

A YEAR WITH ZOOS VICTORIA 2014-15 ANNUAL REPORT

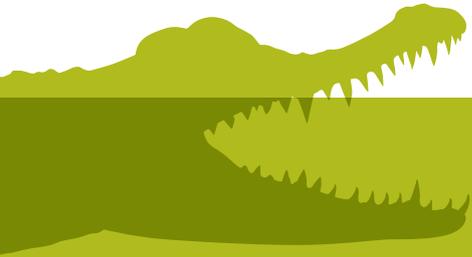


**Our vision is to
be the world's
leading zoo-based
conservation
organisation.
We do this by
fighting wildlife
extinction.**



CONTENTS

Zoos Victoria	4
Chair's Message	6
CEO's Message	7
Our Charter and Purpose	8
Fighting Extinction	10
World-class Zoos	11
Highlights of our Year	12
Welcome to the Family	14
A Journey to Excellence	16
<i>Wildlife Conservation</i>	18
<i>Community Conservation</i>	22
<i>Working Smarter</i>	25
<i>Growing Revenue</i>	32
Organisational Chart	36
Our Workplace Profile	37
Key Performance Indicators	38
Financial Summary	40
Board Attendance	41
Board Profiles	42
Board Committees	44
Corporate Governance and Other Disclosure	45
Our Partners and Supporters	49
Financial Report	53



ZOOS VICTORIA

2,357,363 visitors

237,084 Zoo Members

40,385 unique website
visitors per week

1,625 Teacher Members

718 Volunteers

20 priority Fighting
Extinction Species

3 zoos

**ONE PURPOSE:
CONSERVATION**
(kon-ser-vey-shuh n)

**The act of conserving;
prevention of injury, decay,
waste, or loss; preservation.**



CHAIR'S MESSAGE



“We’re here to save species on the brink.”
Anne Ward, Chair
Zoos Victoria

In 2014-15, Zoos Victoria has embarked on what we call our Journey to Excellence. This is a journey that sees us refocus and refine our efforts as we fight wildlife extinction. Four key areas make up our journey; wildlife conservation, community conservation, working smarter and growing revenue. The first two are very much focussed on our purpose. We’re here to save species on the brink of extinction, particularly those in our backyard, while also preventing species from reaching such a critical stage in the first place.

Our Wildlife Conservation Master Plan was launched in April 2015 to direct our critical species care work with our Community Conservation Master Plan launching in July 2015.

Both plans are ambitious but with our passion, commitment and single-minded focus on conservation, they are certainly achievable.

Through working smarter, eliminating the waste in our operations, using our resources in a targeted and sophisticated way and by growing our revenue base, we will be able to effectively fight wildlife extinction.

I’ve been very proud of the team across Zoos Victoria in how it has refocused our efforts on fighting wildlife extinction, revitalising and refreshing our zoos and improving our operations for the benefit of the State.

I’ve also been heartened by the strong support from our Government partners, particularly the Victorian government with its continued support for free entry for children initiative and for wholly funding a new \$9 million home for our snow leopards and tigers.

On behalf of the Board, staff and animals of Zoos Victoria, I would like to acknowledge the many people and organisations that have helped make our three zoos world-leading.

A handwritten signature in blue ink, appearing to read 'Anne Ward'.

Anne Ward
Chair
Zoos Victoria Board

CEO'S MESSAGE



“Our voice has grown when it comes to native species conservation.”
Jenny Gray, CEO
Zoos Victoria

The 2014-15 year has been a very successful year for our zoos and one that continues a steady growth trend in visitation, memberships and fundraising and philanthropy. While our growth can be seen in numbers, there is another less tangible sign of growth; the maturity of our voice and influence as we work to save some of our country's most endangered species from extinction.

When we launched our 20 year strategic plan in 2008, we had high hopes for growing our visitor numbers and engaging them in actions to save wildlife. We've certainly achieved visitation growth, reaching a record 2.3 million visitors this year and inspiring them to take hundreds of thousands of actions to save species.

While these campaigns have experienced incredible success, we've redirected these actions into a single purpose; to encourage Victorians to be the world's most wildlife friendly citizens. I have full confidence that our community can and will achieve this, particularly as we roll out the Community Conservation Master Plan in 2015-16.

I am also proud that we have engaged in a national conversation about the future of our most endangered species. Specifically we have worked on the Victorian Government's Leadbeater's Possum Advisory Group and we have been heartened by the appointment of our Director of Wildlife Conservation and Science, Rachel Lowry, as an advisor to Australia's first Threatened Species Commissioner, Gregory Andrews.

The advancement of our conservation agenda has taken place hand-in-hand with the revitalisation and refreshment of our three zoos. This revitalisation work has been funded in large part by our highly successful *Safe Haven* fundraising appeal.

Our voice has also grown internationally with active contributions to discussions on the future direction of animal welfare through the World Association of Zoos and Aquariums, the Zoo and Aquarium Association (Australasia) and through the International Zoo Educator's Association.

With regards to our internal culture, I have also seen us grow and mature as we embrace the concepts of LEAN management systems and move towards a culture where problems are visible and continuous improvement is top of mind.

I'm excited by the year we have completed because it is a springboard for even greater achievements to come.

I would like to thank the Board, staff and all our many supporters for helping to make this year such a success.

A handwritten signature in blue ink, appearing to read 'Jenny Gray', written over a light blue circular graphic element.

Jenny Gray
Chief Executive Officer
Zoos Victoria

OUR CHARTER AND PURPOSE

Our vision is to be the world's leading zoo-based conservation organisation. Our mission is to galvanise communities to commit to the conservation of wildlife and wild places by:

- **Opening the door to exceptional wildlife encounters that reach beyond the boundaries of our zoos.**
- **Leading the way by communicating and demonstrating the role of conservation and research in all that we do.**
- **Catalysing action through inspiring experiences that motivate participation leading to conservation and sustainability outcomes.**





Manner of Establishment and Responsible Minister

The Zoological Parks and Gardens Board is the governing body of Victoria's three great zoos: Melbourne Zoo, Healesville Sanctuary and Werribee Open Range Zoo.

Set up in 1973 as a statutory authority, the Board role is to protect and promote the zoos and their roles in conservation, research and education.

The Board is appointed by the Victorian Minister for Environment and Climate Change, the Hon. Ryan Smith (from 1 July 2014 - 3 December 2014) and the Hon. Lisa Neville (from 4 December 2014 - 30 June 2015).

The Zoological Parks and Gardens Act 1995

The Zoological Parks and Gardens Board (ZPGB) operates under the *Zoological Parks and Gardens Act 1995* and has responsibility for the Royal Melbourne Zoological Gardens, Healesville Sanctuary and Werribee Open Range Zoo. Zoos Victoria is the trading name for the organisation managed by the Board. Functions of the Board as set out in the Act, are:

- To conserve, protect, manage and improve the zoological parks and managed land and the zoological collections
- To promote and increase public enjoyment of the zoological collections and the zoological parks and managed land
- To increase public knowledge and awareness of the zoological collections and the zoological parks through exhibition of the zoological collections, publications, educational programs, advisory services and other activities
- To carry out and promote zoological research, the conservation of wildlife and its natural habitats and the maintenance of biodiversity
- To advise the Minister on matters relating to the Board's functions and powers or on any other matter referred to by the Minister
- To provide consultancy and advice services to the public on zoological matters

- To provide services and facilities for visitors to the zoological parks and managed land
- To carry out any other functions conferred on it by this or any other Act.
- Duties reserved for the Board include:
 - Approval of the strategic direction and vision
 - Setting appropriate Board policies providing strategic, ethical and operational guidance
 - Approval of annual and corporate plans
 - Approval of annual financial reports
 - Reviewing risks, governance and internal controls
 - Reporting to the Minister.

FIGHTING EXTINCTION



Our Fighting Extinction commitment is to ensure that no native, Victorian, terrestrial, vertebrate species goes extinct on our watch.

FACT: Australia is in the midst of a wildlife extinction epidemic.

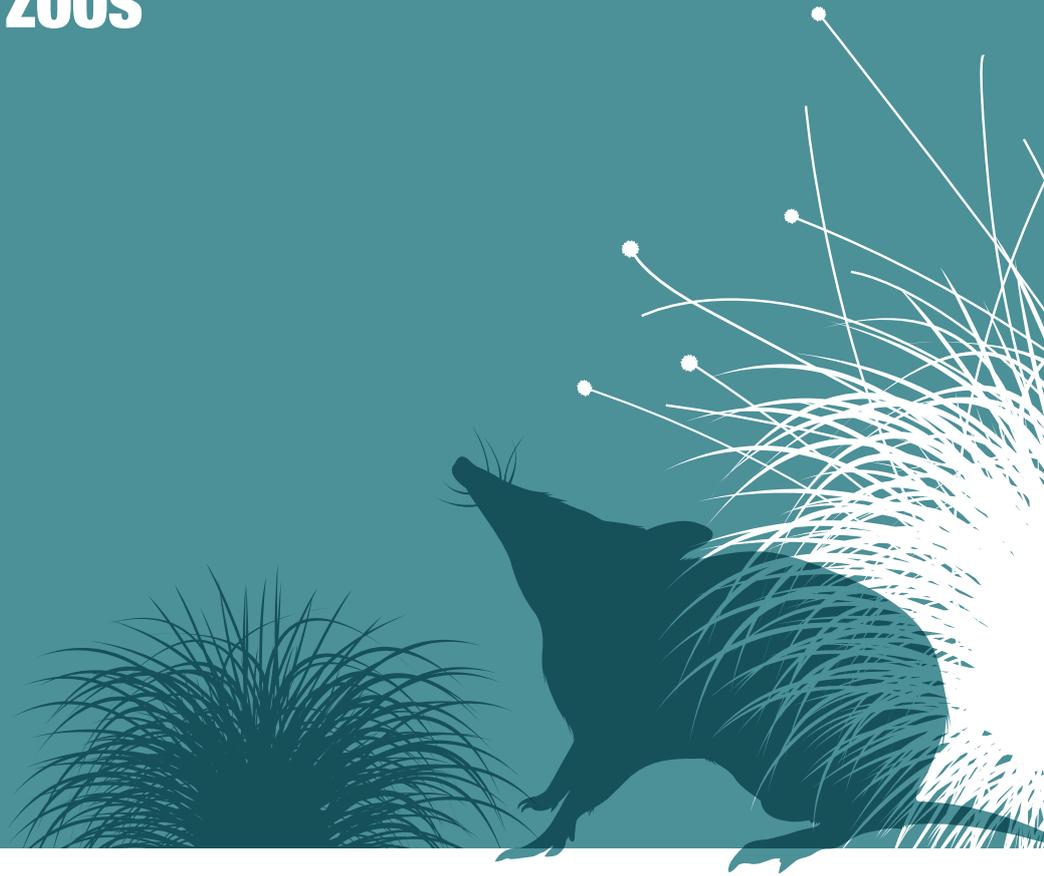
In the last 200 years, 29 Australian mammal species have become extinct with many more approaching the brink of extinction. Sadly, this threat of extinction remains a very real and imminent danger that requires an urgent response.

Our Wildlife Conservation Master Plan is enabling practical actions to help save the Eastern Barred Bandicoot, Helmeted Honeyeater and Southern Corroboree Frog from extinction.

The plan endeavours to save 20 of Australia's most endangered species from extinction and provides pathways to recovery.

As we work with key partners to develop urgent actions to help give these species a future they deserve, innovative new programs will ensure species in the wild can prosper.

WORLD CLASS ZOOS



Melbourne Zoo

The oldest and most respected urban zoo in the southern hemisphere.

Melbourne Zoo weaves together our people, visitors and animals to orchestrate a profound experience that connects visitors with wildlife and empowers them to help us fight extinction - all just minutes from the heart of the city.

Healesville Sanctuary

A destination that celebrates and showcases Australian biodiversity.

Healesville Sanctuary offers the ultimate Australian wildlife conservation experience, surrounded by fauna, flora and indigenous culture for a rich understanding of the Australian environment.

This is the hub of our fighting extinction activity as we work with more than 10 breeding and recovery programs operating from this bushland haven.

Werribee Open Range Zoo

Joining the African savannah with the grasslands of Australia.

Uniquely located on the banks of the Werribee River, the Werribee Open Range Zoo transports you straight to the wild landscapes of Africa, Australia, America and Asia.

From the grasslands of Northern Kenya, to the desert sands of the Sahara and the forests of the Congo, witness herds of zebra, giraffe, ostrich and rhinos grazing on the savannah.

Werribee Open Range Zoo is also home to the Guardian Dog Trial and is a captive breeding hub where visitors can fall in love with the critically endangered Eastern Barred Bandicoot and the Orange-bellied Parrot.



HIGHLIGHTS OF OUR YEAR

1 2 3 4 5

Welcomed more than **2.3 million visitors** to our zoos, connecting community with animals and experiences in ways that inspire, inform and engage.

Opened the amazing **Lion Gorge** at Melbourne Zoo for our lion and new wild dog families.

Opened the mystical **RACV Echoes in the Mist Lyrebird Aviary** at Healesville Sanctuary.

Launched the **Village Kids** play space and **Bandicoot Hideout** at Werribee Open Range Zoo.

Launched the new **Education for Conservation** model, welcomed **12 Fighting Extinction schools**, hosted **144,162 school students** and more than **tripled** the number of **Teacher Members** to **1,625**.

678910



Launched the **\$30 million Wildlife Conservation Master Plan** as a roadmap to save 20 of Australia's most endangered species.

Released **24 Helmeted Honeyeaters, 38 Southern Corroboree Frogs, five Eastern Barred Bandicoots** and **three Orange-bellied Parrots.**

Told more than **4,500 stories** through our media channels and reached a global audience of over **200 million people.**

Successfully completed the **Safe Haven** appeal that raised **\$20 million** to help fight wildlife extinction and revitalise our zoos.

Grew our **Zoo Member** base by 50,000 new members to 237,084

Our vision is for a world that does not tolerate wildlife extinction. And we'd like every Victorian to join us in fighting extinction.

WELCOME TO THE FAMILY



In 2014-15 we welcomed some very special additions to our Zoo family.

Our first Pygmy Hippo in over 30 years

In a first since 1981, Melbourne Zoo experienced the birth of a Pygmy Hippopotamus, Obi. With loss of habitat and poaching drastically affecting numbers in the wild, the Zoo was incredibly excited to welcome the calf especially after so many years without a Pygmy Hippo birth.

Wombat arrival

Jedda the wombat emerged from her mother's pouch in September and is the first to be born at the Zoo since 2011. Southern Hairy-nosed Wombats are now considered to be under some threat in the wild. Jedda and Jumanji can be found on view in the Wombat Burrow at Melbourne Zoo.

Baby gorilla at Melbourne Zoo

Thanks to the international endangered species breeding program, Kanzi is the first baby gorilla born at Melbourne Zoo in almost 15 years. It represents an important milestone for the Western Lowland Gorilla regional endangered species breeding program and Melbourne Zoo's keepers have been praised for their work to ensure the gorilla troop receive the very best care.

Horsing around with Hatan

Hatan, a rare Przewalski Horse, was born on Mother's Day at Werribee Open Range Zoo. Native to Western Mongolia, these horses were declared extinct in the wild in the 1960s but zoos have collaborated globally to raise numbers to almost 2,000, including 300 in the wild. The Werribee Open Range Zoo has played an important part in this breeding program.

**MELBOURNE
ZOO**

**HEALESVILLE
SANCTUARY**

**WERRIBEE
OPEN RANGE
ZOO**

**ZOOS
VICTORIA**

**ANIMAL
TYPE**
↓

**ANIMAL
TYPE**
↓

**ANIMAL
TYPE**
↓

**ANIMAL
TYPE**
↓

**159
FISH**

**19
FISH**

**10
FISH**

**188
FISH**

**369
AMPHIBIANS**

**213
AMPHIBIANS**

**14
AMPHIBIANS**

**596
AMPHIBIANS**

**240
REPTILES**

**124
REPTILES**

**28
REPTILES**

**392
REPTILES**

**403
BIRDS**

**844
BIRDS**

**33
BIRDS**

**1280
BIRDS**

**237
MAMMALS**

**297
MAMMALS**

**241
MAMMALS**

**775
MAMMALS**

1408
total animals as at
30 June 2015

1497
total animals as at
30 June 2015

326
total animals as at
30 June 2015

3231
total animals as at
30 June 2015

A JOURNEY TO EXCELLENCE

As we progress with fighting wildlife extinction we need to ensure our conservation efforts have every chance of success.

To do this we must be a commercially successful organisation. Our Journey to Excellence is guided by four driving imperatives which will help position us where we need to be. These imperatives directly increase our organisational performance resulting in saving species, faster.

With the help of our millions of visitors we are fighting wildlife extinction starting with twenty of our country's most at-risk species.

We are on the road to working smarter and being prudent about where we invest our resources for the benefit of wildlife, as well as engaging the people of Victoria to be the world's most wildlife-friendly citizens.



WILDLIFE CONSERVATION

Progressive and sustainable

Our goal: fight the extinction of 20 threatened species across south-eastern Australia using the Wildlife Conservation Master Plan.



COMMUNITY CONSERVATION

Positive change in the way we live

Our goal: to work with our visitors, zoo members and the community to change attitudes and drive positive community actions that reduce human threats to wildlife.



WORKING SMARTER

Improving our performance

Our goal: instill a culture of respect and continuous improvement by working smarter.



GROWING REVENUE

For future investment in conservation

Our goal: to drive growth in revenue through visitation, membership base, international tourism and sponsorship, including public fundraising and philanthropic support so we can fight wildlife extinction.



29

Australian species

LOST FOREVER

in the last 200 years

CAN WE HELP

SAVE



**20 species in the
next FIVE years?**



A JOURNEY TO EXCELLENCE WILDLIFE CONSERVATION



Our Wildlife Conservation Master Plan

Australia is in the midst of a wildlife extinction epidemic. The Wildlife Conservation Master Plan, launched in 2015, has been crafted to save 20 of Australia's most threatened species from extinction over the next five years. It draws on the latest research into these key species and serves to focus our efforts in order to help them recover in the wild.

The Wildlife Conservation Master Plan typifies the collaboration and creative conservation that we have focused on this year in order to help the world's wildlife.

Saving the world's wildlife

Collaboration

- New partnership formed with the *Tree Kangaroo Conservation Program* in Papua New Guinea, supporting the Conservation Coffee Initiative
- The Togo Slippy Frog project in Ghana and the Snow Leopard Foundation program in Pakistan joined our International Conservation Grants for 2015
- Melbourne Zoo staff spent time with the Port Moresby Nature Park senior team to develop a five-year Master Plan and steer the strategic direction of the park as a leading conservation organisation in Papua New Guinea.

Creative conservation

- In Melako, 320 Northern Kenyan Warriors embraced a wildlife mascot uniform and played soccer to help their local wildlife
- A World Association of Zoos and Aquariums training grant supported Zoos Victoria staff to deliver improvements in animal husbandry and horticultural management at our sister zoo, Port Moresby Nature Park
- Underpinned by inputs from the Zoos Victoria strategic learning experiences, a robust new education strategy was established at Port Moresby Nature Park. Five trained teachers employed and school visitation passed 10,000 for the year.

"...This (Wildlife Conservation Master Plan), is an excellent document because it explains the problems and sets out clear actions for recovery."

Gregory Andrews
Threatened Species Commissioner

A JOURNEY TO EXCELLENCE WILDLIFE CONSERVATION

A year of conservation



20 Helmeted Honeyeaters released to the wild growing the number to more than 130 birds in Yellingbo Nature Reserve and the highest amount since 1989.

SEPTEMBER



We began the search for the Grassland Earless Dragon in Victoria, which hasn't been seen since the 1960s, and recorded more than 2 million photos from the field in the hope of seeing a dragon.



Two Baw Baw Frog egg masses were brought to Melbourne Zoo following a call from the Recovery Team for urgent captive intervention. The egg masses have since produced more than 80 tadpoles.

NOVEMBER

DEC 14 – MAR 15



For the first time, Zoos Victoria released 38 adult Southern Corroboree Frogs into disease-free compounds at Mount Kosciuszko National Park, in another important step in the fight against the Amphibian Chytrid Fungus.

MARCH



Albus, the ambassador guardian dog, arrived at Zoos Victoria to launch the Guardian Dog trial to help save bandicoots.

JANUARY

APRIL

Our partners in the Philippines, the Palawan Wildlife Rescue and Conservation Centre welcomed home seven of the world's most endangered crocodiles born at Melbourne Zoo.

MAY

680 Southern Corroboree Frog eggs from Melbourne Zoo and Healesville Sanctuary were released in Mount Kosciuszko National Park as our largest egg release ever.

Two eight week old Maremma working dogs arrived at Werribee Open Range Zoo to begin their training for the Guardian Dog Trials.

JUNE

Bandicoot Bodyguards

A pilot program was launched in October 2014 that will see our Eastern Barred Bandicoots released to the wild and protected by Italian Maremma Guardian Dogs. The bandicoots are now considered extinct in the wild and this project will trial reintroducing the numbers we have from captive breeding, out to the wild under the watchful eye of their bodyguards. If successful, a Fighting Extinction Dog Squad will be trained to protect and monitor a host of native wildlife species.



Other highlights

- Began planting 30,000 trees to help restore the Coranderrk Bushland Reserve



- Commenced construction of the Orange-bellied Parrot pre-release gym at Werribee Open Range Zoo to train birds for post-release life in the wild.

A JOURNEY TO EXCELLENCE COMMUNITY CONSERVATION

Community conservation is about influencing behaviour that can have a direct, positive impact on wildlife. We do this through engaging our community in the plight of wildlife, using the unique zoo experience to elicit a connection that inspires people to take action for wildlife. The most powerful tool we have used to date is a series of visitor-focused community conservation campaigns.



“Conservation is primarily not about biology, but about people and the choices they make.”

Balmford & Cowling 2006

Visitors taking action this year

In 2014-15, our community conservation campaigns have continued to go from strength-to-strength with visitors taking more than 160,000 actions to save wildlife.



202,357 Aussies demanding 100% Certified Sustainable Palm Oil. (Nestle Australia, Ferrero, Arnott's & Unilever all switched to sourcing CSPO).



128,000+ phones collected to help save gorillas in the wild.



1 million+ people who have heard our story to fight the extinction of 20 native species like the Eastern Barred Bandicoot.



209 fishing bins installed to stop over 20km of fishing wire harming our marine life.



17% of people switching to recycled toilet paper for a guilt-free bum.



175,785+ pieces sold to help the people and animals in Northern Kenya.

Going from good to great

Over the coming five years we will amplify our efforts with a focus on getting all Victorians to fall in love with their native species through *Love Your Locals*. We will also increase our efforts to secure transparent labeling of palm oil and a secure market for Certified Sustainable Palm Oil in Australia.

A JOURNEY TO EXCELLENCE COMMUNITY CONSERVATION

A year of consolidation and planning for excellence

The 2014-15 year has been a time of taking stock of our campaigns while looking to the future.

Victorians have shown that they care about wildlife through their involvement in campaigns such as *Don't Palm us Off*, *They're Calling on You* and *Wipe for Wildlife*.

Our five year Community Conservation Master Plan will harness the passion of Victorians and help them become the world's most wildlife-friendly citizens.

Two years in the making, the plan launched in July 2015 and has involved some of the world's foremost thinkers in behavioural change and community-based social marketing.

Eight year old Bridey is an animal lover and wildlife crusader. A Zoo Member from the age of three, Bridey has collected more than 40 mobile phones for *They're Calling on You*, switched her household to recycled toilet paper, and educated her family about Certified Sustainable Palm Oil.

Our Fighting Extinction Schools are a key part of education for conservation. They are Zoos Victoria satellites where students fight wildlife extinction in their local communities, through their schools and with our support.

Education for Conservation

In a time when the world is experiencing species extinction at a rapid rate, school students play a key role in protecting endangered wildlife and our environment.

This year we re-imagined zoo education by taking it out of the classroom and into the very hearts of our zoos.

The basis of our new Education for Conservation learning model is flexible, tailored learning for all Victorian students using the inquiry method. This is a learning style that is currently being integrated across the Victoria curriculum that is based on a student-led, investigative method where students ask questions which are meaningful to them but may not necessarily have easy answers.

The model seeks to create learning that inspires deep intellectual discovery. It also seeks to create a long-term relationship with school communities and students that lasts beyond their class excursions. Through the establishment of Fighting Extinction Schools, we are acknowledging and supporting exemplar conservation schools that are taking the fighting extinction message back to their communities.

Since the launch of Education for Conservation we've inducted 12 Fighting Extinction schools.*

Other highlights

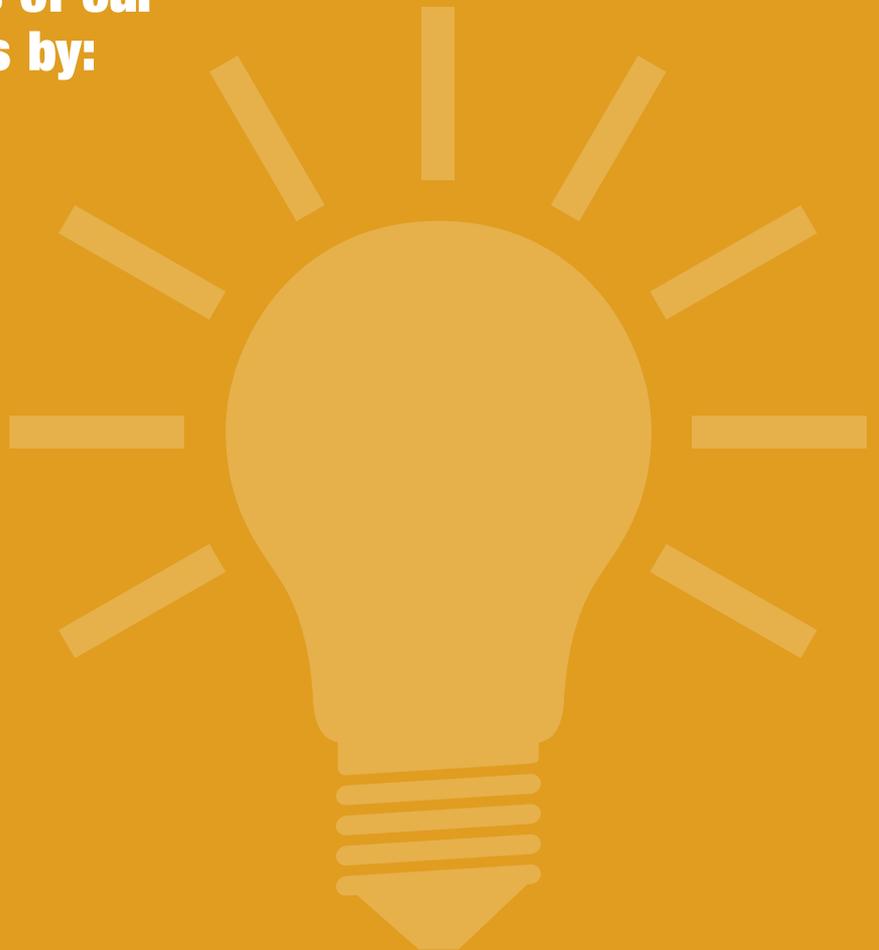
- Partnered with Greenpeace to fight for better seafood labelling.
- In a major milestone for *Beads for Wildlife*, more than \$1 million worth of beads were sold since the program started in 2009.
- Students from RMIT's Visual Merchandise program turned their campus windows into a *Wipe for Wildlife* display, complete with the sounds and smells of the 20 fighting extinction species.
- We led the development of a joint statement on sustainable palm oil in the Australian region.
- *Seal the Loop Action Day* sites were doubled with four schools in Rye, Warrnambool, Melbourne and Torquay joining forces to do a mass clean-up of our marine areas and waterways.



A JOURNEY TO EXCELLENCE WORKING SMARTER

Underpinning our conservation work is the need to be an organisation dedicated to continual improvement and working smarter in all aspects of our operations. We do this by:

- **Eliminating waste**
- **Living sustainably**
- **Living safely**
- **Maximising our animal care**



A JOURNEY TO EXCELLENCE WORKING SMARTER

Eliminating waste and using resources wisely

To mitigate waste in 2014-15, 36 senior staff from across the organisation were trained in LEAN Management Systems through the completion of a Graduate Certificate in Competitive Systems and Processes.

A further seven staff also completed a two-day training program and a number of small-scale learning projects have taken place. The first major LEAN improvement program commenced and focused on the veterinary departments across our three zoos.

WASTE: any action that consumes time and resources but fails to support the fight against wildlife extinction.

Living sustainably

This year has seen us make further progress as an organisation striving to live more sustainably:

- We installed more than 900 solar panels across our three zoos
- Progressing planning and design of the solar forest at Werribee Open Range Zoo including seeking funding for this \$1.5 million project that can save around 1,170 tonnes of CO₂ per year once built
- Wind power at Werribee Open Range Zoo: we've been planning a \$150,000 Wind Power Generator project that will help save 94 tonnes of CO₂ per year
- Underground worm farm at Healesville Sanctuary: now composting organic waste from our catering and animal care functions.

- Reduced 242 tonnes of waste to landfill
- Decrease of more than 29,000 KL of water across our zoos
- Generated 151,329 kWh from renewable energy.

Solar PV	Size - kW	Tonnes CO ₂ e
Melbourne Zoo Retail	15	29
Healesville Sanctuary Australian Wildlife Health Centre	12.5	24
Werribee Open Range Zoo Bus Station	20	39
Zoos Victoria Corporate Building	55	108
Melbourne Zoo Elephant Cow Barn	33	65
Melbourne Zoo Baboon Dens	13	25
Melbourne Zoo Lion Gorge	15	29
Melbourne Zoo Bistro	24.5	48
Total	188	368

For more information about Zoos Victoria's sustainability performance head to zoo.org.au/about-us/environmental-sustainability

Living safely

Occupational Health and Safety Performance

Our safety goal is to ensure that all staff go home safe and well every day. We work in a high risk, dynamic environment and so extra vigilance is required to make sure we can all stay safe at work. Over the course of the year we have focused on returning staff to work following lost-time injuries. This has resulted in our WorkCover Claims decreasing by 54 percent and our WorkCover premiums by 41 percent.

Targeted programs

Unfortunately our lost-time injuries increased to 13 this year, up three from last year. This is why we have delivered more targeted safety training through the *Safety Circle* program across the organisation. Through WorkFit, we are working with forty-two staff members to help them manage their wellbeing and fitness at work.

Preventative programs such as *Safety Circle* and *Beyond Blue* mental health training for all staff have also been implemented throughout the 2014-15 year. The establishment of an onsite physio program has also had positive results with 93 percent of staff treated through the program being discharged within the 2014-15 year.

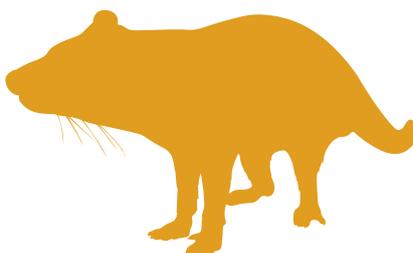
Measuring and monitoring safety

Health and safety committees at each Zoo have met throughout the year. The committees play an important role in identifying hazards, assessing the risk and resolving health and safety issues by working with their peers and management. They also act as role models demonstrating and supporting co-workers in how to work safely.

	2015	2014
Number of hazards reported	734	371
Number of incidents reported	302	191
WorkCover Premium	\$500,000	\$890,000
Average cost per WorkCover Claim	\$1,228	\$1,784
Lost-time Injuries	13	10
Staff training (hours)	7,837	1,068

A new incident reporting and management system, *ZV Safe* was launched in January and the most recent *People Matters Survey* has shown an improvement in the awareness of safety initiatives across the organisation with:

- 97% of staff say they are encouraged to report safety matters (a 3% increase on the previous survey)
- 87% of staff are aware of programs to support their wellbeing
- 73% of staff say that their manager regularly sets aside time to discuss safety concerns (a 13% increase).



A JOURNEY TO EXCELLENCE WORKING SMARTER

Positive welfare: a situation in which an animal's physical needs are met as well as feeling positive emotions such as pleasure, happiness and contentment as a result of their care and surroundings.

Maximising animal care

In 2014-15, we continued our work in supporting positive welfare states for all of the animals in our zoo family.

From a world-first assessment of penguin poo to help improve their lives, to innovative projects like the Forest Fairy Gym, Emu Showers and Interactive Veggie Feeder Trees for Giant Tortoises, the health and welfare of our animals continues to be an area where we think outside the box.

To ensure all our animals enjoy a positive welfare state we've developed a five year Life Sciences Plan and have appointed a dedicated Animal Welfare Specialist. We like to think of her as our Animal Happiness Expert.

The past year has been about pioneering non-invasive techniques to assess animal welfare and developing and implementing best practice tools to measure the welfare states of every animal.

Highlights of these include:

- Proactively encouraging positive welfare states through enrichment activities that lead to exploration:
 - Commenced a project to develop interactive technology for orangutans based on the same technology as X-Box connect gaming devices
 - Installed motion-activated showers for our emus at Healesville Sanctuary who love a good bathe
 - Created enrichment calendars to provide dynamic habitats for all mammals, birds and reptiles in our care
 - Designed and installed three interactive feeder trees to challenge Giant Tortoises to forage for their food in interesting and unpredictable ways.
- Welfare assessment:
 - Rolled out WelfareTrak, a web-based monitoring tools to enable keepers to monitor the welfare state of the animals in their care
 - Continued the annual Animal Welfare Survey and identified a number of areas that we've now prioritised for improvement and highlighted best practice areas such as the Leopard Tortoise enclosure at Werribee Open Range Zoo
- Validation of new tools to assess our welfare activities. Theoretical research into animal welfare enhanced our understanding of zoo animals and their behaviour. We were successfully awarded an ARC Linkage grant for a three year partnership research project studying the human-animal relationship.
- Strong welfare positioning with our community through proactive positions on:
 - Actively supported the World Association of Zoos and Aquarium's position to break the link between the Taiji Dolphin Hunt and Japanese zoos
 - Supported Wild Welfare to address the serious animal welfare issues at Surabaya Zoo
 - Progressed our sister zoo relationship with Port Moresby Nature Park to increase its animal welfare capabilities
 - High level advocacy within the World Association of Zoos and Aquariums to push for greater profile, transparency and cooperation on animal welfare issues globally.

Other highlights

- **Penguin research**

A collaboration with researchers at University of Tasmania was launched to investigate how penguins respond to different coloured fishing nets in an effort to reduce the number of penguins trapped in fishing nets each year.



- **Saving our marine mammals**

The AGL Marine Response Unit is a partnership between Zoos Victoria and AGL Energy, with the support of the Victorian Department of Environment, Land, Water and Planning, Future Fish and Parks Victoria that helps marine mammals entangled in Victorian waters. In this past year alone, the unit took 155 calls and rescued four Little Penguins and six seals in the wild.



- **Rescuing and rehabilitating native wildlife**

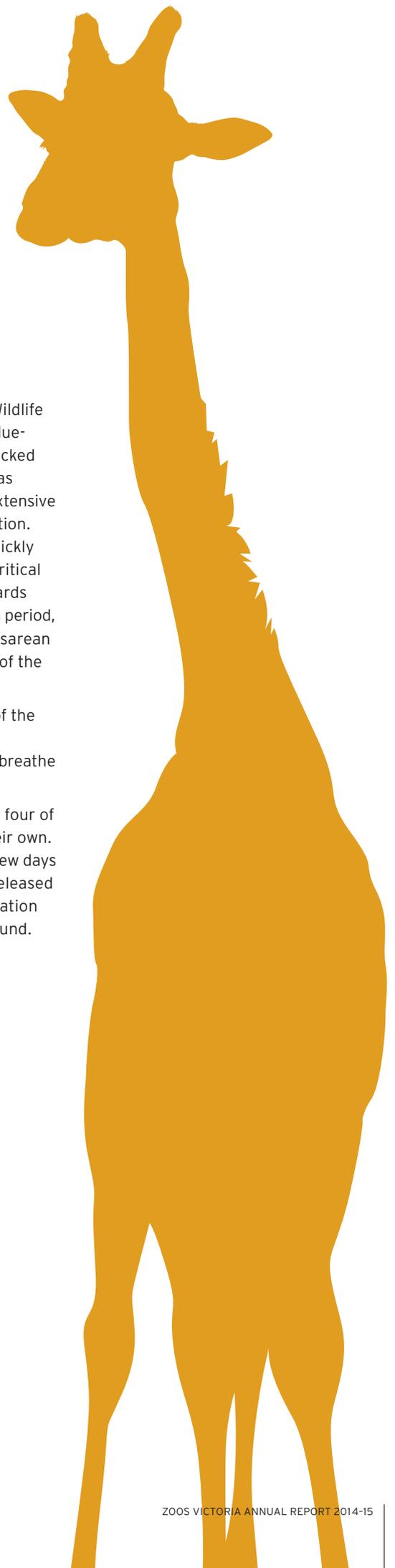
Over the course of the year we responded to 1,870 wildlife rescue cases and rehabilitated and released 372 rescue animals back to the wild.

Care for all creatures great and small

Earlier this year our Australian Wildlife Health Centre treated an adult Blue-tongue Lizard that had been attacked by a dog. An x-ray showed she was pregnant. Her injuries were too extensive and she died during the examination. However the vet team worked quickly to help her 13 infant lizards in a critical situation. Although the infant lizards hadn't reached their full gestation period, the team decided to perform caesarean surgery to try and save as many of the young as possible.

The team resuscitated as many of the babies as they could which were intubated until they were able to breathe on their own.

Eventually we were lucky to have four of the lizards able to breathe on their own. We monitored them for the next few days and decided they were fit to be released back into the wild in a similar location close to where their mum was found.



A JOURNEY TO EXCELLENCE WORKING SMARTER

Animal Welfare Peer Review Committee Report

In 2008, the Victorian Minister for Environment established the Animal Welfare Peer Review Committee to ensure full and frank disclosure and accountability of animal welfare related matters across our zoos. The role of the committee is to review and provide advice to the Zoos Victoria Board on animal welfare related matters and incidents.

The committee is made up of up between six to eight members who possess a qualification, interest and/or deep commitment to animal welfare. Our current Animal Welfare Peer Review Committee is:

- Dr. Geoff Wescott
Zoos Victoria Board Member and Chair of the committee
- Helen Thornton
Zoos Victoria Board Member
- Carolyn Jackson
Zoos Victoria Board Member
- Helen Cocks
RSPCA
- Matthew Jackson
Phillip Island Nature Park
- Dr Graham Mitchell, AO
- Justice Tony Pagone
- Alice Skipper

The committee met on four occasions this year and considered nine animal welfare incidents. Since the establishment of the committee we have reported their findings each year as part of a separate Life Sciences Addendum to our Annual Report. This year we are combining the addendum into the main annual report to ensure even greater transparency and accountability.

The results of their review of each case considered by the committee this year are detailed below:

Bongo at Melbourne Zoo

We tragically lost our female Bongo this year when she ran into a fence, causing a fracture to her spinal cord and cervical vertebrae. The incident was deemed as unavoidable, however, a set of recommendations have been implemented by Melbourne Zoo including:

- A review of the landscaping, design and planting of the Bongo exhibit to determine if there is potential to reduce the risk of this type of accident happening again
 - A review of the decision-making process for when the Bongo is contained on display, particularly if they have a history of flighty behaviour
- * Note Melbourne Zoo will continue to care for our remaining male Bongo but we won't obtain any more Bongos.

Buff-banded Rail at Melbourne Zoo

One of our Rails died following the transfer to a small aviary for Mycobacterium testing. About 30 Rails were transferred without incident. However one rail was found dead, after being caught in the hinge of an internal door in the aviary. The death was deemed avoidable and the following recommendations have been implemented as a result:

- Review and rework monitoring and daily routines to ensure each animal is monitored following transfer to a smaller aviary and that each bird is accounted for immediately post transfer
- Ensure there is an effective risk assessment of aviaries prior to transfer.

Free-ranging chickens at Werribee Open Range Zoo

One evening, five of the eleven free-ranging chickens couldn't be located to return them to their coop overnight. The next day the remains of two chickens were found following a fox attack. The deaths have been deemed avoidable. Following the incident, Werribee Open Range Zoo no longer houses free-ranging chickens.

Coati at Melbourne Zoo

Each day, four male coatis are moved from one side of their housing to the other. The keepers move them by scattering food into the side of the enclosure that they would like them to move towards. The enclosure is sectioned by a hydraulic slide. On this occasion the keepers had moved the males to one side and were releasing the slide when one of the males moved back. His right foreleg was caught by the slide and he received immediate vet attention, but he sustained multiple fractures. The vets made the decision for euthanasia to end his suffering. The death was deemed avoidable and the following has taken place as a result:

- Review and rework of hydraulic slides to eliminate chance of crushing
- Immediately commenced work to modify an alternative facility for housing of the three male coati.

Cotton-top Tamarin at Melbourne Zoo

Lisa, one of the tamarins, had been observed as being lethargic and blood had been found in her nestbox. Open vet examination, she was found to have an ulcerated right heel and blood tests revealed it was consistent with rodent poisoning. Lisa was euthanased as she was suffering and too ill to recover. A rodent-control program has been ongoing at Melbourne Zoo and Lisa's death was likely caused by her consuming an infected mouse or slug. Her death was deemed avoidable and the following has now occurred:

- The rodenticide, Ditrac will not be used within 15 metres of any tamarin or marmoset exhibit and immediate review and rework of the tamarin exhibit has taken place to ensure it is less attractive to rodents with a new rodent monitoring regime in place.
- The tamarins have also been provided the preventative Vitamin K1 treatment.

Leaf-tailed Gecko at Healesville Sanctuary

As a keeper was opening the door of an exhibit in the Reptile House, a gecko fell to the ground with hind leg and tail injuries. It was assumed that the gecko had been caught in the door when it opened. The vets attended to the lizard but the injuries were too extensive and the decision was made to euthanize the gecko. The death was deemed avoidable. As a result the following has occurred:

- Remove all mock rock near the rear doors to ensure lizards cannot gain access to the door
- While this work is taking place, keepers are to do a visual check of the exhibit prior to opening the rear door to determine the exact location of each animal. A sign has been placed on all rear doors to remind staff of this check

- Ensure the procedure is communicated to all relevant staff and a white board is installed with information to all reptile staff on location including information of each animal in the area.

Mountain Pygmy-possum at Healesville Sanctuary

Two Mountain Pygmy-possums were found drowned in a browse (branches) pot in their exhibit. The deaths were deemed avoidable. While providing branches to the possums is important for their diet, the two deaths have resulted in the immediate removal of all pots and review of their design to prevent such an incident occurring. Sticks have been put in each pot to ensure animals can readily climb out of pots if they fall. The new process has been standardised and communicated to all areas where browse pots are used.

Quokkas at Melbourne Zoo

One of the eight Quokkas housed in a walk through exhibit at Melbourne Zoo was found dead under a clump of tussocks. The Quokka had been dead for several days and so the vets were unable to determine a cause of death. The investigation into this incident has resulted in revisions to the round procedure to ensure all Quokkas are counted on a daily basis and any discrepancies immediately reported. Further recommendations have been implemented including providing information to visitors on how to behave when moving through a walk-in exhibit and ensuring staff are able to observe visitor activity on high traffic days.

Spotted Tree-frog at Healesville Sanctuary

As a keeper was cleaning the exhibit, one of the frogs jumped out. To prevent losing any further frogs, the keeper closed the door. However another frog had hopped into the path of the door and was caught and killed. The death was deemed avoidable. As a result the area servicing the exhibit has been modified to prevent frogs jumping out of the exhibit during cleaning, a review has taken place to ensure there are not too many frogs in the one exhibit and a standard procedure has been developed for dealing with this situation in the future.

Death of Julia the Gorilla at Melbourne Zoo

On Sunday 24 May Julia tragically died as a result of injuries sustained by attacks from male Silverback, Otana. She had suffered deep muscle trauma which led to internal organ failure.

Julia's death has led to a detailed investigation being carried out under the scrutiny of our Animal Welfare Peer Review Committee. The investigation and the Committee found that staff acted appropriately, making their decisions for Julia's care based on observations of her behaviours. Based on the findings, the death of Julia was not considered preventable.

Learnings from these events have led to the following actions:

- Changes to the Gorilla Rainforest area to reduce possible stress within the group including increasing the distance between visitors and gorillas at the main window.
- Increased observation of the group.
- Sharing the findings with primate groups and carers across the world.

A JOURNEY TO EXCELLENCE
GROWING REVENUE



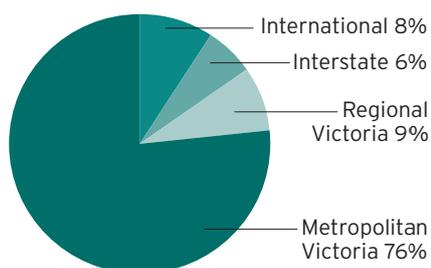
Underpinning our fighting extinction ambitions is the need to grow our diverse revenue streams.

In 2014-15 we have streamlined our revenue growth plans through the establishment of a revenue growth committee and the development of a five year Revenue Master Plan to direct revenue growth through:

- Visitation
- Membership acquisition and retention
- Tourism
- Fundraising
- Sponsorship
- Government support

Our first year of the plan is a good step in the right direction to helping us achieve our \$100 million a year revenue target.

Where Our Visitors Come From



Visitation

In 2014-15 we experienced record visitation across our zoos, placing us firmly on track to achieve a target of three million visitors by 2018-19.

Smart, targeted marketing campaigns, creative and dynamic seasonal visitation campaigns and strong public relations work has helped our zoos remain top-of-mind in our community.

Refreshed and revitalised exhibits have been a big hit and helped grow the year's visitation.

Lion Gorge opened at Melbourne Zoo with a new home for the lions, Wild Dogs and Isabela the Philippines Crocodile. It contains a new learning space, DigestED, right in the heart of the exhibit. Another new learning space, Forest Harvest, was also opened in the Trail of the Elephants precinct, thanks to support of the Lord Mayor's Charitable Foundation.

We opened a new home for the Eastern Barred Bandicoots at Werribee Open Range Zoo. *Bandicoot Hideout* is set within the midst of Australian Journey. During the year, the precinct also included the opening of a home for koalas. Upgrades to Werribee also included the opening of *Hippo Beach* and upgrades to *Village Kids*.

RACV Echoes in the Mist Lyrebird Aviary launched at Healesville Sanctuary, providing a new home for one of the Sanctuary's best-loved resident birds. The aviary was named by Zoo Member Mandy Smith. Young children took over the Australian Wildlife Health Centre with the launch of *Future Vets*, a play space in the centre of the hospital that helps nurture tomorrow's vets.

Our three zoos achieved an overall average visitor satisfaction score of 8.5 out of 10.

Visitor Satisfaction Survey conducted by Forethought Research, February 2015

Visitors to the Zoos

1,383,900
Melbourne Zoo

416,616
Healesville Sanctuary

556,847
Werribee Open Range Zoo

2,357,363
Zoos Victoria

A JOURNEY TO EXCELLENCE GROWING REVENUE

Welcoming More Members

We moved our membership sales online with members now able to manage their membership renewals and details via zoo.org.au. Member-only events such as the Christmas party, Zoovie Nights and *Hippo Beach* parties have made our members feel pretty special, and we continued to give our members special insights into the workings of our zoos, the people and the animals that make them so great.

Our Zoo Members

237,000 active members

79,000 households

90% member satisfaction

54% of members gave us 10/10

91% would highly recommend us

Visitor awareness of member program increased **42%**

Member visits Mon-Fri **55%**

Member visits Sat & Sun **45%**

76% of primary members are female

Median age **40-44**

Member retention rate **51%**

Tourism

For the year ending June 2015, we welcomed 181,827 international visitors, accounting for \$4,288,689 in admissions revenue. During the same period Zoos Victoria welcomed 142,461 interstate guests, accounting for \$2,772,444 in admissions revenue.

Sponsorship and Corporate Partnerships

It was another successful year as we continued to work with our sponsors and corporate partners including:

- AGL Energy for their continued support of the AGL Marine Response Unit and helping us realise our solar energy potential.
- ANZ is our major banking partner and recipient of this year's Zoos Victoria's Hall of Fame Partnership Award for their ongoing support of our Elephant Family.
- Welcomed RACV back to the sponsor family through their support of the *RACV Echoes in the Mist Lyrebird Aviary*.

We continued working closely with our commercial partners Schweppes, Compass and Streets; our media partners Nine Network Australia and the Herald and Weekly Times; as well as our in-kind partners JetPets and the Melbourne Airport Authority.

Engaged Philanthropy

We completed our \$20 million *Safe Haven* philanthropy appeal, started in 2010, with funds raised helping to revitalise our zoos, provide better visitor experience and helping us further our fighting extinction work.

As we launched our \$30 million Wildlife Conservation Master Plan, we also welcomed more than \$1.7 million in philanthropic donations to support the bold plan. This has included generous support from a number of philanthropic trusts and foundations, detailed on page 50.

Our Tax time Appeal and Christmas Appeal raised more than \$400,000 from the community in support of our wildlife rescue efforts and our work setting up the Guardian Dog program.

Continued Government Support

We've appreciated the support of our government partners with major funding announcements made this year by the Victorian Government in support of the Guardian Dog program, the continuation of free entry for children on weekends, school holidays and public holidays as well as funding for a new expanded home for our Snow Leopards, Sumatran Tigers and other predator species.

We were also delighted with the Australian Federal Government's funding of a number of Conservation Master Plan initiatives including support for the construction of chytrid-free enclosures for Southern Corroboree Frogs at Mount Kosciuszko, monitoring of the Southern-Bent Wing Bat with the Arthur Rylah Institute and support for restoration work of the Coranderrk.

Instead of presents for this year's birthday, Isaac Busuttil from Derrimut instead asked his classmates to make donations to save the Eastern Barred Bandicoot - an Australian native now considered extinct in the wild in Victoria.

ORGANISATIONAL CHART AS AT 30 JUNE 2015

Jenny Gray,
Chief Executive Officer
Executive Assistant

Robyn Grattidge
A/ Director
Business
Development

General Manager,
Philanthropy

General Manager,
Membership

General Manager,
Commercial
Development

Executive Assistant

Gillian Hoysted
Director Human
Services

HR Business Partner,
Corporate and
Melbourne Zoo

HR Business Partner,
Melbourne Zoo

HR Business Partner,
Healesville Sanctuary

HR Business Partner,
Werribee Open
Range Zoo

Senior OHS Advisor

Payroll Advisor

Payroll Officer

Rachel Lowry
Director Wildlife
Conservation
and Science

General Manager
Community
Conservation
and Learning

Senior Manager
Community
Conservation

Senior Manager,
Sustainability

Senior Life Sciences
Strategic Projects
Manager

Senior Scientist

Wildlife Conservation
and Science
Support Officer

Sally Lewis
Director Werribee
Open Range Zoo

General Manager,
Life Sciences

General Manager,
Operations

General Manager,
Visitor Experience

Governance and
Administration
Manager

Executive Assistant

Lawrence Tai
Chief Financial Officer

Finance Manager

Governance and
Planning Manager

Administration
and Procurement
Manager

Administration
Assistant

David Methven
A/ Director Marketing,
Communications
and Digital

General Manager,
Communications and
Stakeholder Relations

General Manager,
Marketing

General Manager,
IT and Digital
Innovation

Executive Assistant

Kevin Tanner
Director
Melbourne Zoo

Senior Vet

General Manager,
Operations

General Manager,
Life Sciences

General Manager,
Visitor Experience

Executive Assistant

Glen Holland
Director Healesville
Sanctuary

General Manager,
Life Sciences

General Manager,
Operations

General Manager,
Visitor Experience

Governance and
Administration
Manager

Executive Assistant

OUR WORKPLACE PROFILE

Zoos Victoria is committed to applying merit and equity principles when appointing staff. The selection processes ensure that applicants are assessed and evaluated fairly and equitably on the basis of the key selection criteria and other accountabilities without discrimination.

	As at 30 June 2015	As at 30 June 2014
Employees		
Male	242	244
Female	416	441
Casual		
Male	83	54
Female	196	155
Full-time		
Male	159	157
Female	220	172
FTE Part-time and Full-time	279	413
FTE Casuals	119	48
Indigenous Employees	2	5
Executive		
Male	4	3
Female	5	6
Senior Managers		
Male	12	10
Female	9	7

KEY PERFORMANCE INDICATORS

Imperative	Outcome	Performance Indicator	Target	June 30 2015	June 30 2014
Wildlife Conservation	Fighting wildlife extinction	No. of Fighting Extinction species increased in the wild	6	6	3
Wildlife Conservation	Fighting wildlife extinction	Funds raised in direct support of the Wildlife Conservation Master Plan	n/a	\$2m	n/a
Wildlife Conservation	Fighting wildlife extinction	Annual investment in wildlife conservation	\$3,500,000	\$3,950,000	\$2,044,000
Community Conservation	Acting for wildlife	No. of staff engaged with our fighting extinction direction	90%	94%	91%
Community Conservation	Acting for wildlife	Behaviour change actions taken up by the community	200,000	168,000	180,775
Working Smarter	Maximising our animal care	Avoidable animal deaths	0	9	8
Working Smarter	Living safely	Lost-time Injuries	<10	13	10
Working Smarter	Living safely and eliminating waste	Hours of staff training	1,200	7,837	1,068
Working Smarter	Living sustainably	Annual Carbon Equivalent	10,738	14,527	14,803
Working Smarter	Eliminating waste and living sustainably	Full-time Equivalent	452	450	455
Working Smarter	Eliminating waste, living sustainably and safely and maximising our animal care	Spend on asset maintenance	\$5,572,000	\$4,194,000	\$5,643,000
Working Smarter	Eliminating waste, living sustainably and safely and maximising our animal care	New or improved infrastructure	\$5,000,000	\$7,962,000	n/a
Growing Revenue	Visitation increase for fighting wildlife extinction	Total visitors	2,160,000	2,363,000	2,106,000
Growing Revenue	Increase retail spend for fighting wildlife extinction	Income per paid visitor	\$25.26	\$25.86	\$24.57
Growing Revenue	Increase no. of members for fighting wildlife extinction	Total Zoo Members	170,000	237,084	163,954
Growing Revenue	Retaining no. of members for fighting wildlife extinction	Zoo Member retention rate	55%	51.5%	51.82%

Admission Charges

Details	2014-15	2013-14	2012-13
Adult (16 years of age or more)	\$30.80	\$30.00	\$26.10
Child (under 16 years of age)	\$13.60	\$13.20	\$12.90
Child (under 16 years of age) on weekends, public holidays and Victorian school holidays	Free	Free	Free
Physically or intellectually disabled child under 16 years of age	\$6.00	\$6.00	\$6.00
Family (a group of four persons including up to two Adults)	\$74.60	\$68.50	\$59.50
Full-time student concession	\$23.60	\$23.10	\$20.20

FINANCIAL SUMMARY

Details	2014-15 000's	2013-14 000's	2012-13 000's	2011-12 000's	2010-11 000's
Recurrent					
Revenue Zoo Activities ¹	52,598	46,982	46,367	39,643	39,699
Other grants and sponsorship	9,573	6,174	6,583	7,181	5,108
Parks and Reserve Trust Fund ²	16,469	17,535	13,078	14,635	12,191
Total Income	78,640	70,691	66,028	61,459	56,998
Total Depreciation	(7,852)	(7,745)	(7,917)	(7,896)	(6,263)
Total Operating Expenses	(66,142)	(62,335)	(59,454)	(61,231)	(51,131)
Total Expenses	(73,994)	(70,080)	(67,371)	(69,127)	(57,394)
Net Result from transactions	4,646	611	(1,343)	(7,668)	(396)
Other economic flows ³	(58)	(2,498)	8	20	34
Net Result for the period	4,588	(1,887)	(1,335)	(7,648)	(362)
Assets, Liabilities and Equity					
Total Assets	284,449	262,531	258,100	249,253	252,433
Total Liabilities	(15,180)	(15,155)	(14,888)	(13,591)	(12,201)
Total Equity	269,269	247,376	243,212	235,662	240,232
Capital Contributions for ⁴					
Lion Gorge Exhibit		5,000			
Lemur Exhibit			4,000		
Safari Fleet			2,200		
Werribee Open Range Zoo Arrival Precinct			2,500		
Bridge and Bus Stop Shelter				2,500	

¹ Recurrent Total operating expenses is comprised of high fixed costs, linked to the care of animals and assets rather than visitor numbers or visitor appeal. Operating income or expenses reflects the receipt of funds or payment of expenses as they are incurred during the year. For example any funds received by the Board and not refundable are shown in the year of receipts and any expenditure such as back pay of wages for EBAs are shown in the year the agreements are enforceable and paid.

² The Parks and Reserves Trust Account funding is a rate levied on metropolitan properties under the provisions of the *Water Industry Act 1994* and is provided for the purposes of conservation, recreation, leisure and tourism within the metropolitan area.

³ Other economic flows consist of \$1.75 million for net loss on decommissioning (disposal) of old buildings and exhibits to make way for new buildings and exhibits during the year. Previously the amounts were included in depreciation.

⁴ Capital Contribution by State Government and is treated as Equity.

BOARD ATTENDANCE

Board Member Attendance 2014-15

Member	No. of meetings eligible	No. of meetings attended	Date appointed
Natasha Bowness	8	8	30/4/13
Jon Hickman	8	6	7/9/11
Ken Hinchcliff	8	5	10/8/11
Carolyn Jackson	7	6	10/8/14
Sahil Merchant	8	7	30/4/13
Mark Powell	7	6	10/8/14
Helen Thornton	8	8	23/3/13
Anne Ward	8	8	19/3/13
Geoff Wescott	8	5	7/9/11
Kylie White	1	1	07/9/11 - 9/8/14

BOARD PROFILES AS AT 30 JUNE 2015

Ms Anne Ward

BA, LLB (Melb), FAICD
Chair

Anne was appointed as Chair in March 2013. She came to the Board with over 30 years of experience in business management, strategy, finance, risk and governance across a range of industries including banking, agriculture, property and tourism. Prior to becoming a professional director, Anne was a commercial lawyer advising major corporations on strategic transactions, mergers and acquisitions, capital markets, contract law and regulation and corporate governance.

She was a corporate partner at two major Australian law firms, Minter Ellison Lawyers and Herbert Geer in Melbourne. Anne is presently Chair of Colonial First State Investments, Avanteos Investments, Qantas Superannuation and the Centre for Investor Education and a director of ASX listed MYOB Group Ltd and a council member at RMIT University.

Dr Kenneth Hinchcliff

BVSc (Hons), MS, PhD, DACVIM

Kenneth was appointed to the Board in May 2008. He is a graduate of the Melbourne Veterinary School and Dean of the Faculty of Veterinary Science at the University of Melbourne. He has completed an advanced training program in large animal internal medicine at the University of Wisconsin-Madison, and a PhD at the Ohio State University.

Kenneth was a faculty member in the College of Veterinary Medicine at Ohio State University, rising to professor before joining the University of Melbourne in 2007.

Mr Sahil Merchant

LLB (Hons), B Comm, MBA, GAICD

Sahil was appointed to the Board in April 2013 and is a seasoned entrepreneur who is equally comfortable in the corporate setting. He has particular expertise in digital strategy and execution in the context of large organisations, data strategy, digital marketing, e-commerce and customer engagement. He has founded numerous companies, including (but not limited to) a physical retail brand, a consulting firm which was successfully merged into Ogilvy Australia, and a medical services company (using ground breaking surgical techniques).

Sahil is a Senior Vice President at McKinsey & Company, He is responsible for leading McKinsey's digital practice in Australia, including McKinsey Digital Labs, to drive transformative change through Australian enterprise.

Ms Natasha Bowness

B. Ec, ACA, GAICD

Natasha was appointed to the Board in April 2013. She is an Executive Director of the Wilbow Group, a private family investment group whose activities include property, listed and unlisted investments and private equity.

Natasha has experience in governance, strategy, business management, finance, accounting, audit and philanthropy. Prior to joining Wilbow, she had a seven year career with PricewaterhouseCoopers in Australia and internationally. Natasha is Chair of the Bowness Family Foundation and has been Deputy Chair of the Zoos Victoria Foundation Board.

Ms Helen Thornton

B.Ec ACA, MAICD

Helen was appointed to the Board in February 2010 and was appointed as Chair of the Audit, Risk Management and Compliance Committee in March 2010. Helen is a Chartered Accountant with over 30 years experience across a wide range of industries. Helen has extensive experience in finance, strategy, governance, risk management and audit and she has held senior leadership roles at Deloittes, KPMG, BHP Ltd and Bluescope Steel Ltd, where she was responsible for the global risk management function.

Helen has 16 years experience as a non-executive director and is an experienced Chair of Audit and Risk Committees. She is currently on the board of Big Sky Building Society, Legal Practitioners Liability Committee and is an independent member of the Risk & Audit Committee of the Department of Environment, Land, Water and Planning. She is a former board member of Rural Finance Corporation.

Jon Hickman

B Comm, MBA, MAICD

Jon was appointed to the Board in 2011 as Deputy Chair. Jon is a former Chair of the Victorian Coastal Council and a former member of the Heritage Council of Victoria.

His professional roles have included Deputy Vice-Chancellor of Victoria University, Deputy Secretary responsible for planning, heritage and local government at the former Department of Infrastructure, National Director at the Australian Crime Commission, Deputy Secretary at the Tasmanian Treasury and Chief Executive Officer at the City of Port Phillip.

Jon has worked in financial and general management, in education property and marketing and communications.

Associate Professor Geoff Wescott

B.Sc (Hons), M.Sc, M.Sc, Ph.D FEIANZ

Geoff was appointed to the Board in 2011 and is Associate Professor of Environment at Deakin University in Melbourne, a Fellow of the Environment Institute of Australia and New Zealand, a member of the World Commission for Protected Areas of the IUCN and President of the Australian Coastal Society and a member of the Victorian Environment Assessment Council. He has served on the Australian National Oceans Advisory Group, the Victorian Coastal Council and Parks Victoria. He recently co-edited a CSIRO publication, *Linking Australia's Landscapes* and a new CSIRO publication on Australia's Marine Protected Areas, *Big, Bold and Blue*, to be released in the new year.

Carolyn Jackson

LLB, BCom MPA

Carolyn was appointed to the Board in August 2014 and is the Executive Director of Finance and Planning (CFO) with the Department of Environment, Land, Water & Planning. Carolyn has extensive experience in policy and strategic financial management across the Victorian Government, including roles with the Department of Treasury and Finance. Carolyn has a double degree in Law and Commerce (Economics), and a Master Degree in Professional Accounting.

Mark William Powell

B.Ec

Mark was appointed to the Board in August 2014. He brings to the Board 17 years banking experience; specifically in global financial markets risk management with Societe Generale Australia and the Commonwealth Bank. His current role is as a director of a private family investment company and he has over 20 years' experience in small business including agriculture, building and property management. Mark has 15 years' experience on rural Department of Environment and Primary Industries committees of management. Mark is also a board member of Moorabool and Districts Community Bank.

BOARD COMMITTEES

Zoos Victoria Board Committees	Zoos Victoria Board Members	Zoos Victoria Management	Independent Members
<p>Revenue Growth Committee - created March 2015 The role of the Committee is to support development and review of revenue growth for Zoos Victoria, within the context of the Zoos Victoria strategy set by the Board. In fulfilling this role, the Committee will advise, monitor and make recommendations.</p>	Sahil Merchant (Chair) Anne Ward Carolyn Jackson	CEO Property Directors	Gabby Leibovich Danielle Press Sonia Kent
<p>Remuneration, Governance and Safety - created February 2015 To advise, monitor and make recommendations to the Board of Directors in relation to executive remuneration, overarching industrial relations policies and guidelines and governance matters, nominations to Board positions and strategic risk management.</p>	Anne Ward (Chair) Jon Hickman Natasha Bowness	CEO HR Director Property Directors	Loren Murray Jenny Pequignot
<p>Audit, Risk Management and Compliance Committee To review the quality of financial reporting, the financial management of the capital development program, review of financial risk management procedures and monitor regularly, legal and internal control compliance.</p>	Helen Thornton (Chair) Jon Hickman Dr Geoff Wescott (until 31/12/14) Mark Powell	CEO CFO	Peter Riley Matt O'Keefe
<p>Science Advisory Committee To advise and assist Zoos Victoria in discharging its responsibilities in relation to science, research and conservation activities. The Committee consists senior Zoos Victoria staff, a nominated representative from the Department of Environment and Primary Industries and at least three independent external members with recognised scientific and research disciplines.</p>	Prof Ken Hinchcliff (Chair) Dr Geoff Wescott Mark Powell	Director Wildlife Conservation Senior Veterinarian Senior Scientist	Andrew Bennett David Gardner Betty Weiler David Middleton Michael Clarke Graeme Coulson Liam Smith Kim Lowe
<p>Animal Welfare Peer Review Committee To confirm that the care of animals is conducted in accordance with Zoos Victoria and industry policies and procedures, review all animal welfare incident reports and peer review decisions made and conclusions drawn from any investigation into issues from complaints or concerns about animal welfare. The Animal Welfare Peer Review Committee report is detailed on page 30.</p>	Geoff Wescott (Chair) Helen Thornton Carolyn Jackson	CEO Director Wildlife Conservation Senior Veterinarian Senior Life Sciences Managers	Graham Mitchell John Henley Matthew Jackson Helen Cocks Alice Skipper Justice Tony Pagone
<p>Health and Safety Review Committee - up to Oct 2014 To oversee the health and safety functions of Zoos Victoria with a view to having a zero Lost-time Injuries workplace.</p>	Sahil Merchant (Chair) Jon Hickman	CEO HR Director Property Directors	Loren Murray

CORPORATE GOVERNANCE AND OTHER DISCLOSURE

Risk Management Attestation

I, Chair of the Audit, Risk Management and Compliance Committee of the Board certify that the Zoological Parks and Gardens Board has complied with the Ministerial Standing Direction 4.5.5 - Risk Management Framework and Processes.

The Zoological Parks and Gardens Board Audit, Risk Management and Compliance Committee verifies this.



Helen Thornton

Chair of the Audit, Risk Management and Compliance Committee
27 August 2015

Gifts, Benefits and Hospitality Framework Attestation

I, the Chief Executive Officer, certify that:

- My public entity has gifts, benefits and hospitality policies and procedures in place;
- These policies and procedures are consistent with the minimum requirements and accountabilities outlined in the Gifts, Benefits and Hospitality Policy Framework for the Victorian Public Sector - Revised April 2012 issued by the Public Sector Standards Commissioner; and
- These policies and procedures are updated, promulgated and provided to the audit committee for review at least once a year.



Jenny Gray

Chief Executive Officer
Zoological Parks and Gardens Board
27 August 2015

Name	Position	No. of Meetings Attended to No. of Meetings Held	Period
Helen Thornton (Chair)	Board Member	4/4	1/07/14 to 30/06/15
Jon Hickman	Board Member	3/4	1/07/14 to 30/06/15
Geoffrey Wescott	Board Member	1/1	1/07/14 to 31/12/14
Mark Powell	Board Member	3/3	19/11/14 to 30/06/15
Peter Riley	Co-optee	3/4	1/07/14 to 30/06/15
Matt O'Keefe	Co-optee	1/1	06/05/15 to 30/06/15
Zoo Management in attendance but are not members of the committee			
Jenny Gray	Chief Executive Officer		
Lawrence Tai	Chief Executive Officer		

Audit, Risk Management and Compliance Committee

The Audit and Risk Management and Compliance Committee consists of the above members at 30 June 2015.

The main responsibilities of the Audit and Risk Management and Compliance Committee are:

- To review the quality of statutory financial reporting and support the Board in making informed decisions regarding accounting practices and disclosures;
- To review the quality of management financial reporting and support the Board in making informed decisions regarding corporate and business plans and forecasting;
- To review the appointment, scope, findings and independence of the internal and external audits;

- To monitor regulatory, legal and internal control compliance; and
- Provide an oversight of the Victorian Government Risk Management Framework.

CORPORATE GOVERNANCE AND OTHER DISCLOSURE

Freedom of Information

The *Freedom of Information Act 1982* allows the public a right of access to documents held by the Board. Details of FOI requests received during the financial year are outlined below.

Details	Number 2014-15	Number 2013-14
Access granted in part	4	2
Access granted in full	2	0
Access denied in full	0	0
No Documents	0	1
Matters not finalised	0	1
FOI Withdrawn	0	1
Total	6	5

Requests as detailed in Section 17 of the FOI Act must be made in writing along with the prescribed fee of \$27.20 (as at 1 July 2015) to:

Contact Details

FOI Officer
P.O. Box 74
Parkville, Vic 3052
Telephone: (03) 9285 9300
Fax: (03) 9340 2795
Email: foi@zoo.org.au

Major External Reviews

There were no major external reviews conducted in 2014-15.

Subsequent Events

There were no matters subsequent to the financial report being finalised that would significantly affect finances.

Significant changes in the financial position during the year

There were no significant changes in the financial position during the year.

Major changes or factors affecting performance

There were no major changes or factors during the year that would significantly affect financial or operational performance throughout the year.

Disclosure of Major Contracts

No contracts over \$10 million were entered into during the reporting period.

Consultancies

Details of consultancies over \$10,000

There were no consultancies paid over \$10,000 for the 2014-15 financial year.

Details of consultancies under \$10,000

There were no consultancies paid under \$10,000 for the 2014-15 financial year.

National Competition Policy

In 1995, all Australian Governments (Federal, State and Territory) agreed to review and, where appropriate, reform all existing legislative restrictions on competition. Under the National Competition Policy, the guiding legislative principle is that legislation, including future legislative proposals, should not restrict competition unless it can be demonstrated that:

- The benefits of the restriction to the community as a whole outweigh the costs; and
- The objectives of the legislation can only be achieved by restricting competition.

The Board continues to comply with the requirements of the National Competition Policy.

Protected Disclosure Act 2012

Compliance with the *Protected Disclosure Act 2012* (formerly the *Whistleblowers Protection Act 2001*).

The *Protected Disclosure Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The Board does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. It is committed to ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Board will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

Reporting procedures

Disclosures of improper conduct or detrimental action by the Board or any of its employees and/or officers may be made to any of the following Board personnel:

- The Protected Disclosure Coordinator;
- The Chief Executive Officer of the Board;
- A Protected Disclosure Officer of the Board;
- A manager or supervisor of a person from the Board who chooses to make a disclosure; or
- A manager or supervisor of a person from the Board about whom a disclosure has been made.

Alternatively, disclosures of improper conduct or detrimental action by the Board or any of its employees and/or officers may also be made directly to the Independent Broad-based Anti-corruption Commission (IBAC):

Level 1, North Tower, 459 Collins Street
Melbourne, VIC 3000
Phone: 1300 735 135
Internet: www.ibac.vic.gov.au
Email: (see the website above for the secure email disclosure process, which also provides for anonymous disclosures)

Further information

The Protected Disclosure Policy and Procedures, which outline the system for reporting disclosures of improper conduct or detrimental action by the Board or any of its employees and/or officers, are available on Zoos Victoria's website.

Disclosures under the Protected Disclosure Act 2012

The number of disclosures made by an individual to the Board and notified to IBAC

	Number 2014-15	Number 2013-14
Assessable disclosure	0	0

Compliance Statement for Financial Management

The Zoological Parks and Gardens Board of Victoria has complied with the Financial Compliance Framework Direction requirements.

CORPORATE GOVERNANCE AND OTHER DISCLOSURE

Compliance with the Building Act 1993

The Zoological Parks and Gardens Board Victoria complies with the building management provisions of the *Building Act 1993*. The Zoological Parks and Gardens Board Victoria ensures that all works requiring building approval have plans certified, works in progress inspected and Occupancy Permits issued by independent Building Surveyors engaged on a local job-by-job basis. It also ensures that plans for these works are lodged with the relevant local council.

The Zoological Parks and Gardens Board Victoria requires all building practitioners engaged on building works to be registered and maintain registration throughout the course of the works.

Building works

The major building work completed in 2014-15 was the construction of the Lion Gorge Exhibit at Melbourne Zoo.

The Zoo ensures that all building projects were constructed by registered builders in accordance with approved drawings and specifications. The exhibits are now being used by the staff and public.

All works had plans certified, works in progress inspected and Occupancy Permits issued where required by independent Building Surveyors.

Maintenance

Maintenance and improvement works are regularly carried out on Zoological Parks and Gardens Board's buildings to ensure that they are maintained in a safe and serviceable condition.

Conformity

Work is continuing to ensure that all existing buildings conform to standards.

Pecuniary Interest Disclosures

Board members are required to complete a statement of pecuniary interest including any relevant shareholdings during the year and have done so. Members are also given the opportunity to declare specific interest at the start of each Board meeting.

Implementation of the Victorian Industry Participation Policy

In October 2003, the Victorian Parliament passed the *Victorian Industry Participation Policy Act 2003* which requires public bodies and Departments to report on the implementation of the Victorian Industry Participation Policy (VIPPP). Departments and public bodies are required to apply VIPPP in all tenders over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

Details of contracts to which VIPPP applies

Contract	2014-15		2013-14	
	Number	Value (million)	Number	Value (million)
Commenced	Nil	Nil	1	\$5
Completed	1	\$5	Nil	Nil

Statement of Availability of Other Information

Information relevant to the headings listed in Financial reporting Direction 22B of the *Financial Management Act 1994* is held at Zoos Victoria offices and is available on request, subject to the Freedom of Information Act 1982.

Compliance with DataVic Access Policy

Consistent with DataVic Access Policy issued by the Victorian Government in 2012, Zoos Victoria has not submitted any datasets to DataVic. If in the future relevant datasets become available, these will be provided to DataVic in accordance with the policy.

Disclosure of Government Advertising expenditure

No Government advertising expenditure was incurred by Zoos Victoria during the reporting period.

OUR PARTNERS AND SUPPORTERS

2014-15 has been a year of collaboration and we would like to acknowledge the many partners who have helped to make our zoos great. We'd especially like to thank the generous supporters of our \$20 million *Safe Haven* appeal.

Corporate Partners

Platinum

AGL Energy

Gold

ANZ

Silver

Aussie Recycling Program

Jetpets

Mailguard

Mattioli

RACV

Bronze

Cookers

CSL

Melbourne Veterinary Specialist Centre

Philanthropic Support

Platinum

Friends of the Zoos Ltd

The Ian Potter Foundation

The Yulgilbar Foundation

Gold

The Dyson Bequest

Silver

Bamford Family Foundation

Bowness Family Foundation

The William Buckland Foundation, managed by Equity Trustees

John Cochrane

IOOF Foundation

The Robert and Mem Kirby Foundation and Village Roadshow

Lord Mayor's Charitable Foundation

The Scobie and Claire Mackinnon Trust

Merrin Foundation

Sid and Fiona Myer Family Foundation

Sunraysia Foundation

Vizard Family Foundation

Alex, Heloise and Jake Waislitz

Albert George & Nancy Caroline

Youngman Trust, managed by Equity Trustees

Bronze

Andrew Fairley AM and Jane Fairley

Fox Family Foundation

Hermon Slade Foundation

Ian Hicks AM

John T Reid Charitable Trusts

Portland House Foundation

Snowy Nominees Pty Ltd

Supporters

Andrew and Shadda Abercrombie

Venise Alstergren

Ken and Joy Barassi

Andrew and Annie Bell

B M Investments

Miche Bonett-Horton

Vicki Callanan

Joseph Cappadona

Collier Charitable Fund

Mark Collins and Carol Schilling-Collins

Dr Simon Edelstein

The Trust Company Limited as trustee for the Elizabeth Gabler Charitable Trust

Cliff and Jane Gale

Lillian Gibbeson

James and Marged Goode

Alexander Gosling AM

Jenny Gray

The Hamilton Family

Stephen Harris

Dale and Ian Johnson

Sonia and Wayne Kent

Love Racing Pty Ltd

Mazda Foundation

Tina McMeckan

Christine Milton

Jacqueline Moth

The Myer Foundation

Valerie Newman

Lady Potter AC

Diana Ruzzene-Grollo and Rino Grollo

Lady Southey AC

The Trust Company

OUR PARTNERS AND SUPPORTERS

University of Tasmania Foundation -
Save the Tasmanian Devil Appeal
Stephen Walmsley
Anne Ward
Nicholas Whitby and Monica Grollo

*Zoos Victoria acknowledges
the generosity of those who give
anonymously to support our
conservation initiatives*

Estates

Estate of Elaine Anderson
Estate of Faye Atkins
In loving memory of Margaret Bray
Estate of Gloria Cooper
HGK Foundation
The Merle Carrol Assistance Fund
Estate of Kevin Cowell
Estate of Eveline Cutler
Estate of Linda Dowel
Estate of Christopher Ellis
Estate of Rita Fang
Estate of Margaret Godbold
Estate of Mary Griffith
Estate of David Griffiths
Estate of Heather Hardy
In memory of John Graham Wilfred
Head OAM
Estate of Mildred Heilman
Estate of Dorothea Hill
Estate of Winifred Mackenzie
Estate of Audrey Mason
Estate of Merlie Merchant
Estate of Kevin Mullan
Estate of Ernest Pallot
Estate of Shirley Poole
Estate of Anne Elizabeth Raymond
Estate of Raymond Reynolds
Estate of Muriel Ryan
Peter and Barbara Shearer
Estate of Antonietta Zampolli

Community

Cardinia Catchment Landcare
Country Fire Authority
Healesville Chamber of Commerce
Help for Wildlife
Lions Club of Healesville
Leukaemia Foundation
Melbourne Airport
Member for Seymour, Cindy McLeish
Mission Australia
Monash Children's Hospital
Royal Children's Hospital
Victorian Youth Mentoring Alliance
YMCA Victoria
Weerama (Werribee) Festival
Wildlife Victoria
Wyndham Community and
Education Centre
Worawa Aboriginal College
Wyndham Children's Week Festival
Yarra Trams
Community and Public Sector Union
United Voice
Construction, Forestry, Mining
and Energy Union

Tourism

City of Melbourne
Destination Melbourne
Tourism Greater Geelong
and the Bellarine
Tourism Victoria
Yarra Ranges Tourism
Yarra Valley Business
and Tourism Association

Government

Animal Quarantine and Inspection Service
City of Melbourne
City West Water
Commissioner for Environmental Sustainability Vic
Department of Agriculture, Fisheries and Forestry (Aust)
Department of Education and Training
Department of Environment, Land, Water and Planning (Vic)
Department of Sustainability and Environment, Water, Populations and Community (Aust)
Department of Treasury and Finance
Environment Protection Authority (EPA)
NSW Office for Environment and Heritage
Parks Victoria
Port Phillip and Western Port Catchment Management Authority
Shire of Yarra Ranges
Sustainability Victoria
Tasmanian Department of Primary Industry, Parks, Water and Environment
Tourism Australia
Tourism Victoria
Wyndham City Council
Reconciliation Action Plan
Wurundjeri Council
Wathaurung Aboriginal Corporation
Reconciliation Victoria
Victorian Youth Advisory Council

Education

Australian Education Union
Badger Creek Primary School
Berwick Fields Primary School
Biology Teachers Network
Box Hill TAFE
Catholic Education Melbourne
CERES
Education Interpretation and Visitor Experience Specialist Advisory Group
Environmental Science Teachers Network
Greening Australia
Geography Teachers Association of Victoria
International Zoo Educators
Museum Victoria
Park Orchards Primary School
Richmond Primary School
Science Teachers Association of Victoria
Environment Education Victoria
Victorian Deaf Education Institute
Warringa Park School
Woodleigh School
Worawa Aboriginal College
Centre for Ecological Learning
Cool Australia

Conservation

Common Cause Australia
WWF
Jane Goodall Institute
RMIT
University of Melbourne
University of South Australia
ACT Environment and Sustainable Development Directorate
Amphibian Research Centre
Animal & Gene Resource and Storage Centre - Monash University
Arthur Rylah Institute
Baw Baw Frog Recovery Team
Baw Baw National Park
Baw Baw Shire Council
Birds Australia
Brush-tailed Rock-wallaby Recovery Team
Conservation Breeding Specialist Group
Conservation Volunteers Australia
Corroboree Frog Recovery Team
Eastern Barred Bandicoot Recovery Team
Friends of the Helmeted Honeyeater
Friends of Leadbeater's Possum
Future Fish
Helmeted Honeyeater Recovery Team
Regent Honeyeater Recovery Team
Leadbeater's Possum Recovery Team
Lord Howe Island Board
Museum Victoria
Mountain Pygmy-possum Recovery Team
Mt Rothwell Biodiversity Interpretation Centre
Murray Catchment Management Authority
Office for Environment and Heritage (NSW)

OUR PARTNERS AND SUPPORTERS

Orange-bellied Parrot Recovery Team
Parks Victoria
Phillip Island Nature Park
San Mariano Municipal Government
Save the Tasmanian Devil Program
Spotted Tree Frog Recovery Team
Taronga Conservation Society Australia
Tidbinbilla Nature Reserve
Victoria University
Zoo and Aquarium Association
Greenpeace
Mabuwaya Foundation
Northern Rangelands Trust
Tree Kangaroo Conservation Program
Port Moresby Nature Park
Woodland Park Zoo
World Association of Zoos
and Aquariums

Commercial

Compass Group
Kitchen & Butcher
Schweppes Australia
Unilever-Streets

Research

Australian Museum
Australian Rickettsial Research Centre
Behaviourworks, Monash Sustainability
Institute
Charles Sturt University
Clemson University, US
Common Cause Australia
Conservation Volunteers Australia
Deakin University
Department of Environment, Land,
Water and Planning (Victoria)
Detect Australia
Forethought Research (Monash)
Greening Australia
La Trobe University
Lord Howe Island Board
Max Planck Institute
Melbourne Water
Monash University
Museum Victoria
NSW Office for Environment and
Heritage
Oxford University, UK
Parks Victoria
Southern Cross University
Swinburne University
Taronga Conservation Society
Tasmanian Department of Primary
Industry, Parks, Water and Environment
University of Melbourne
University of Queensland
University of Sydney
University of Western Australia
University of Wollongong
University South Australia
University of Tasmania

Victoria University
Wildlife Profiles
Wildlife Unlimited
Worcester Polytechnic Institute
World Association of Zoos
and Aquariums
Zoo and Aquarium Association

A large, dark silhouette of a koala is shown climbing a tree branch. The koala is positioned on the left side of the frame, clinging to the branch with its limbs. The branch extends diagonally from the bottom left towards the top right. The background is a solid, light green color. The text '2014-15 ZOOS VICTORIA FINANCIAL REPORT' is located in the upper right quadrant of the image.

**2014-15
ZOOS VICTORIA
FINANCIAL REPORT**

ZOOLOGICAL PARKS & GARDENS BOARD

Chairman, Chief Executive Officer and Chief Financial Officer's Declaration

We certify that the attached financial statements for the Zoological Parks and Gardens Board have been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions, Australian Accounting Standards, including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and notes forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2015 and financial position of the Zoological Parks and Gardens Board at 30 June 2015.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 27 August 2015.



Anne Ward
Chairman



Jenny Gray
Chief Executive Officer



Lawrence Tai
Chief Financial Officer

Melbourne
27 August 2015

ZOOLOGICAL PARKS & GARDENS BOARD

Comprehensive operating statement for
the financial year ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Income from transactions			
Income from rendering of services and sale of goods	1(E)(i) and (ii),2(a)	52,679	45,754*
Government and other grants	1(E)(iii),2(b)	20,492	20,537
Other income	1E(iv) to (vi), 2(c)	5,469	4,400
Total income from transactions		78,640	70,691*
Expenses from transactions			
Employee expenses	1(F)(i),3(a)	(41,347)	(40,017)
Supplies and services	1(F)(ii),3(b)	(24,762)	(22,281)
Depreciation and amortisation	1(F)(iii),3(c)	(7,852)	(7,745)
Interest expense	1(F)(iv),3(d)	(33)	(37)
Total expenses from transactions		(73,994)	(70,080)
Net result from transactions (net operating balance)		4,646	611*
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	4(a)	(58)	(1,750)
Net gain/(loss) on financial assets	4(b)	0	(748)
Total other economic flows included in net result		(58)	(2,498)
Net result		4,588	(1,887)*
Other economic flows - other comprehensive income			
Items that will not be classified to net result			
Changes in physical asset revaluation surplus	13	17,305	1,051
Total other economic flows - other comprehensive income		17,305	1,051
Comprehensive result		21,893	(836)*

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.

* Amount restated refer to Note 23.

ZOOLOGICAL PARKS & GARDENS BOARD

Balance sheet as at 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Assets			
Financial assets			
Cash and cash equivalents	1(I)(ii),11(a)	31,107	28,039
Receivables	1(I)(iii),5	888	821
Total financial assets		31,995	28,860
Non-financial assets			
Inventories	1(I)(iv)	894	1,045
Intangible assets	1(I)(v),6	265	320
Property, plant and equipment and vehicles	1(I)(vi),7	251,151	232,169
Prepayments		144	137
Total non-financial assets		252,454	233,671
Total assets		284,449	262,531
Liabilities			
Interest bearing liabilities	1(J)(i),8	621	573
Payables	1(J)(ii),9	4,409	4,804*
Provisions	1(J)(iii),10	10,150	9,778
Total liabilities		15,180	15,155*
Net assets		269,269	247,376*
Equity			
Accumulated surplus/(deficit)		3,978	(610)*
Contribution by owners	1(K),12	120,623	120,623
Physical asset revaluation surplus	13	144,668	127,363
Net worth		269,269	247,376*
Commitments for expenditure	14		
Contingent liabilities and contingent assets	15		

The above balance sheet should be read in conjunction with the notes to the financial statements.

ZOOLOGICAL PARKS & GARDENS BOARD

Statement of changes in equity for the
financial year ended 30 June 2015

Movements in carrying amounts	Note	Physical asset revaluation surplus	Accumulated Surplus	Contribution by Owner	Total
		\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2012		126,156	2,607	106,923	235,686
Correction of error	23		(24)		(24)
Restated balance at 1 July 2012		126,156	2,583*	106,923	235,662*
Net result for the year			(1,186)		(1,186)
Restate employee expense			29		29
Other comprehensive income for the year		156			156
Contributed capital by owners				8,700	8,700
Correction of error	23		(149)		(149)
Restated balance at 1 July 2013		126,312	1,277*	115,623	243,212*
Net result for the year			(1,719)		(1,719)
Other comprehensive income for the year	13	1,051			1,051
Contributed capital by owners	12			5,000	5,000
Correction of error	23		(168)		(168)
Restated balance at 1 July 2014		127,363	(610)*	120,623	247,376*
Net result for the year			4,588		4,588
Other comprehensive income for the year	13	17,305			17,305
Balance at 30 June 2015		144,668	3,978	120,623	269,269

The statement of changes in equity should be read in conjunction with the notes to the financial statements.

* Amount restated refer to Note 23.

ZOOLOGICAL PARKS & GARDENS BOARD

Cash flow statement for the
financial year ended 30 June 2015

	Notes	2015 \$'000	2014 \$'000
Cash flows from operating activities			
Receipts			
Receipts from sales of goods and services		55,490	48,875
Receipts from government and other grants		20,492	20,537
Sponsorship, grants and donations received		3,866	3,172
GST Nett refunded from / (payable to) the ATO ¹		153	455
Receipts from other sources		696	487
Interest received		777	779
Total receipts		81,474	74,305
Payments			
Payments to employees		(41,619)	(38,356)
Payments to suppliers		(27,150)	(27,098)
Interest and other costs of finance paid		(33)	(37)
Total payments		(68,802)	(65,491)
Net cash flows from / (used in) operating activities	<i>11(b)</i>	12,672	8,814
Cash flows from investing activities			
Payments for Property, Plant and Equipment and Vehicles		(9,466)	(13,700)
Payments for Intangible assets	6	(27)	-
Proceeds from sale of Plant and Equipment and Vehicles		45	110
Net cash flows from / (used in) investing activities		(9,448)	(13,590)
Cash flows from financing activities			
Owner contributions by State Government		-	5,000
Repayment of finance leases		(156)	(197)
Net cash flows from/(used in) financing activities		(156)	4,803
Net increase / (decrease) in cash and cash equivalents		3,068	27
Cash and cash equivalents at the beginning of the financial year		28,039	28,012
Cash and cash equivalents at the end of the financial year	<i>11(ii) and 11(a)</i>	31,107	28,039

The above cash flow statement should be read in conjunction with the notes to the financial statements.

¹Goods and Service Tax (GST) refunded by the Australian Taxation Office (ATO) is presented on a net basis.

ZOOLOGICAL PARKS & GARDENS BOARD

Index to notes to the financial statements

Note	Description	Page
1	Summary of significant accounting policies	48
2	Income from transactions	60
3	Expenses from transactions	61
4	Other economic flows included in net result	62
5	Receivables	62
6	Intangible assets	63
7	Property, plant & equipment and vehicles	64
8	Interest bearing liabilities	67
9	Payables	68
10	Provisions	69
11	Cash flow information	70
12	Contribution by owners	71
13	Physical asset revaluation surplus	71
14	Commitments for expenditure	71
15	Contingent assets and contingent liabilities	71
16	Auditor's remuneration	72
17	Subsequent events	72
18	Superannuation	72
19	Responsible persons	73
20	Remuneration of executives and payments to other personnel	74
21	Ex-gratia payments	75
22	Financial instruments	75
23	Correction of error	80
24	Glossary of terms	83

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

Note 1 – Summary of significant accounting policies

These annual financial statements represent the audited financial statements for the Zoological Parks and Gardens Board (the Board) for the year ending 30 June 2015. The purpose of the report is to provide users with information about the Board's stewardship of resources entrusted to it.

A. Statement of compliance

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AASs) and Interpretations issued by the Australian Accounting Standard Board (AASB).

In complying with AASs, the entity has, where relevant, applied those paragraphs applicable to not-for-profit entities.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

To gain a better understanding of the terminology used in this report, a glossary of terms can be found in Note 24.

These annual financial statements were authorised for issue by the Board on 27 August 2015.

B. Basis of accounting preparation and measurement

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid. These financial statements are presented in Australian dollars, the functional and presentation currency of Zoos Victoria.

In the application of AASs, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The financial report has also been prepared on a going concern basis. Zoos Victoria is economically dependent on the Victorian State Government grant to assist in funding its operations. This report has been prepared in accordance with the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets.

Revisions to accounting estimates are recognised in the period in which the estimate is and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AASs that have significant effects on the financial statements and estimates relate to:

- superannuation expense (refer to Note 1(F));
- the fair value of land, buildings, infrastructure, plant and equipment, (refer to Note 1(I)(vi));
- assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 1(J)(iii)); and

The accounting policies set out below have been applied in preparing the financial report for the year ended 30 June 2015 and the comparative information presented for the year ended 30 June 2014.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy.

For the purpose of fair value disclosures, the Board has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, the Board determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

C. Reporting entity

The financial report covers the Zoological Parks and Gardens Board trading as Zoos Victoria, as an individual reporting entity.

The Board is a Statutory Authority of the State of Victoria, established under the *Zoological Parks and Gardens Board Act 1995*. It also trades under the business name of Zoos Victoria and operates three zoos namely, Melbourne Zoo, Healesville Sanctuary and Werribee Open Range Zoo. Its principal address is: Elliott Avenue, Parkville, Victoria 3052.

D. Scope and presentation of financial statements

Comprehensive operating statement

The comprehensive operating statement comprises three components, being 'net result from transactions' (or termed as 'net operating balance'), 'other economic flows included in net result', as well as 'other economic flows - other comprehensive income'. The sum of the former two, together with the net result from discontinued operations, represents the net result.

The net result is equivalent to profit or loss derived in accordance with AASs.

Refer to Note 24 Glossary for the definitions of 'net result from transactions', 'other economic flows included in net result' and 'other economic flows - other comprehensive income'.

Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets.

Current and non-current assets and liabilities (those expected to be recovered or settled beyond 12 months) are disclosed in the notes, where relevant.

Cash flow statement

Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under AASB 107 Statement of cash flows.

Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner changes in equity from the opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the 'Comprehensive result' and amounts recognised in 'Other economic flows - other movements in equity' related to 'Transactions with owner in its capacity as owner'.

E. Income from transactions

Income is recognised to the extent that it is probable that the economic benefits will flow to the Board and the income can be reliably measured at fair value. The following specific recognition criteria must also be met before income is recognised:

(i) Rendering of services

Income from rendering of services is recognised when the services are rendered. It includes items such as income from gate admission, zoo membership, catering commission and income from zoo activities.

(ii) Sale of goods

Income is recognised at the point of sale when the significant risks and rewards of ownership of the inventories have passed to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

(iii) Government and other Grants

Government Grants are recognised as income in the financial statements on receipt of the cash during the year and where Zoos Victoria has control over the funds. The recurrent grant represents the ongoing grants for the operations of the zoos and other grants are for specific programs or activities.

Capital contributions from the State Government are normally recognised as capital appropriations on receipt of the funds and will be reflected as equity in the financial statements.

Government Grants are received mainly from within the department portfolio, namely, Department of Environment, Land, Water and Planning (DELWP) and the funded through the Parks and Reserves Trust Account which is a rate levied on metropolitan properties under the provision of the *Water Industry Act 1994*. The grant is provided for the purpose of zoo operation for conservation, recreation, leisure, maintenance and tourism.

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements for the year ended 30 June 2015

Government grants are also received from outside department portfolio such as from the Department of Education and Early Childhood Development to support education programs for schools.

Other grants (other than the above) are usually one-off grants from other partners or Commonwealth Departments for conservation or educational purposes.

(iv) Interest received

Interest income includes interest received on bank and short term deposits from the Treasury Corporation of Victoria. Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(v) Sponsorship, grants and donations

Sponsorship, grants, bequests, donations and contributions from Corporate, Trust & Foundation, Friends of the Zoos and the general public are recognised as income on receipt of the funds and there is reasonable assurance that all the attaching conditions can be complied with.

As a not-for-profit entity, the Board has endorsement as a deductible gift recipient (DGR) from the Australian Taxation Office. Any donation above \$2 is tax deductible.

(vi) Sundry

Sundry income includes rental income from zoo residences, outgoings recovered from caterers or miscellaneous items that are one-off income items received in the financial year. Sundry income is recognised when the services is rendered, or

the charges is recoverable from the end users.

F. Expenses from transactions

(i) Employee expenses

Employee benefits include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions. These are recognised when incurred.

The amount recognised in the comprehensive operating statement in respect of superannuation plans represents the employer's contributions to the various superannuation funds during the reporting period. Employer superannuation expenses in relation to employees who are members of defined benefit superannuation plan are described below.

State superannuation defined benefit plan

Contributions to the State superannuation defined plan (Emergency Services and State Super (ESSSuper)) are expensed when incurred. The amount recognised in the comprehensive operating statement in relation to the employer contributions for members of defined benefit superannuation plan is simply the employer contributions that are paid or payable to the plan during the reporting period. Superannuation contributions are made to the plan based on the relevant rules of the plan.

The Board does not recognise any defined benefit liability in respect of the superannuation plan because the Board has no legal or constructive obligation to pay

future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance administers and discloses the State's defined benefit liabilities in its financial report. Amounts paid by the employer are outlined in Note 18.

(ii) Supplies and services

Supplies and services generally represent the day-to-day running costs, including maintenance costs, incurred in the normal operations of the zoos. These items are recognised as an expense in the reporting period in which they are incurred.

Cost of goods sold is included in purchases of supplies and consumables. The cost of goods sold represents the amount of inventories sold during the year from retail activities and the cost of food and beverages for zoo activities. Cost of goods sold also include inventory write down, packaging and freight charges associated with the acquisition of the goods for sale.

The amount of any write-down of inventories to net realisable value and all shrinkage of inventory is recognised as an expense in the period the write-down or shrinkage occurs. Any reversal of write-downs of inventories will be recognised as a reduction in the amount of inventories sold during the period which the reversal occurs.

Asset Class	2014-15	2013-14
Property (Buildings and infrastructure)	3 to 50 years	2 to 60 years
Plant, equipment and vehicles (include lease assets)	10 to 20 years	2 to 20 years
Intangibles - capitalised software cost	10 years	3 to 10 years

(iii) Depreciation and Amortisation

The above are typical estimated useful lives for the different asset classes for current and prior years.

All non-current physical assets that have a limited useful life are depreciated. Where assets have separate identifiable components that have distinct useful lives and/or residual values, a separate depreciation rate is determined for each component. Depreciation is calculated using the straight line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, commencing from the time the asset is held ready for use. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Land is considered to have an indefinite life and is not depreciated. Depreciation is not recognised in respect of land because its service potential has not, in any material sense, been consumed during the reporting period.

Intangible assets with finite useful lives are amortised as an expense on a systematic basis (typically straight-line), commencing from the time the asset is available for use. The amortisation periods are reviewed and adjusted if appropriate at

each balance date. Intangible assets with indefinite useful lives are not amortised. However, all intangible assets are assessed for impairment annually.

(iv) Interest expense

Borrowing costs are recognised as expenses in the period in which they are incurred. Borrowing costs include finance lease.

G. Other economic flows included in the net result

(i) Disposal of non-financial assets

Any gain or loss on the disposal of non-financial assets is recognised at the date of disposal and is determined after deducting from the proceeds the carrying value of the asset at that time.

(ii) Impairment of assets

The carrying amounts of non-current assets, with the exception of available-for-sale assets, are assessed annually for indications of impairment. If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge as an 'other economic flow' to the comprehensive operating statement except to the extent that the write-down can be debited to the physical asset revaluation surplus, amount applicable to that class of asset.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell. It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made.

H. Financial Instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Board's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 Financial Instruments: Presentation. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract. However, guarantees issued by the Treasurer on behalf of the Board will be considered financial instruments because, although authorised under statute, the terms and conditions for

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements for the year ended 30 June 2015

each financial guarantee may vary and are subject to an agreement.

Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

Categories of non-derivative financial instruments

Loans and receivables

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Loans and receivables category includes cash and cash equivalent (refer to Note 1(I)(ii)), trade receivables and other receivables, but not statutory receivables.

Financial liabilities at amortised cost

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability, using the effective interest rate method.

Financial instrument liabilities measured at amortised cost include

all contractual payables, deposits held and advances received, and interest bearing arrangements other than those designated at fair value through profit or loss.

I. Financial and non-financial assets

(i) Animal collections

The zoo animal collection managed by the Board is reflected in the Board's accounting records as one dollar. This is consistent with worldwide zoo industry practice. The Board regards the animals as part of a regional and international collection and not the specific property of the holding institution.

All non-current assets, including Crown land, controlled by the Zoological Parks and Gardens Board are reported in the balance sheet.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of 3 months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For the cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as current Interest bearing liabilities on the balance sheet.

(iii) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any accumulated impairment. A provision for doubtful receivables is made when there is objective

evidence that the debts will not be collected. Bad debts are written off when identified.

Receivables consist of:

- Contractual receivables such as, debtors in relation to goods and services, cheques received not bank, accrued interest, workcover premium refund claimed and finance lease receivable. Contractual receivables are classified as financial instruments and categorised as receivable (refer to Note 22(a)); and
- Statutory receivables are mainly for Goods and Services Tax (GST) input tax credits recoverable. Statutory receivables, are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not rise from a contract.

The average credit period on sales of goods and services is 30 days. Interest is not charged unless it is specified in a written agreement.

(iv) Inventories

Inventories comprised of finished goods held either for sale or for distribution in the ordinary course of business are measured at the lower of cost and net realisable value. Costs are assigned to individual items of inventory using the first in first out valuation method and include expenditure incurred in acquiring the inventories and bringing them to their existing condition and location. Net realisable value is determined on the basis of normal selling patterns.

(v) **Intangible assets**

Intangible assets represent identifiable non-monetary assets without physical substance.

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Board. Refer to Note1F(iii) for information on useful lives and amortisation.

Intangible assets costing \$2,000 and above individually (or forming part of a network costing more than \$2,000) are capitalised. The capitalisation threshold of \$2,000 has not been changed since the 2011-12 financial year.

(vi) **Property, plant, equipment and vehicles**

Consistent with AASB 13 Fair Value Measurement, the Board determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, financial assets and liabilities and financial instruments in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

Fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable. Likely valuation approach – Market approach; and

- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. Likely valuation approach – Market approach or Depreciated replacement cost approach depending on the asset type.

All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

Non-financial physical assets such as Crown land are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply. Therefore, unless otherwise disclosed, the current use of these non-financial physical assets will be their highest and best uses. The fair value of cultural and heritage assets and other non-financial physical assets (including crown land and infrastructure assets) that the Board intends to preserve because of their unique historical, cultural or heritage attributes, is measured at the replacement cost of the asset less, where

applicable, accumulated depreciation (calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset) and any accumulated impairment. These policies and any legislative limitations and restrictions imposed on their use and/or disposal may impact their fair value.

Specialised land and specialised buildings

The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued. Specialised buildings for the Board means all physical structures, landscaping, infrastructure (pathways, underground facilities for water, power, and information system), fences and any life support equipment associated with the exhibits.

The CSO adjustment is a reflection of the Valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the Board's majority of specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements for the year ended 30 June 2015

considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

Where specialised buildings are under construction (work-in-progress) the actual construction cost is used as the fair value. The specialised buildings will not be depreciated until the building is in full use, which is normally when the building is open to the public at large.

An independent valuation of the Board's specialised land and specialised buildings was performed by the Valuer General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2011.

Vehicles

Vehicles are valued using the depreciated replacement cost method.

The Board acquires new vehicles and at times disposes of them before the end of their economic life. Acquisition is by way of a finance lease. The process of acquisition mostly for light vehicles, use and disposal in the market is managed by experienced fleet managers, VicFleet who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Finance leases are capitalised. A leased asset and liability is measured at amounts equal to the fair value of the leased asset or, if lower, at the present value of minimum lease payments, each determined at the inception of the lease. Lease payments are allocated between the principal

component of the lease liability and the interest expense. The finance lease facility is through the Vic Fleet facility and is restricted to vehicle acquisitions.

Other vehicles such as buses, people movers and trucks are held at fair value which is determined using the existing depreciated historical cost as a reasonable proxy for depreciated replacement cost because of the nature and short lives of the assets concerned.

Plant and equipment

Plant and equipment is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method. Existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned. Plant and equipment costing \$2,000 and above individually (or forming part of a network costing more than \$2,000) are capitalised at the end of the financial year. The capitalisation threshold of \$2,000 has not been changed since the 2011-12 financial year.

There were no changes in valuation techniques throughout the period to 30 June 2015.

For all assets measured at fair value, the current use is considered the highest and best use.

(vii) Revaluation of non-current physical assets

Non-current physical assets measured at fair value are revalued in accordance with Financial Reporting Directions (FRDs) issued by the Minister for Finance. A full revaluation normally occurs every five years, based upon the asset's government purpose classification but may occur more frequent if fair value assessments indicate material changes in values. Revaluation increments or decrements arise from differences between carrying value and fair value.

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in 'other economic flows - other comprehensive income', and accumulated in equity under the physical asset revaluation surplus. However, the net revaluation increase is recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised in 'other economic flows - other comprehensive income' to the extent that a credit balance exists in the physical asset revaluation surplus in respect of the same class of property, plant and equipment. Otherwise, the net revaluation decreases are recognised immediately as other economic flows in the net result. The net revaluation decrease recognised in 'other economic flows - other comprehensive

income' reduces the amount accumulated in equity under the physical asset revaluation surplus.

Revaluation increases and decreases relating to individual assets in a class of property, plant and equipment, are offset against one another in that class but are not offset in respect of assets in different classes. The physical asset revaluation surplus is not transferred to accumulated funds on derecognition of the relevant asset.

Valuation of land

The valuation is in line with the latest FRD 103F on Non-Financial Physical Assets. Land valuations are derived by multiplying prior year land values with the current period indices provided by the Valuer-General Victoria to derive the current period valuation. The indices used for the valuation are outlined in the table below.

J. Liabilities

(i) Interest bearing liabilities

Interest bearing liabilities consist of finance lease facility managed through the VicFleet leasing facility and is restricted to vehicle acquisitions. The liability is measured at amounts equal to the fair value of the leased asset or, if lower, at the present value of minimum lease payments, each

determined at the inception of the lease. Lease payments are allocated between the principal component of the lease liability and the interest expense. Fair value is determined in the manner described in Note 22(f).

(ii) Payables

Trade and other payables consist predominantly of creditors and other sundry liabilities. Payables are initially recognised at fair value, then subsequently carried at amortised cost and represent liabilities for goods and services provided to the Board prior to the end of financial year that are unpaid, and arise when the Board becomes obliged to make future payments in respect of the purchase of these goods and services. Fair value is determined in the manner described in Note 22(f). Payables consist of:

- Contractual payables such as, creditors in relation to goods and services and accruals. Contractual payables are classified as financial instruments and categorised as receivable (refer to Note 22(a)); and
- Statutory payables are mainly for amounts payable to Statutory Authorities such as the State Revenue Office of Victoria and Australian Taxation Office for amounts by legislation.

- Statutory payables, are recognised and measured similarly to contractual payables, but are not classified as financial instruments because they do not rise from a contract.

(iii) Provisions

Provisions are recognised when the Board has a present obligations, the future sacrifice of economic benefits is portable, and the amount of the provision can be measure reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligations, its carrying amount is the present value of those cash flows, using discount rate that reflects the time value for money and risks specific to the provision. When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Postcode	Municipality	Locality	2014-15 Indices	Category	2013-14 Indices	Category
3030	Wyndham	Derrimut, Point Cook, Werribee	1.09	Englobo	1.09	Englobo
3052	Melbourne	Parkville	1.20	Englobo	1.01	Englobo
3777	Yarra Ranges	Healesville, Toolangi	1.01	Rural	0.91	Rural

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements for the year ended 30 June 2015

Annual leave

Liabilities for annual leave are all recognised in the provision for employee benefits as 'current liabilities', because the Board does not have an unconditional right to defer settlements of these liabilities.

Depends on the expectation of the timing of settlement, liabilities for wages and salaries, annual leave and sick leave are measured at:

- undiscounted value - if the Board expects to wholly settle within 12 months; or
- present value - if the Board does not expect to wholly settle within 12 months.

Long service leave (LSL)

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability - Unconditional LSL (representing seven or more years of continuous service for staff and executives) is disclosed as a current liability even where the Board does not expect to settle the liability within 12 months because it will not have an unconditional right to defer the settlement of the entitlement should the employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value - if the Board expects to wholly settle within 12 months; and
- present value - if the Board does not expect to wholly settle within 12 months.

Non-Current Liability -

Conditional LSL (representing less than 7 years of continuous service for staff and executives) is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on national Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Employee benefits on-costs

Employee benefit on-costs, including superannuation, workers compensation and payroll tax are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities. Refer to Note 10 for details.

K. Equity

Contributions by owners

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

L. Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

M. Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed by way of a note (refer to Note 14 Commitments for expenditure) at their nominal value and inclusive of the GST payable. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. Operating lease payments are associated with photocopier leases.

N. Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note (refer to Note 15 Contingent assets and contingent liabilities) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

O. Rounding of amounts

Amounts in the financial statements have been rounded to the nearest thousand dollars, unless otherwise stated. Figures in the financial statements may not equate due to rounding.

P. Changes in accounting policies

AASB 2015-7 Amendments to Australian Accounting Standards

The Australian Accounting Standards Board issued an amending accounting standard AASB 2015-7 Amendments to Australian Accounting Standards – Fair Value disclosures of Not-for-Profit Public Sector Entities on 13 July 2015. In accordance with FRD 7A – Early adoption of authoritative accounting pronouncements, the Minister for Finance has approved the option for Victorian not-for-profit public sector entities to early adopt the amending accounting standard to enable them to benefit from some limited exemption in relation to fair value disclosures for the 2014-15 reporting period. The limited exemption is available to those entities whose assets are held primarily for their current service potential rather than to generate net cash inflows.

The Zoological Parks and Gardens Board meets the criteria specified in AASB 2015-7 to benefit from the reduced disclosure requirements, so it has chosen to early adopt the amendments to Fair Value disclosure of Not-for-profit-public sector entities. The early adoption will impact our disclosure for Note 7(d) – Fair value measurement and description of unobservable inputs to Level 3 valuations.

Q. New and revised Accounting Standards and interpretations

The Zoological Parks and Gardens Board has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting from 1 July 2014.

Management has given due consideration to new and revised standards and interpretations issued by the AASB that are not yet effective and are not aware of any material financial impact on the financial statements.

As at 30 June 2015, the following AASs have been issued by the AASB but not yet effective. They become effective for the first financial statements for reporting periods commencing after the stated operative dates are outlined in the following Table.

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements for the year ended 30 June 2015

Topic	Key requirements	Applicable for reporting period beginning on	Impact on reporting entity
AASB 9 <i>Financial Instruments</i>	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 Jan 2018	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 14 <i>Regulatory Deferral Accounts #</i>	AASB 14 permits first-time adopters of Australian Accounting Standards who conduct rate-regulated activities to continue to account for amounts related to rate regulation in accordance with their previous GAAP.	1 Jan 2016	The assessment has indicated that there is no expected impact, as those that conduct rate-regulated activities have already adopted Australian Accounting Standards.
AASB 15 <i>Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 Jan 2017 (Exposure Draft 263 - potential deferral to 1 Jan 2018)	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications. A potential impact will be the upfront recognition of revenue from licenses that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening returned earnings if there are no former performance obligations outstanding. It is unlikely that the application of this standard will be applicable to the Board.
AASB 2014-1 <i>Amendments to Australian Accounting Standards</i> [Part E <i>Financial Instruments</i>]	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1 Jan 2018	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements. It is unlikely that the application of this standard will be applicable to the Board.

Topic	Key requirements	Applicable for reporting period beginning on	Impact on reporting entity
AASB 2014-4 <i>Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation</i> [AASB 116 & AASB 138]	Amends AASB 116 <i>Property, Plant and Equipment</i> and AASB 138 <i>Intangible Assets</i> to: <ul style="list-style-type: none"> • establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset; • prohibit the use of revenuebased methods to calculate the depreciation or amortisation of an asset, tangible or intangible, because revenue generally reflects the pattern of economic benefits that are generated from operating the business, rather than the consumption through the use of the asset. 	1 Jan 2016	The assessment has indicated that there is no expected impact as the revenue-based method is not used for depreciation and amortisation.
AASB 2015-6 <i>Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities</i> [AASB 10, AASB 124 & AASB 1049]	The Amendments extend the scope of AASB 124 <i>Related Party Disclosures</i> to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.	1 Jan 2016	The amending standard will result in extended disclosures on the entity's key management personnel (KMP), and the related party transactions. It is unlikely that the application of this standard will be applicable to the Board.

The following amending standards are also issued but not effective for the 2014-15 reporting period. At this stage, the preliminary assessment suggests they may have insignificant impacts on public sector reporting.

AASB 2010-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).
AASB 2013-9	Amendments to Australian Accounting Standards - Conceptual Framework, Materiality and Financial Instruments
AASB 2014-1	Amendments to Australian Accounting Standards [PART D - Consequential Amendments arising from AASB 14 Regulatory Deferral Accounts only]#
AASB 2014-5	Amendments to Australian Accounting Standards arising from AASB 15
AASB 2014-7	Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)
AASB 2014-8	Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) - Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 & 2010)]
AASB 2015-2	Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049]
AASB 2015-3	Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality

This Standard or Amendment may not be relevant to Victorian not-for-profit entities when operative.

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

Note 2 – Income from transactions

	2015 \$'000	2014 \$'000
(a) Income from rendering of services and sale of goods		
Sale of goods	6,845	5,944*
Rendering of services	45,834	39,810
Total income from rendering of services and sale of goods	52,679	45,754*
(b) Grants and subsidies		
Within portfolio department	18,943	19,712
Outside portfolio department	1,109	714
Others	440	111
Total grants and subsidies	20,492	20,537
(c) Other income		
Sponsorship, grants and donations	4,001	3,172
Interest received	772	741
Sundry	696	487
Total other income	5,469	4,400

* Amount restated refer to Note 23.

Note 3 – Expenses from transactions

	2015 \$'000	2014 \$'000
(a) Employee expenses		
Salary and wages	35,221	33,773
Superannuation	3,138	2,927
Payroll tax	1,816	1,738
Workcover	800	776
Movements in annual leave and long service leave provisions	372	803
Total employee expenses	41,347	40,017
(b) Supplies and services		
Administration	4,595	4,024
Animal food and veterinary	1,531	1,456
Bank fees and cash collection charges	440	361
Cost of goods sold	4,628	3,932
Information technology	1,016	740
Maintenance	6,342	5,643
Marketing and promotion	3,286	2,889
Services	1,130	1,242
Utilities	1,794	1,994
Total supplies and services	24,762	22,281
(c) Depreciation and amortisation		
Property	6,366	6,217
Plant, equipment and vehicles	1,405	1,448
Depreciation of non-current assets	7,771	7,665
Amortisation of intangibles	81	80
Total Depreciation and amortisation	7,852	7,745
(d) Interest expense		
Interest payable under finance leases	33	37
Total interest expenses	33	37

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

Note 4 – Other economic flows included in net result

	2015 \$'000	2014 \$'000
(a) Net gain/(loss) on non-financial assets		
Net gain/(loss) on disposal of property, plant and equipment	(58)	(1,750)
Total Net gain/(loss) on non-financial assets	(58)	(1,750)
(b) Net gain/(loss) on financial assets		
Bad debts written off	-	(748)
Total Net gain/(loss) on financial assets	-	(748)
Total Other economic flows included in net result	(58)	(2,498)

Note 5 – Receivables

	2015 \$'000	2014 \$'000
Current		
Contractual		
Sale of goods and services	480	383
Other receivables	272	192
Total Contractual	752	575
Statutory		
Net goods and service tax receivable	136	246
Total current receivables	888	821

Note 6 – Intangible assets

	2015 \$'000	2014 \$'000
Non-current		
Gross carrying amount		
Opening balance	803	803
Additions	27	-
Closing balance	830	803
Accumulated amortisation		
Opening balance	(483)	(403)
Amortisation expense	(82)	(80)
Closing balance	(565)	(483)
Net book value at the end of the financial year	265	320

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

Note 7 – Property, plant, equipment and vehicles

a. Gross carrying amount and accumulated depreciation

NON-CURRENT Details	Work in progress at cost		Land at fair value		Property at fair value		Plant, equipment, and vehicles at fair value		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
At Cost	1,251	2,838	-	-	-	-	-	-	1,251	2,838
At Fair Value	-	-	112,130	94,825	152,278	143,221	15,116	16,348	279,524	254,394
Acc. Depreciation	-	-	-	-	(24,083)	(18,338)	(5,541)	(6,725)	(29,624)	(25,063)
Net carrying amount	1,251	2,838	112,130	94,825	128,195	124,883	9,575	9,623	251,151	232,169

b. Movements in carrying amounts

NON-CURRENT Details	Work in progress at cost		Land at fair value		Property at fair value		Plant, equipment, and vehicles at fair value		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Opening balance	2,838	6,177	94,825	93,774	124,883	119,765	9,623	7,583	232,169	227,299
Additions	1,251	2,757	-	-	6,851	7,020	1,450	3,567	9,552	13,344
Disposal	-	-	-	-	(11)	(1,781)	(93)	(79)	(104)	(1,860)
Transfer in/out	(2,838)	(6,096)	-	-	2,838	6,096	-	-	-	-
Revaluation	-	-	17,305	1,051	-	-	-	-	17,305	1,051
Depreciation expense	-	-	-	-	(6,366)	(6,217)	(1,405)	(1,448)	(7,771)	(7,665)
Net carrying amount	1,251	2,838	112,130	94,825	128,195	124,883	9,575	9,623	251,151	232,169

For detail on the valuation methodology applied, please refer to Note 11(vi)

c. Fair value measurement hierarchy

Details	Net Carrying Amount		Fair value measurement at the end of the reporting period using (refer Note 11(vi))					
			Level 1		Level 2		Level 3	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Specialised Land	112,130	94,825	-	-	-	-	112,130	94,825
Specialised Property	128,195	124,883	-	-	-	-	128,195	124,883
Plant and equipment and vehicles	9,575	9,623	-	-	-	-	9,575	9,623
Net carrying amount	249,900	229,331	-	-	-	-	249,900	229,331

d. Fair value measurement hierarchy and description of unobservable inputs to Level 3 valuations.

Details	Valuation Technique		Significant unobservable inputs and range	
	2015	2014	2015	2014
Specialised Land	Market approach	Market approach	Community Service Obligation (CSO) adjustment ranging from 45% to 60% (refer Note 11(vi)) to reduce the market approach for the Board's specialised land.	Community Service Obligation (CSO) adjustment ranging from 45% to 60% (refer Note 11(vi)) to reduce the market approach for the Board's specialised land.
Specialised Property	Depreciated replacement cost	Depreciated replacement cost	Cost per metre square and useful life of specialised buildings	Cost per metre square and useful life of specialised buildings
Plant and equipment and vehicles	Depreciated at cost	Depreciated at cost	Cost per unit and useful life of the asset	Cost per unit and useful life of the asset

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

e. Reconciliation of Level 3 fair value

Details	Land- Specialised		Property Specialised		Plant and Equipment and Vehicles		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Opening balance	94,825	93,774	124,883	119,765	9,623	7,583	229,331	221,122
Additions and transfers from work-in-progress	-	-	9,689	13,116	1,450	3,567	11,139	16,683
Disposal	-	-	(11)	(1,781)	(93)	(79)	(104)	(1,860)
Gains or losses recognised in net result								
Depreciations	-	-	(6,366)	(6,217)	(1,405)	(1,448)	(7,771)	(7,665)
Gains or losses recognised in other economic flows - other comprehensive income								
Revaluation	17,305	1,051	-	-	-	-	17,305	1,051
Closing balance	112,130	94,825	128,195	124,883	9,575	9,623	249,900	229,331
Unrealised gains/(losses) on non-financial assets	-	-	-	-	-	-	-	-

f. Impairment of assets

There were no indications of any impairment of property, plant and equipment or vehicles at 30 June 2015.

Note 8 – Interest bearing liabilities

	2015 \$'000	2014 \$'000
Current		
Finance lease obligations secured by assets leased	217	158
Total current Interest bearing liabilities	217	158
Non-current		
Finance lease obligations secured by assets leased	404	415
Total non-current Interest bearing liabilities	404	415
Total Interest bearing liabilities	621	573

Interest bearing liabilities is by way of finance lease through VicFleet and is solely for acquisition of vehicles. Information on the Finance lease is provided below.

Finance Lease (VicFleet Facility)	Minimum future lease payments		Present value of minimum future lease payments	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Finance lease liabilities payable				
- Not longer than one year	247	188	217	158
- Longer than one year and not longer than five years	439	446	404	415
Minimum future lease payments	686	634	621	573
Less future finance charges	(65)	(61)		
Present value of minimum lease payments	621	573	621	573
Included in the financial statements as:				
Current Interest bearing liabilities			217	158
Noncurrent Interest bearing liabilities			404	415
			621	573

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

Note 9 – Payables

	2015 \$'000	2014 \$'000
Current		
Contractual		
Supplies and services	2,881	2,637*
Other payables	1,229	2,012
Total Contractual	4,110	4,649*
Statutory		
Fringe Benefit Tax, Payroll Tax, superannuation	299	155
Total Statutory	299	155
Total Payables	4,409	4,804*

* Amount restated refer to Note 23.

Note 10 – Provisions

	2015 \$'000	2014 \$'000
Current provisions		
Annual Leave		
- Unconditional and expect to settle wholly within 12 months	2,686	2,937
- Unconditional and expect to settle after 12 months	651	504
Long Service Leave		
- Unconditional and expect to settle wholly within 12 months	561	473
- Unconditional and expected to settle after 12 months	3,855	3,512
	7,753	7,426
Provisions related to employee benefit on-costs		
- Unconditional and expected to settle wholly within 12 months	532	617
- Unconditional and expected to settle after 12 months	715	701
	1,247	1,318
Total current provisions	9,000	8,744
Non-current provisions		
Long Service Leave benefits	988	878
Provisions related to employee benefit on-costs:	162	156
Total non-current provisions	1,150	1,034
Total provisions	10,150	9,778

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

Note 11 – Cash flow information

	2015 \$'000	2014 \$'000
(a) Reconciliation of cash and cash equivalents		
Cash on hand and at bank	31,107	28,039
Total cash and cash equivalents	31,107	28,039
(b) Reconciliation of net result for the period to net cash flows from operating activities		
Net result	4,588	(1,887)*
Non-cash movements:		
Depreciation and amortisation of noncurrent assets	7,852	7,745
Goods in kind contributions	(400)	-
(Gain)/loss on sale or disposal of non-financial assets	58	1,750
Movements in assets and liabilities:		
(Increase)/decrease in inventories	151	(342)
(Increase)/decrease in receivables	(67)	755
(Increase)/decrease in prepayments	(7)	(26)
(Decrease)/increase in payables	125	16*
(Decrease)/increase in provisions	372	803
Net cash flows from/(used in) operating activities	12,672	8,814
(c) Non-cash financing and investing activities		
Additions to vehicles under finance leases during the financial year	204	283
Total additions to vehicles under finance lease	204	283

* Amount restated refer to Note 23.

Note 12 – Contribution by owners

	2015 \$'000	2014 \$'000
Balance at the beginning of the financial year	120,623	115,623
Contributed capital by owners	-	5,000
Balance at the end of the financial year	120,623	120,623

Note 13 – Physical asset revaluation surplus

	2015 \$'000	2014 \$'000
Balance at the beginning of the financial year	127,363	126,312
Revaluation increments/(decrements)	17,305	1,051
Balance at the end of the financial year	144,668	127,363

Note 14 – Commitments for expenditure

The following commitments have not been recognised as liabilities in the financial statements.

	2015 \$'000	2014 \$'000
(a) Capital expenditure commitments		
Payable within 1 year	206	4,028
Total capital expenditure commitments	206	4,028
(b) Operating Lease commitments		
Payable within 1 year	67	53
Payable longer than 1 year and not longer than 5 years	56	100
Total operating lease	123	153

Note 15 – Contingent assets and contingent liabilities

The Board is not aware of any contingent assets and contingent liabilities at the end of the financial year.

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

Note 16 – Auditor’s remuneration

	2015 \$'000	2014 \$'000
Victorian Auditor-General's office	34	34
Total auditor's remuneration	34	34

Note 17 – Subsequent events

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Zoological Parks and Gardens Board, the results of those operations or the state of affairs of the Zoological Parks and Gardens Board in future financial years.

Note 18 – Superannuation

Employees of the Board are entitled to receive superannuation benefits and the Board contributes to various superannuation funds during the year.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of the Board. The name, details and amounts expensed in relation to the major employee superannuation funds and contributions made by the Board are as follows:

	Contributions for the year		Contributions outstanding at the end of the year	
	2015	2014	2015	2014
ESS Super (define benefit fund) Refer to Note 1(F)(i).	305	320	-	-
VicSuper	2,200	2,112	-	-
Others	622	484	11	11
Total	3,127	2,916	11	11

Note 19 – Responsible persons

In accordance with the Ministerial Directions issued by the Minister for Finance under the Financial Management Act 1994, the following disclosures are made regarding responsible persons for the reporting period.

Responsible Minister

The Hon Lisa Neville Minister for Environment, Climate Change and Water	4 Dec 2014 to 30 Jun 2015
The Hon Ryan Smith Minister for Environment and Climate Change	1 Jul 2014 to 3 Dec 2014

Members of the Board

Appointed since

Anne Dorothy Fraser Ward Chair	19 Mar 2013	1 Jul 2014 to 30 Jun 2015
Jon Meredith Hickman Deputy Chair	7 Sep 2011	1 Jul 2014 to 30 Jun 2015
Kenneth William Hinchcliff	21 May 2008	1 Jul 2014 to 30 Jun 2015
Helen Lynette Thornton	23 Feb 2010	1 Jul 2014 to 30 Jun 2015
Geoffrey Charles Wescott	7 Sep 2011	1 Jul 2014 to 30 Jun 2015
Natasha Rose Bowness	30 Apr 2013	1 Jul 2014 to 30 Jun 2015
Sahil Suleman Merchant	30 Apr 2013	1 Jul 2014 to 30 Jun 2015
Carolyn Jackson	10 Aug 2014	10 Aug 2014 to 30 Jun 2015
Mark William Powell	10 Aug 2014	10 Aug 2014 to 30 Jun 2015
Kylie Anne White	7 Sep 2011	1 Jul 2014 to 9 Aug 2014

Chief Executive Officer

Jenny Gray	25 Feb 2009
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Remuneration bands of responsible persons

	No of persons	
	2015	2014
\$0 to \$9,999	4	6
\$10,000 to \$19,999	6	2
\$300,000 to \$309,999	1	1
Total number of person	11	9

Remuneration other than retirement benefits

Total remuneration received, due and receivable by responsible persons.

	2015	2014
	\$'000	\$'000
	382	376

Related party transactions of responsible persons

Other related party transactions requiring disclosure under the Directions of the Minister for Finance have been considered and there are no matters to report.

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

Note 20 – Remuneration of executives and payments to other personnel

a. Remuneration of executives

The numbers of executive officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits. The total annualised employee equivalent provides a measure of fulltime equivalent executive officers over the reporting period.

Several factors affected total remuneration payable to executives over the year.

Remuneration bands	Total remuneration		Base remuneration	
	2015	2014	2015	2014
\$90,000 to \$99,999	0	0	1	0
\$100,000 to \$109,999	1	0	0	0
\$160,000 to \$169,999	0	1	0	3
\$170,000 to \$179,999	0	2	0	4
\$180,000 to \$189,999	0	4	3	0
\$190,000 to \$199,999	3	0	2	1
\$200,000 to \$209,999	2	1	1	0
\$210,000 to \$219,999	1	0	0	0
\$320,000 to \$329,999	0	0	1	0
\$340,000 to \$349,999	1	0	0	0
Total number of persons	8	8	8	8
Total annualised employee equivalents* (AEE) is based on working 38 ordinary hours per week over the reporting period	7.5	8	7.5	8
Total remuneration (\$'000)*	1,664	1,481	1,569	1,400

* During the year two executives resigned and the total remuneration includes termination and redundancy payments.

b. Payments to other personnel (i.e. contractors with significant management responsibilities)

There were no payments made to contractors charged with significant management responsibilities for the year.

Note 21 – Ex-gratia payments

	2015 \$'000	2014 \$'000
Forgiveness or wavier of debt greater than \$5,000	-	-
Property damage	-	-
Others	-	-
Total ex-gratia payments	-	-

Note 22 – Financial instruments

a. Categorisation of financial instruments

	2015 \$'000	2014 \$'000
Financial assets		
Cash and cash equivalents	31,107	28,039
Receivables at amortised cost excluding statutory amount.	752	575
Total financial assets	31,859	28,614
Financial Liabilities		
Interest bearing liabilities	621	573
Payables at amortised cost excluding statutory amount	4,110	4,649*
Total financial liabilities	4,731	5,222*

* Amount restated refer to Note 23.

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements for the year ended 30 June 2015

b. Financial risk management objectives

The Board's principal financial instruments comprise interest-bearing loans, finance leases and cash and short-term deposits. The main purpose of these financial instruments is to finance the acquisition of capital assets and the day-to-day operations. The Board has other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. It is the Board's policy that no trading in financial instruments, including derivative financial instruments, shall be undertaken. The main risks arising from the Board's financial instruments are liquidity risks, interest rate risk and credit risk. The policies for managing these risks are discussed in more detail below.

c. Liquidity risks

Liquidity risk is the risk that the Board would be unable to meet its financial obligations as and when they fall due. The Board operates under the Government fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Board's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet. There are no financial guarantees given by the Board.

The Board manages its liquidity risk by:

- close monitoring of its monthly cash flows, monthly reviews of its financial position and where required take any corrective actions;
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets and investing its cash through secured and approved institution such as the Treasury Corporation of Victoria; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

The Board's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of our deposit held with the Treasury Corporation of Victoria.

d. Credit risk

The Board's maximum exposure to credit risk at balance date for each class of recognised financial assets is the carrying amount of those assets as disclosed in the balance sheet. The Board minimises concentrations of credit risk by undertaking transactions with a large number of customers and counter parties. It is the Board's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that

the Board's exposure to bad debts is not significant.

The Board is not materially exposed to any customer or counter party.

e. Market risk exposure

The Board's exposures to market risk is primarily through interest rate risks. The processes used to manage each of these risks are disclosed in the paragraphs below.

Interest rate risk

Exposure to interest rate risk is insignificant. Minimisation of risk is achieved by mainly undertaking fixed rate or non-interest bearing financial instruments.

Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Board believes the following movements are 'reasonably possible' over the next 12 months.

A parallel shift of +1 per cent and -1 per cent in market interest rates (AUD) from year-end weighted average rates of 2.56 per cent (2.72 per cent - 2013-14).

The Table shown in Note 22(k) discloses the impact on net operating result and equity for each category of financial instrument held by the Board at year-end as presented to key management personnel, if the above movements were to occur.

f. Fair value

The fair value and net fair values of financial instrument assets and liabilities are determined as follows:

Level 1 - the fair value of financial instrument with standard terms and conditions and traded in active liquid market are determined with reference to quoted market prices.

Level 2 - the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and

Level 3 - the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The Board currently holds a range of financial instruments that are recorded in the financial statements

where the carrying amounts are a reasonable approximation of fair value, either due to their short term nature or with the expectation that they will be paid in full in accordance with the agreed terms and conditions of the financial instruments.

The financial instruments include:

Financial assets

Cash and deposits

Receivables

- Sale of goods and services
- Accrued investment income

Financial liabilities

Payables

- For supplies and services
- Interest bearing liabilities (finance lease)

The following table below shows that the fair values of the contractual financial assets and liabilities are the same as the carrying amounts.

Comparison between carrying amount and fair value	Carrying amount	Carrying amount	Fair Value	Fair Value
	2015	2014	2015	2014
Financial assets				
Cash and cash equivalents	31,107	28,039	31,107	28,039
Receivables at amortised cost excluding statutory amount	752	575	752	575
Total financial assets	31,859	28,614	31,859	28,614
Financial liabilities				
Interest bearing liabilities	621	573	621	573
Payables at amortised cost excluding statutory amount	4,110	4,649	4,110	4,649*
Total financial liabilities	4,731	5,222*	4,731	5,222*

* Amount restated refer to Note 23.

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements for the year ended 30 June 2015

g. Significant terms and conditions

Financial assets

Receivables are carried at the nominal amounts due less any allowance for doubtful debts, when there is objective evidence that the receivable amount is impaired. Credit sales are normally on 7 to 30 day terms.

Interest-bearing deposits are carried at the lower of cost and net realisable value. Interest revenue is brought into account as it is earned.

All interest-bearing deposits have a maturity of less than 180 days.

Financial Liabilities

Payables are recognised for future amounts to be paid in respect of goods and services received, whether or not billed to the Board. Settlement of creditors is normally within a 30-day term.

Interest bearing liabilities are carried at amortised costs. Interest is charged as an expense as it is incurred. All loans are secured by

way of a charge over VicFleet's assets.

h. Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements

i. Interest rate exposure of financial instruments

Details	Weighted average effective interest rate		Carrying Amount		Interest rate exposure					
					Fixed interest rate		Variable interest rate		Non-interest bearing	
	2015 %	2014 %	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Cash and deposits:										
Cash and cash equivalents	2.56	2.72	31,107	28,039	-	-	30,309	27,318	798	721
Receivables:										
Receivables at amortised cost excluding statutory amount.			752	575	-	-	-	-	752	575
			31,859	28,614	-	-	30,309	27,318	1,550	1,296
Interest bearing liabilities:										
Finance lease liabilities	6.00	6.29	621	573	621	573	-	-	-	-
Payables:										
Payables at amortised cost excluding statutory amount			4,110	4,649*	-	-	-	-	4,110	4,649*
			4,731	5,222*	621	573	-	-	4,110	4,649*

* Amount restated refer to Note 23.

j. Maturity of financial instruments

Details	Carrying Amount		Maturity dates					
			Less than 1 year		Greater than 1 but less than 3 years		Greater than 3 but less than 5 years	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Cash and deposits:								
Cash and cash equivalents	31,107	28,039	31,107	28,039	-	-	-	-
Receivables:								
Receivables at amortised cost excluding statutory amount.	752	575	752	575	-	-	-	-
	31,859	28,614	31,859	28,614	-	-	-	-
Interest bearing liabilities:								
Finance lease liabilities	621	573	217	158	404	415	-	-
Payables:								
Payables at amortised cost excluding statutory amount.	4,110	4,649*	4,110	4,649*	-	-	-	-
	4,731	5,222*	4,327	4,807*	404	415	-	-

Note: There are no financial instruments with maturity date greater than 3 years.

* Amount restated refer to Note 23.

k. Market rate exposure of financial instruments

Details	Carrying Amount		Interest rate risk			
			-100 basis points		+100 basis points	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Financial assets						
Cash and cash equivalents - and does not include non-interest bearing amounts held for daily use as change and petty cash.	30,309*	27,318*	(303)	(273)	303	273
Sensitivity impact on net result due to a +/-100 basis points movement in market interest rate.			(303)	(273)	303	273

* Not all cash balances are subject to interest rate risk. Refer to Note 22(i)

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

Note 23 – Correction of error

Due to an inadvertent system error, the Goods and Services Tax was not deducted from the sale of goods, from December 2011 to June 2014. This has resulted in an overstatement of income from the sale of goods for the year ended 30 June 2012 to 30 June 2014 as outlined in the Table below.

	Notes	Figures restated as at 30 June		
		2014 \$'000	2013 \$'000	2012 \$'000
Overstating total income from transaction		168	149	24
Cumulative impact amount		341	173	24

This error had the effect of overstating/ understating the key transactions on the Comprehensive Operating Statement and Balance Sheet by the amounts shown above for the respective financial year. The impact is outlined below and the error has been corrected by restating each of the affected items in the Comprehensive Operating Statement and Balance Sheet for the year in which the error occurred, as shown below. The Board has not prepared a third balance sheet resulting from the below restatement as the impacts are not considered material to the balance sheet to warrant additional disclosure. This is in accordance with AASB 101 - Presentation of Financial Statements.

Details	As at 30 June 2012	Correction	As at 30 June 2012 (restated)
Impact on Comprehensive Operating Statement			
Sale of goods	5,539	(24)	5,515
Income from rendering of services and sale of goods	38,026	(24)	38,002
Total income from transactions	61,483	(24)	61,459
Net Result from transactions (net operating balance)	(7,644)	(24)	(7,668)
Net result	(7,624)	(24)	(7,648)
Comprehensive result	(7,046)	(24)	(7,070)
Impact on Balance Sheet			
Payables	4,728	24	4,752
Total liabilities	13,567	24	13,591
Net assets	235,686	(24)	235,662
Accumulated surplus/(deficit)	2,607	(24)	2,583
Total equity	235,686	(24)	235,662

Details	As at 30 June 2013	Correction	As at 30 June 2013 (restated)
Impact on Comprehensive Operating Statement			
Sale of goods	5,965	(149)	5,816
Income from rendering of services and sale of goods	45,141	(149)	44,992
Total income from transactions	66,177	(149)	66,028
Net Result from transactions (net operating balance)	(1,194)	(149)	(1,343)
Net result	(1,186)	(149)	(1,335)
Comprehensive result	(1,030)	(149)	(1,179)
Impact on Balance Sheet			
Payables	5,253	173	5,426
Total liabilities	14,715	173	14,888
Net assets	243,385	(173)	243,212
Accumulated surplus/(deficit)	1,450	(173)	1,277
Total equity	243,385	(173)	243,212

Details	As at 30 June 2014	Correction	As at 30 June 2014 (restated)
Impact on Comprehensive Operating Statement			
Sale of goods	6,112	(168)	5,944
Income from rendering of services and sale of goods	45,922	(168)	45,754
Total income from transactions	70,859	(168)	70,691
Net Result from transactions (net operating balance)	779	(168)	611
Net result	(1,719)	(168)	(1,887)
Comprehensive result	(668)	(168)	(836)
Impact on Balance Sheet			
Payables	4,463	341	4,804
Total liabilities	14,814	341	15,155
Net assets	247,717	(341)	247,376
Accumulated surplus/(deficit)	(269)	(341)	(610)
Total equity	247,717	(341)	247,376

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements
for the year ended 30 June 2015

A summary of the restated figures to prior period financial statements and balance sheet are shown below.

	2014 \$'000	2013 \$'000	2012 \$'000
Comprehensive operating statement			
Sale of goods*	5,944*	5,816*	5,515*
Total income from transactions*	70,691*	66,028*	61,459*
Total expenses from transactions	(70,080)	(67,371)	(69,170)
Net result*	(1,887)*	(1,335)*	(7,668)*
Comprehensive result*	(836)*	(1,179)*	(7,070)*
Balance sheet			
Assets			
Total financial assets	28,860	29,588	24,280
Total non-financial assets	233,671	228,512	249,973
Total assets	262,531	258,100	249,253
Liabilities			
Interest bearing liabilities	573	487	278
Payables*	4,804*	5,426*	4,752*
Provisions	9,778	8,975	8,561
Total liabilities*	15,155*	14,888*	13,591*
Net assets	247,376*	243,212*	235,662*
Equity			
Accumulated surplus/(deficit)*	(610)*	1,277*	2,583*
Contribution by owners	120,623	115,623	106,923
Asset revaluation reserves	127,363	126,312	126,156
Net worth*	247,376*	243,212*	235,662*

* Figures restated as at 30 June

Note 24 – Glossary of terms

AASB

Accounting Standards issued by the Australian Accounting Standards Board

Amortisation

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as another economic flow.

Comprehensive result

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from noncancellable contractual or statutory sources.

Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions.

Financial asset

A financial asset is any asset that is:

- (a) cash;
- (b) an equity instrument of another entity;
- (c) a contractual right:
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - a nonderivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial liability

A financial liability is any liability that is:

- (a) A contractual or statutory obligation:
 - (i) To deliver cash or another financial asset to another entity; or
 - (ii) To exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) A contract that will or may be settled in the entity's own equity instruments and is:
 - (i) A non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - (ii) A derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

ZOOLOGICAL PARKS & GARDENS BOARD

Notes to the financial statements for the year ended 30 June 2015

Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial statements

A complete set of financial statements comprises:

- (a) a statement of financial position as at the end of the period;
- (b) a statement of profit or loss and other comprehensive income for the period;
- (c) a statement of changes in equity for the period;
- (d) a statement of cash flows for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) comparative information in respect of the preceding period as specified in paragraphs 38 of AASB 101 Presentation of Financial Statements; and
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

Grants

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use. Grants could be provided to communities, Australian and International partners to mitigate threats to wildlife, develop sustainable livelihoods and foster community and government support for conservation. The grants are provided to support Zoos Victoria's Fighting Extinction commitment, to secure and recover species at risk of extinction before it is too late.

Intangible assets

Intangible assets represent identifiable nonmonetary assets without physical substance.

Interest expense

Costs incurred in connection with the borrowing of funds Interest expenses include interest on bank overdrafts and shortterm and longterm Interest bearing liabilities, amortisation of discounts or premiums relating to Interest bearing liabilities, interest component of finance leases repayments, and the increase in financial liabilities and nonemployee provisions due to the unwinding of discounts to reflect the passage of time.

Interest income

Interest revenue includes interest received on bank term deposits, interest from investments, and other interest received.

Net acquisition of non-financial assets (from transactions)

Purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes writeoffs, impairment writedowns and revaluations.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other nonowner changes in equity'.

Net result from transactions/ net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets' such as property, plant and equipment, vehicles etc.

Other economic flows included in net result

Other economic flows included in net result are changes in the volume or value of an asset or liability that do not result from transactions. It includes:

- gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets;
- fair value changes of financial instruments and agricultural assets; and
- depletion of natural assets (non-produced) from their use or removal

Other economic flows - other comprehensive income

Other economic flows - other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

The components of other economic flows - other comprehensive income include:

- changes in physical asset revaluation surplus;
- share of net movement in revaluation surplus of associates and joint ventures; and
- gains and losses on remeasuring available for sale financial assets;

Payables

Includes short and long term trade debt and accounts payable, grants and interest payable.

Prepayments

Prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period. This is categorised as non-financial assets in the balance sheet.

Receivables

Includes short and long term trade credit and accounts receivable, grants, nett of goods and service tax receivable and interest receivable.

Sales of goods and services

Refers to revenue from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services, work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of nonproduced assets such as land. User charges includes sale of goods and services revenue.

Supplies and services

Supplies and services generally represent cost of goods sold and the daytoday running costs, including maintenance costs, incurred in the normal operations of the Board.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

DISCLOSURE INDEX

Directions	Requirement	Page
FRD 22F	Objectives, functions, powers and duties	9
FRD 22F	Manner of establishment and responsible Minister	9
FRD 22F	Nature and range of services provided	9
FRD 22F	Summary of environmental performance	26
FRD 22F	Occupational health and safety policy	27
FRD 22F & SD2.2(f)	Organisational structure	36
FRD 22F	Employment and conduct principles	37
FRD 22F & 29A	Workforce Data disclosures	37
FRD 22F	Operational and budgetary objectives	38
FRD 22F	Summary of the financial results	40
SD 4.5.5	Risk management compliance attestation	45
PC 2012/02	Gifts, benefits and hospitality attestation	45
FRD 22F	Major changes or factors affecting performance	46
FRD 22F	Subsequent events	46
FRD 22F	Significant changes in financial position during the year	46
FRD 22F	Details of consultancies in excess of \$10 000	46
FRD 22F	Details of consultancies under \$10 000	46
FRD 22F	Statement on National Competition Policy	46
FRD 22F	Application and operation of <i>Freedom of Information Act 1982</i>	46
FRD 12A	Disclosure of major contracts	46
FRD 22F	Application and operation of <i>Protected Disclosures Act 2012</i>	47
FRD 22F	Disclosure of government advertising expenditure	48
FRD 22F	Compliance with <i>Building Act 1993</i>	48
FRD 22F	<i>Statement of availability of other information</i>	48
FRD 25B	Victorian Industry Participation Policy disclosures	48
MRO	Compliance with VicData access policy	48
SD 4.2(j)	Sign off requirements	54
FRD21B	Executive Officer disclosures	86
FRD 10	Disclosure index	100

Directions	Requirement	Page
FRD 30B	Standard requirements for the design	Entire document
SD 4.2(g)	General information requirements	Entire document
Legislation		
	<i>Zoological Parks and Gardens Act 1995</i>	9
	<i>Freedom of Information Act 1982</i>	46
	<i>Protected Disclosures Act 2012</i>	47
	<i>Building Act 1993</i>	48
	<i>Victorian Industry Participation Policy Act 2003</i>	48
	<i>Financial Management Act 1994</i>	54

**INDEPENDENT
AUDITOR'S REPORT**



INDEPENDENT AUDITOR'S REPORT

To the Board Members, Zoological Parks and Gardens Board

The Financial Report

The accompanying financial report for the year ended 30 June 2015 of the Zoological Parks and Gardens Board which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the chairman, chief executive officer and chief financial officer's declaration has been audited.

The Board Members' Responsibility for the Financial Report

The board members of the Zoological Parks and Gardens Board are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the board members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the board members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Zoological Parks and Gardens Board as at 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
1 September 2015



John Doyle
Auditor-General



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VICTORIA

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