
Other	334	106
Total employee provisions	13,180	12,650

Accounting Policy

Liabilities for 'short-term employee benefits' (as defined in AASB 119 *Employee Benefits*) and termination benefits expected within twelve months of the end of reporting period are measured at their nominal amounts.

Other long term employee benefits are measured as net total of the present value of the defined benefit obligation at the end of the reporting period minus the fair value at the end of the reporting period of plan assets (if any) out of which the obligation are to be settled directly.

Leave

The liability for employee benefits includes provision for annual leave and long service leave. No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees of AIMS is estimated to be less than the annual entitlement for sick leave.

The leave liabilities are calculated on the basis of employees' remuneration at the estimated salary rates that will be applied at the time the leave is taken, including AIMS's employer superannuation contribution rates to the extent that the leave is likely to be taken during service rather than paid out on termination.

The estimate of the present value of the liability takes into account attrition rates and pay increases through promotion and inflation.

Superannuation

AIMS staff are members of the Commonwealth Superannuation Scheme (CSS), the Public Sector Superannuation Scheme (PSS), the PSS accumulation plan (PSSap), or other superannuation funds held outside the Australian Government. The CSS and PSS are defined benefit schemes for the Australian Government. All other schemes are defined (accumulated funds) contribution schemes.

The liability for defined benefits is recognised in the financial statements of the Australian Government and is settled by the Australian Government in due course. This liability is reported by the Department of Finance administered schedules and notes.

AIMS makes employer contributions to the employees' superannuation scheme at rates determined by an actuary to be sufficient to meet the current cost to the Government. AIMS accounts for contributions as if they were contributions to defined contribution plans.

The liability for superannuation recognised as at 30 June represents outstanding contributions for the final fortnight of the year.

Accounting Judgements and Estimates

Leave provisions involve assumptions based on the expected tenure of existing staff, patterns of leave claims and payouts, future salary movements and future discount rates.

3.2: Key Management Personnel Remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the entity. AIMS has determined the Key Management Personnel during the reporting period to be Council members, CEO and Senior Management. Key management personnel remuneration is reported below.

	2021 \$'000	2020 \$'000
Short-term employee benefits	2,273	2,648
Post-employment benefits	302	343
Other long-term employee benefits	36	68
Termination benefits	-	172
Total	2,611	3,231

Name & Position	Short-term benefits			Post employment benefits	Other long term benefits	Termination benefits	Total remuneration
	Base Salary	Bonuses	Other benefits and allowances	Superannuation contributions	Long service leave	Termination benefits	
The Hon. Penelope Wensley AC - Chairperson*	52,736	-	-	8,112	-	-	60,848
Ms Jeanette Roberts - Council and Audit Committee member*	36,441	-	-	-	-	-	36,441
Ms Anna Matysek - Council member*	26,368	-	-	6,366	-	-	32,734
Dr Thomas Barlow - Council member*	26,368	-	-	6,366	-	-	32,734
Professor Sandra Harding AO - Council member*	30,686	-	-	-	-	-	30,686
Dr Erika Edith Techera - Council member*	26,368	-	-	3,675	-	-	30,043
Dr Paul Hardisty - CEO and Council member^	357,908	1,175	9,653	35,038	7,719	-	411,493
Mr David Mead - Executive Director Strategic Development*	256,598	81,968	24,928	50,589	2,689	-	416,772
Mr Basil Ahyick - Chief Finance Officer*	258,094	-	-	30,988	8,155	-	297,237
Dr John Chappell - Chief Operating Officer*	255,142	-	-	38,954	897	-	294,993
Dr Britta Schaffelke - Research Program Director	197,951	-	13,503	34,166	3,486	-	249,106
Dr David Souter - Chief Research Officer	202,442	-	11,256	27,474	7,710	-	248,882
Dr Richard Brinkman - Research Program Director	191,666	-	15,478	37,458	2,096	-	246,698
Dr Karen Miller - Research Program Director	191,447	-	5,026	22,936	3,106	-	222,515
Total	2,110,215	83,143	79,844	302,122	35,858	-	2,611,182

* denotes staff paid under Remuneration Tribunal (Remuneration and Allowances for Holders of Part-time Public Office) Determination 2019.

^ denotes staff paid under Remuneration Tribunal (Principal Executive Offices) Determination No. 2 2019.

+ denotes staff paid through Individual Workplace Agreements.

All other KMP are paid in accordance to AIMS Enterprise Agreement.

The total number of key management personnel that are included in the above table are 14 individuals (2020: 21 individuals). All members in the table were a Key Management Personnel for the financial year.

In 2019-20 a bonus of \$55,168 was paid to the AIMS CEO in accordance with his employment contract. Advice has since been received that the bonus clause falls outside the Remuneration Tribunal's determination and as such a payment under this clause is not in accordance with the *Remuneration Tribunal Act 1973*. The circumstances surrounding the inclusion of a bonus clause in the employment contract have been investigated and corrective actions have been taken. AIMS Council has resolved that no further payments are to be made under this clause. No bonus was paid in 2020-21. The amount disclosed in the annual report is the difference between the accrual and the amount previously paid.

1. The above key management personnel remuneration excludes the remuneration and other benefits of the Portfolio Minister. The Portfolio Minister's remuneration and other benefits are set by the Remuneration Tribunal and are not paid by AIMS.

Remuneration of Senior Executives

All AIMS Senior Executives are captured within the Key Management Personnel (above).

Other highly paid staff - non-Key Management Personnel

Total remuneration Band	# highly paid staff	Short-term benefits			Post employment benefits	Other long term benefits	Termination benefits	Total remuneration
		Average base Salary	Average bonuses	Average other benefits and allowances	Average superannuation contributions	Average long service leave	Average termination benefits	Average total remuneration
\$230,001 - \$250,000	4	194,550	-	10,254	31,911	3,437	-	240,152
Total		194,550	-	10,254	31,911	3,437	-	240,152

3.3 Related Party Disclosures

Related party relationships

AIMS is a Commonwealth controlled entity. Related parties to AIMS are Board members, Executive and Senior Management, the Portfolio Minister, and other Commonwealth controlled entities. There are 5 family members of Key Management Personnel employed by AIMS and other Commonwealth controlled entities in non-executive positions.

Transactions with related parties

Board members and their related parties may hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

Given the breadth of Government activities, related parties may transact with the Government sector in the same capacity as ordinary citizens. Such transactions include the payment or refund of taxes, receipt of Medicare rebate or Higher Education loans. These transactions have not been separately included in this note. Certain entities transacted with AIMS in the reporting period. The terms and conditions of those transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on a similar transactions to non-related entities on an arm's length basis.

Loans to Key Management Personnel or Key Management Personnel-Related Entities

In 2020-21, no loans were made to key management personnel or key management personnel-related entities.

Other Transactions with Key Management Personnel or Key Management Personnel-Related Entities

Details of transactions between key management personnel and related parties during the year for the purchase of science services were:

	2021	2020
	\$	\$
James Cook University	737	503
University of Tasmania	55	67
University of Western Australia	333	412
Total	1,125	982

Details of transactions between key management personnel and related parties during the year for the rendering of science services were:

	2021	2020
	\$	\$
Great Barrier Reef Foundation	4,964	1,047
Great Barrier Reef Marine Park Authority	1,524	1,160
James Cook University	159	103
Reef and Rainforest Research Centre	452	931
University of Tasmania	4,746	4,842
University of Western Australia	106	-
Total	11,951	8,083

AIMS transacts with Australian Government related entities consistent with normal day-to-day business operations provided under normal terms and conditions, including the purchase and rendering of science services.

Details of transactions with related entities during the year for the purchase of science services were:

	2021	2020
	\$	\$
Australian National University	-	84
Department of Industry, Science, Energy and Resources	287	265
Commonwealth Scientific and Industry Research Organisation	177	276
Total	464	625

Details of transactions with related entities during the year for the rendering of science services were:

	2021	2020
	\$	\$
Great Barrier Reef Marine Park Authority	1,524	1,160
Department of Foreign Affairs and Trade	200	1,135
Director of National Parks	371	-
National Indigenous Australians Agency	-	100
Total	2,095	2,395

Details of balances outstanding at year end for purchase of science services were:

	2021	2020
	\$	\$
Commonwealth Scientific and Industry Research Organisation	16	-
Department of Industry, Science, Energy and Resources	67	-
James Cook University	118	69
University of Western Australia	151	-
Total	352	69

Details of balances outstanding at year end for rendering of science services were:

	2021	2020
	\$	\$
Great Barrier Reef Marine Park Authority	22	-
James Cook University	12	-
Director of National Parks	86	-
University of Tasmania	-	526
Total	120	526

There were no other transactions with related entities during the year.

Managing Uncertainties

This section analyses how the Australian Institute of Marine Science manages financial risks within its operating environment.

4.1 Contingent Assets and Liabilities

Contingent assets

	2021	2020
Guarantees	\$	\$
Balance from previous period	111	176
New contingent assets recognised	-	114
Rights expired	(67)	(179)
Total	44	111

Quantifiable Contingencies

AIMS holds performance guarantees of \$44,000 (2020:\$111,000). Performance guarantees include Bank guarantees in relation to the refurbishment of AIMS's buildings.

Unquantifiable Contingencies

AIMS has a 25 year lease on a berthing facility with Port of Townsville. At the expiry of the lease AIMS is required to carry out its own cost remediation work necessary to return the level of contamination in the leased land to a level as prescribed by Assessment and Management of Containment Land in Queensland (May 1998). AIMS is unable to reliably estimate the cost of any future remediation.

Accounting Policy

Contingent liabilities and contingent assets are not recognised in the statement of financial position but are reported in the relevant schedules and notes. They may arise from uncertainty as to the existence of a liability or asset or represent an asset or liability in respect of which the amount cannot be reliably measured. Contingent assets are disclosed when settlement is probable but not virtually certain and contingent liabilities are disclosed when settlement is greater than remote.

Accounting Judgements and Estimates

AIMS does not hold any or transport dangerous goods and/or chemicals at the Port of Townsville property and we are required to formally assess the property every 5 years for contamination by an independent environmental assessor therefore our estimate is that there will be no contamination of the Townsville Port land over the lease period and we will not be required to complete any remediation work at the end of the lease.

4.2 Financial Instruments

	2021 \$'000	2020 \$'000
4.2: Categories of Financial Instruments		
Financial Assets under amortised costs		
Cash and cash equivalents	25,165	14,128
Investments	28,000	26,100
Contractual assets	5,070	2,338
Goods and service receivables	3,583	2,003
Other receivables	211	316
Total financial assets - amortised cost	62,029	44,885
Financial Liabilities		
Financial liabilities measured at amortised cost		
Trade Creditors	2,672	1,991
Contractual liabilities	9,037	7,021
Total financial liabilities measured at amortised cost	11,709	9,012

Accounting Policy

Financial Assets

AIMS classifies its financial assets measured at amortised cost as per AASB 9 Financial Instruments.

The classification depends on both the AIMS's business model for managing the financial assets and contractual cash flow characteristics at the time of initial recognition. Financial assets are recognised when the AIMS becomes a party to the contract and, as a consequence, has a legal right to receive or a legal obligation to pay cash and derecognised when the contractual rights to the cash from the financial asset expire or are transferred upon trade date.

Impairment of Financial Assets

Financial assets are assessed for impairment at the end of each reporting period based on Expected Credit Losses, using the general approach which measures the loss allowance based on an amount equal to lifetime expected credit losses where risk has significantly increased, or an amount equal to 12-month expected credit losses if risk has not increased.

The simplified approach for trade, contract and lease receivables is used. This approach always measures the loss allowance as the amount equal to the lifetime expected credit losses.

A write-off constitutes a derecognition event where the write-off directly reduces the gross carrying amount of the financial asset.

Financial Assets at amortised cost

Financial assets included in this category need to meet two criteria:

1. the financial asset is held in order to collect the contractual cash flows; and
2. the cash flows are solely payments of principal and interest (SPPI) on the principal outstanding amount.

Amortised cost is determined using the effective interest rate method.

Effective interest rate

Income is recognised on an effective interest rate basis for financial assets that are recognised at amortised cost.

Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at fair value through profit or loss' or other financial liabilities. Financial liabilities are recognised and derecognised upon 'trade date'.

Financial liabilities at amortised cost

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective interest basis.

Suppliers and other payables are recognised at amortised cost. Liabilities are recognised to the extent that the goods or services have been received (irrespective of having been invoiced).

4.3 Fair Value Measurements

Accounting Policy

AIMS deems transfers between levels of the fair value hierarchy to have occurred at 30 June 2021.

4.3: Fair Value Measurements

	Fair value measurements at the end of the reporting period	
	2021 \$'000	2020 \$'000
Non-financial assets		
Buildings	98,171	93,929
Infrastructure, plant and equipment	25,557	27,428
Ships, launches & vessels	21,080	18,010
Computer equipment	2,402	998
Vehicles	1,735	1,097
Office equipment	53	4
Library books	1	1
Total non-financial assets	148,999	141,467

1. The following valuation techniques were used:

Cost approach: based on the amount required to replace the service potential of an asset

Market approach: based on market transactions involving identical or similar assets or liabilities

AIMS procured valuation services from Pickles Valuation Services (PVS) and relied on valuation models provided by PVS. PVS re-tests the valuation model every 12 months and has provided written assurance to AIMS that the model developed is compliant with AASB 13.

Other Information

5.1 Current / non-current distinction for assets and liabilities

5.1: Current/non-current distinction for assets and liabilities

	2021	2020
	\$'000	\$'000
Assets expected to be recovered in:		
No more than 12 months		
Cash and cash equivalents	25,165	14,128
Trade and other receivables	8,864	4,657
Investments	28,000	26,100
Inventory	250	208
Prepayments	773	729
Total no more than 12 months	63,052	45,822
More than 12 months		
Buildings	98,171	94,768
Infrastructure, plant & equipment	25,557	27,428
Computer equipment	2,402	998
Computer software	4,589	4,324
Vehicles	1,735	1,097
Office Equipment	53	4
Ships, Launches and vessel	21,080	18,010
Library books	1	1
Prepayments	2,397	2,440
Total more than 12 months	155,985	149,070
Total assets	219,037	194,892
Liabilities expected to be settled in:		
No more than 12 months		
Suppliers	2,672	1,991
Other payables	9,853	7,496
Leases	100	36
Employee provisions	11,723	11,278
Total no more than 12 months	24,348	20,801
More than 12 months		
Leases	772	820
Make good provision	17	-
Employee provisions	1,457	1,372
Total more than 12 months	2,246	2,192
Total Liabilities	26,594	22,993

5.2 Management of Great Barrier Reef Foundation Reef Restoration and Adaptation Program funds

5.2 Management of Great Barrier Reef Foundation Reef Restoration and Adaptation funds

AIMS from 1 July 2020 has managed the Great Barrier Reef Foundation (GBRF) Reef Restoration and Adaptation Program (RRAP) funds on behalf of the RRAP collaboration partnership. AIMS has created separate bank accounts to manage these funds and the balance of these account as at 30 June 2021 is \$3,073,422 (2020: Nil). AIMS has no control over these funds and therefore are not included in the AIMS Financial Statements.

SUPPLEMENTARY FINANCIAL INFORMATION (UNAUDITED)**NOTE 1:****Revenue comparison**

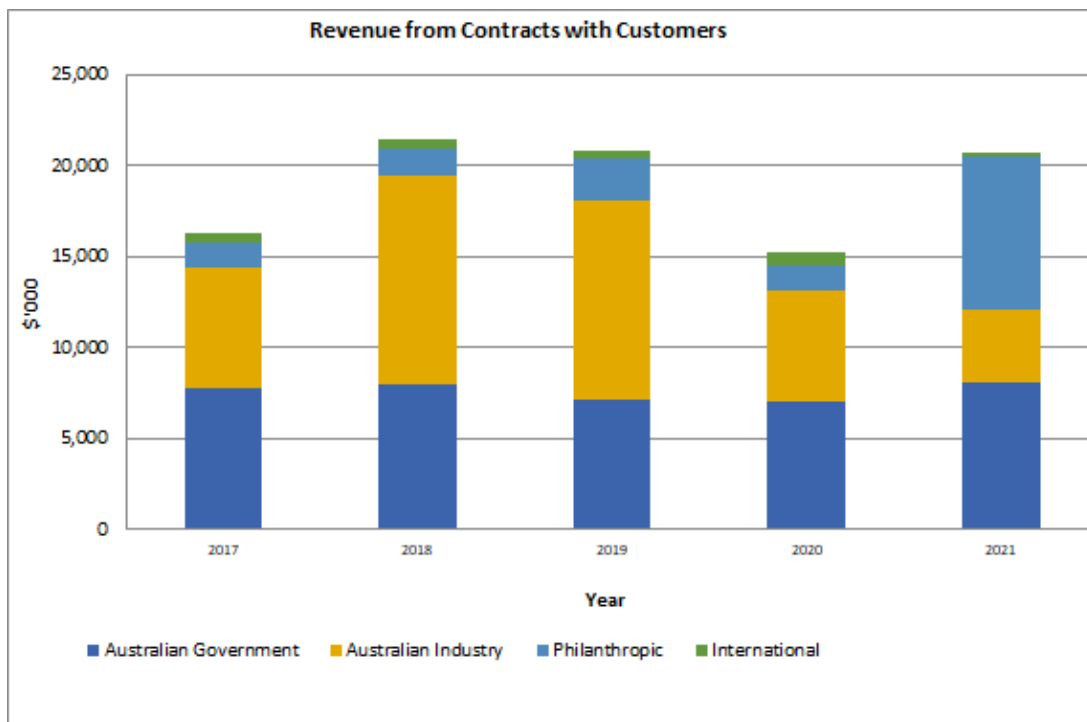
	2017	2018	2019	2020	2021
	\$'000	\$'000	\$'000	\$'000	\$'000
Appropriation revenue					
Operating	33,531	36,826	39,356	36,752	37,197
Asset replacement	8,021	8,021	8,021	8,021	8,021
Total appropriation revenue	41,552	44,847	47,377	44,773	45,218
Non-appropriation revenue					
Revenue from contracts with customers ¹	16,318	21,426	20,798	15,291	20,669
Interest	1,109	1,027	1,111	675	358
Other revenue	964	580	468	924	452
Total non-appropriation revenue	18,391	23,032	22,377	16,890	21,479
Total Revenue	59,943	67,879	69,754	61,663	66,697
Non-appropriation ratio ²	31%	34%	32%	27%	32%

¹Revenue from contracts with customers is for AIMS research services (see note 1.2A).

²Non-appropriation ratio is percentage non-appropriation revenue of total revenue.

NOTE 2:**Revenue from contracts with customers by sector**

	2017	2018	2019	2020	2021
	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Government	7,755	8,035	7,174	7,077	8,074
Australian Industry	6,652	11,465	10,956	6,065	4,037
Philanthropic	1,355	1,416	2,236	1,422	8,409
International	556	510	432	727	149
	16,318	21,426	20,798	15,291	20,669



SUPPLEMENTARY FINANCIAL INFORMATION (UNAUDITED)

NOTE 3: Cost of output by research programs 2020-21

	Variable \$'000	Salaries \$'000	Depreciation \$'000	Overheads \$'000	Total \$'000
A Healthy and Resilient Great Barrier Reef	2,730	12,888	229	11,975	27,822
Sustainable Coastal Ecosystems & Industries in Tropical Australia	1,880	9,626	875	8,944	21,325
Sustainable Use of North-West Marine Ecosystems	913	4,447	234	4,132	9,726
Research Services	702	2,596	73	2,412	5,783
Office of Executive Director Strategic Development	1,300	2,545	660	2,387	6,892
Total	7,525	32,102	2,071	29,850	71,548
Percentage of total expenses	11%	45%	3%	42%	100%

Part 6: Appendices and Indexes

Appendix A: Science Publications

AIMS' complete bibliography for 2020 is available at <https://www.aims.gov.au/docs/publications/annual-reports.html>

Appendix B: External Committees and Non-Government Organisations and Positions

A list of external committees and non-government organisations and positions in which AIMS participates is available at <https://www.aims.gov.au/docs/publications/annual-reports.html>

Indexes

Acronyms

Acronym	Term in full
ACEMS	ARC Centre of Excellence for Mathematical and Statistical Frontiers of Big Data, Big Models, New Insights
ACSRF	Australia-China Strategic Research Fund
AI	Artificial Intelligence
AIMS	Australian Institute of Marine Science
AIMS Act	Australian Institute of Marine Science Act 1972
ANAO	Australian National Audit Office
ARC	Australian Research Council
ASSETS	Aboriginal Summer School for Excellence in Technology and Science
ATSIMS	Aboriginals and Torres Strait Islanders in Marine Science
AUV	Autonomous Underwater Vehicle
BCT	Business Continuity Team
BRII	Business Research Innovation Initiative
BRUVS	Baited Remote Underwater Video Stations
CDU	Charles Darwin University
CEO	Chief Executive Officer
CFO	Chief Financial Officer
pCO ₂	partial pressure of carbon dioxide
CNRS	Centre National de la Recherche Scientifique
CoE	Centre of Excellence
COO	Chief Operating Officer
COS	Centre for Ocean Solutions
CoTS	Crown of Thorns Starfish
COVID-19	Coronavirus
CPSU	Community and Public Sector Union
CSC	Commonwealth Science Council

Acronym	Term in full
CSIRO	Commonwealth Scientific and Industrial Research Organisation
DFAT	Department of Foreign Affairs and Trade
DISER	Department of Industry, Science, Energy and Resources
DSN	Dredging Science Node
EMT	Emergency Management Team
EMBA	Environment that May Be Affected
EPBC Act	Environment Protection and Biodiversity Conservation Act 1999
ESD	Ecologically Sustainable Development
FOI	Freedom of Information
FOI Act	Freedom of Information Act 1982
FRR	Financial Reporting Rule
FTE	Full-Time Equivalent
FY	Financial Year
GBR	Great Barrier Reef
GBRF	Great Barrier Reef Foundation
GBRMPA	Great Barrier Reef Marine Park Authority
GCRMN	Global Coral Reef Monitoring Network
GHHP	Gladstone Healthy Harbour Partnership
GST	Goods and Services Tax
ICRI	International Coral Reef Initiative
IMOS	Integrated Marine Observing System
IOMRC	Indian Ocean Marine Research Centre
IPS	Information Publication Scheme
IT	Information Technology
IUCN	International Union for Conservation of Nature
JCU	James Cook University
KPI	key performance indicator

Acronym	Term in full
LTMP	Long-Term Monitoring Program
MMP	Marine Monitoring Program
MP	Member of Parliament
NCRIS	National Collaborative Research Infrastructure Strategy
NESP	National Environmental Science Programme
NGO	Non-Governmental Organisation
NMSC	National Marine Science Committee
NOAA	US National Oceanic and Atmospheric Administration
NOPSEMA	National Offshore Petroleum Safety and Environmental Management Authority
NPS	Net Promoter Score
NSTC	National Science and Technology Council
NWS	North West Shelf
NWSSRP	North West Shoals to Shore Research Program
OAIC	Office of the Australian Information Commissioner
PBS	Portfolio Budget Statement
PGPA Act	Public Governance, Performance and Accountability Act 2013
PID Act	Public Interest Disclosure Act 2013
PMC	Department of the Prime Minister and Cabinet
PMO	Project Management Office
PMS	Project Management System
POGO	Partnership for Observation of the Global Oceans
PwC	PricewaterhouseCoopers
QUT	Queensland University of Technology
RAC	Reef Advisory Committee
RDP	Research Data Platform
RRAP	Reef Restoration and Adaptation Program
RIMReP	Reef 2050 Integrated Monitoring and Reporting Program

Acronym	Term in full
RV	Research Vessel
SeaSim	National Sea Simulator
SME	Small to Medium Enterprise
STEM	Science, Engineering, Technology and Mathematics
TGM	Tactical Global Management
UCPH	University of Copenhagen
UN	United Nations
UQ	University of Queensland
UTAS	University of Tasmania
UWA	The University of Western Australia
WA	Western Australia
WAMSI	Western Australian Marine Science Institution
WAM-V	Wave Adaptive Modular Vessel
WHS Act	Work Health and Safety Act

List of Requirements

AIMS' requirement for annual reporting is outlined under s. 7 (2) of the AIMS Act, which states that the Public Governance, Performance and Accountability Act 2013 applies to the Institute. That Act deals with matters relating to corporate Commonwealth entities, including reporting and the use and management of public resources.

The list below shows AIMS' compliance with annual report information requirements for corporate Commonwealth entities as stipulated under s. 46 of Public Governance, Performance and Accountability Act 2013 (PGPA Act).

The annual financial statements (Part 5 of this report) were prepared in accordance with ss. 42 and 43 of the PGPA Act and the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015.

This annual report complies with parliamentary standards of presentation and printing and uses plain English and clear design.

PGPA Rule Reference	Part of Report	Description	Requirement
17BE	Contents of annual report		
17BE(a)	Part 1 Overview About AIMS and Role and Legislation	Details of the legislation establishing the body	Mandatory
17BE(b)(i)	Part 3 Management and Accountability Role and Legislation	A summary of the objects and functions of the entity as set out in legislation	Mandatory
17BE(b)(ii)	Part 3 Management and Accountability Role and Legislation	The purposes of the entity as included in the entity's corporate plan for the reporting period	Mandatory
17BE(c)	Part 3 Management and Accountability Responsible Minister	The names of the persons holding the position of responsible Minister or responsible Ministers during the reporting period, and the titles of those responsible Ministers	Mandatory
17BE(d)	Part 3 Management and Accountability Government Engagement	Directions given to the entity by the Minister under an Act or instrument during the reporting period	If applicable, mandatory
17BE(e)	Part 3 Management and Accountability Government Engagement	Any government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory
17BE(f)	Part 3 Management and Accountability Government Engagement	Particulars of non compliance with: (a) a direction given to the entity by the Minister under an Act or instrument during the reporting period; or (b) a government policy order that applied in relation to the entity during the reporting period under section 22 of the Act	If applicable, mandatory
17BE(g)	Part 2 Performance Statements	Annual performance statements in accordance with paragraph 39(1)(b) of the Act and section 16F of the rule	Mandatory
17BE(h), 17BE(i)	Part 3 Management and Accountability Duty to inform & Ministerial issues Fraud control	A statement of significant issues reported to the Minister under paragraph 19(1)(e) of the Act that relates to non compliance with finance law and action taken to remedy non compliance	If applicable, mandatory
17BE(j)	Part 3 Management and Accountability Governance, AIMS Council	Information on the accountable authority, or each member of the accountable authority, of the entity during the reporting period	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BE	Contents of annual report		
17BE(k)	Part 4 Our People Organisational Structure	Outline of the organisational structure of the entity (including any subsidiaries of the entity)	Mandatory
17BE(ka)	Part 4 Our People Staff	Statistics on the entity's employees on an ongoing and non ongoing basis, including the following: (a) statistics on full time employees; (b) statistics on part time employees; (c) statistics on gender; (d) statistics on staff location	Mandatory
17BE(l)	Part 1 Overview About AIMS	Outline of the location (whether or not in Australia) of major activities or facilities of the entity	Mandatory
17BE(m)	Part 3 Management and Accountability Corporate Governance	Information relating to the main corporate governance practices used by the entity during the reporting period	Mandatory
17BE(n), 17BE(o)	Part 3 Management and Accountability Related Parties Part 5 Financial Statements Note 3.3	For transactions with a related Commonwealth entity or related company where the value of the transaction, or if there is more than one transaction, the aggregate of those transactions, is more than \$10,000 (inclusive of GST): (a) the decision making process undertaken by the accountable authority to approve the entity paying for a good or service from, or providing a grant to, the related Commonwealth entity or related company; and (b) the value of the transaction, or if there is more than one transaction, the number of transactions and the aggregate of value of the transactions	If applicable, mandatory
17BE(p)	Part 2 Performance Statements Results and Commentary on Performance	Any significant activities and changes that affected the operation or structure of the entity during the reporting period	If applicable, mandatory
17BE(q)	n/a	Particulars of judicial decisions or decisions of administrative tribunals that may have a significant effect on the operations of the entity	If applicable, mandatory
17BE(r)	Part 3 Management and Accountability Public Accountability	Particulars of any reports on the entity given by: (a) the Auditor General (other than a report under section 43 of the Act); or (b) a Parliamentary Committee; or (c) the Commonwealth Ombudsman; or (d) the Office of the Australian Information Commissioner	If applicable, mandatory
17BE(s)	n/a	An explanation of information not obtained from a subsidiary of the entity and the effect of not having the information on the annual report	If applicable, mandatory
17BE(t)	Part 3 Management and Accountability Indemnities and insurance Premiums for Officers	Details of any indemnity that applied during the reporting period to the accountable authority, any member of the accountable authority or officer of the entity against a liability (including premiums paid, or agreed to be paid, for insurance against the authority, member or officer's liability for legal costs)	If applicable, mandatory
17BE(taa)	Part 3 Management and Accountability	The following information about the audit committee for the entity:	Mandatory

PGPA Rule Reference	Part of Report	Description	Requirement
17BE	Contents of annual report		
	Governance, Audit Committee, AIMS Council Part 5 Financial Statements Note 3.2	(a) a direct electronic address of the charter determining the functions of the audit committee; (b) the name of each member of the audit committee; (c) the qualifications, knowledge, skills or experience of each member of the audit committee; (d) information about each member's attendance at meetings of the audit committee; (e) the remuneration of each member of the audit committee	
17BE(ta)	Part 5 Financial Statements Note 3.2	Information about executive remuneration	Mandatory

Performance Statement		
The accountable authority must include a copy of the annual performance statements in the entity's annual report that is tabled in the Parliament. The annual performance statements must: (a) provide information about the entity's performance in achieving its purposes; and (b) comply with any requirements prescribed by the rules.	s. 39(1) and (2)	Part 2 Performance Statements
The performance statement must include a statement: <ul style="list-style-type: none"> declaring that the performance statements are prepared for section 39(1)(a) of the PGPA Act and any other applicable legislation specifying the reporting period for which the performance statements are prepared declaring that, in the opinion of the accountable authority, the performance statements accurately present the entity's performance and comply with s. 39(2) of the PGPA Act. 	s. 16F(2)	Part 2 Performance Statements
The performance statement must include the results of the measurement and assessment of performance.	s. 16F(2)	Part 2 Performance Statements
The performance statement must include an analysis of the factors that contributed to the entity's performance, including any changes to: <ul style="list-style-type: none"> the entity's purpose, activities or organisational capacity; or the environment in which the entity operated that may have had a significant impact on performance. 	s. 16F(2)	Part 2 Performance Statements Results and Commentary on Performance

Financial statement		
The accountable authority must prepare annual financial statements and given to the Auditor-General.	s. 42(1)	Part 5 Financial Statements
The accountable authority must ensure that all the subsidiaries' financial statements are audited by the Auditor-General.	s. 44(2)	n/a
A copy of the financial statement and the Auditor-General's report must be included in the annual report.	s. 43(4)	Part 5 Financial Statements

Financial statement		
The financial statement must comply with the Public Governance, Performance and Accountability (Financial Reporting) Rule 2015.	s. 42(2)(a)	Part 5 Financial Statements

Other requirements		
Statement of Expectations	Suggested practice	Part 2 Performance Statements Statement of Ministerial Expectations
Environment Protection and Biodiversity Conservation Act 1999	EPBC Act Section 516A(6)	Part 4 Our People Environmental Performance
Equal Employment Opportunity (Commonwealth Authorities) Act 1997	EEO Act Section 9	Part 4 Our People Equal Opportunity and Workforce Diversity
Work Health and Safety Act 2011	WHS Act Section 4(1)	Part 4 Our People Health and Safety
Privacy Act 1988		Part 3 Management and Accountability Privacy Act 1988
Freedom of Information Act 1982	Department of the Prime Minister and Cabinet (PMC)	Part 3 Management and Accountability Freedom of Information Act 1982
National Disability Strategy 2010–2020	PMC	Part 4 Our People Equal Opportunity and Workforce Diversity
Public Interest Disclosure Act 2013	PID Act	Part 3 Management and Accountability Public Interest Disclosure Act 2013
Fraud control		Part 3 Management and Accountability Fraud Control



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