



Annual Report 2021-22

# *New Beginnings, New Possibilities*

**ZOOS**  
VICTORIA  
*Fighting Extinction*



HELMETED HONEYEATER

## Contents

Year in review	3
Our charter, Our purpose	6
Governance and legislation	7
Four Areas of Focus	8
1. Working for Wildlife	9
2. Connecting Community with Nature	17
3. Creating Special Places	21
4. Thriving, Ethical Business	25
Occupational Health and Safety	28
Marine Response Unit Statistics	30
Healesville Sanctuary's Australian Wildlife Health Centre Wildlife Statistics	32
Organisational chart	34
Our workplace profile	35
Key performance indicators	36
Admission charges	37
Financial summary	38
Board attendance	41
Board profiles	42
Board committees	44
Governance and other disclosures	46
Our partners and supporters	56
Disclosure index	59
Financial report	60

Zoos Victoria acknowledges the Traditional Owners and custodians of our land, waterways, and beautiful habitat on which we have the privilege to work, live and observe wildlife.

In accordance with the Financial Management Act 1994, I am pleased to present Zoos Victoria's Annual Report for the year ending 30 June 2022.



  
**Rebecca McKenzie**  
Chair – Zoos Victoria



  
**Dr Jenny Gray**  
CEO – Zoos Victoria

# Year in review

We hope that history records the start of this decade as a time when everyone banded together for the greater good. Not only making sacrifices for others, but also working together to innovate and improve the world we share, providing a voice for all.

At Zoos Victoria, we have made sacrifices and been challenged to innovate and find new ways to adapt to this changed landscape. We have fought for wildlife despite continued zoo closures due to the COVID-19 pandemic, and we have worked with others to make sure our impact is as deep, far-reaching, and impactful as possible.

Charles Darwin observed that "it is the long history of humankind (and animal kind, too) that those who learned to collaborate and improvise most effectively have prevailed". Following another year of uncertainty, it is through connection and collaboration that Zoos Victoria has been able to adapt and witness new beginnings and new possibilities in the fight against wildlife extinction and, as always, it has been a team effort.

We partnered with the Victorian Fisheries Authority to broaden the reach of our *Seal the Loop* campaign. Together we are now working to untangle the threats to aquatic wildlife by increasing the number of specially designed bins at popular fishing spots across Victoria. This partnership will further reduce the risk to aquatic birds, mammals and fish that are killed and injured by discarded fishing gear across our waterways.

With the help of RSPCA Victoria, our capacity for emergency wildlife response has grown across the state. The transformation taking place will see upgrades to wildlife treatment facilities at all three

locations, a wildlife ambulance based at Healesville Sanctuary and the appointment of a wildlife health and welfare specialist. The RSPCA Koala Ward at Werribee Open Range Zoo will increase our capacity to treat sick and injured koalas and other precious wildlife in Victoria's west, home to several bushfire-prone regions and significant numbers of native wildlife. We recognise the unprecedented challenges posed by a changing climate and understand our role in protecting wildlife is more important than ever.

Our *When Balloons Fly, Seabirds Die* campaign reached a new milestone with legislation coming into effect making balloon releases illegal in Victoria – a big win for sealife affected by balloon litter. Our partner, Phillip Island Nature Parks, has already seen a reduction in balloon waste and we hope will continue to see further positive changes to the environment with safer waterways, free from balloon litter.

It was also exciting to announce that the pitter patter of not-so-small feet will soon be heard at Melbourne Zoo, with three of the zoo's endangered Asian elephants pregnant. All calves were conceived naturally, and this is the first time in Australian history that three have been conceived in such close proximity. We wait with great anticipation for the calves to be born before the herd is moved to Werribee Open Range Zoo's state-of-the-art

home in 2024, following completion of the \$84 million expansion funded by the Andrews Labor Government.

Zoos Victoria is not constrained by the walls of our zoos; our influence and impact extends beyond our boundaries in protecting the local ecosystems and biodiversity that belong to us all.

New possibilities are being explored through the Pookila (New Holland Mouse) breeding and reintroduction program for this local threatened species. Genetically diverse breeding pairs have been matched and will live at Melbourne Zoo, and with our partner Moonlit Sanctuary, with the aim to breed more genetically healthy and resilient mice that can be released into the wild, strengthening existing populations and creating new ones.

In a major success for the Eastern Barred Bandicoot, together with our recovery team partners, the fruits of over a decade of science and hard work finally paid off when we saw the species officially reclassified from Extinct in the Wild on mainland Victoria, to Endangered. The changed status is a first for an Australian threatened species and enables Zoos Victoria to end our 30-year captive breeding and insurance program.

Seven of the world's most critically endangered and genetically distinct birds were born at Werribee Open Range Zoo, marking a major milestone in the conservation of the Australian native Plains-wanderer.

Healesville Sanctuary successfully bred two Highland Leadbeater's Possum joeys following many years of work, which included consultation with the international community on the marsupial's complex dietary needs. These joeys mark a major milestone for the species' conservation program.

Humans are the greatest hope for wildlife. We recognise our responsibility to inspire members, visitors and future generations, empowering them with knowledge and encouraging their capacity for change in their own community as future conservationists.

We understand our role in aiming to connect with diverse groups of people, from all areas of life. For many Victorians, visiting the zoo as a family is not an easy outing, which is why this year Melbourne Zoo again partnered with the Association of Children with a Disability (ACD) for Dream Day, to ensure families with children who have a disability are given the opportunity to experience the joy of connecting with wildlife. Dream Day provided another opportunity for Victorian families to experience Melbourne Zoo in a way that's safe, fun, and promotes dignity and respect in a safe and inclusive environment.

We gave members and visitors even more reasons to visit the zoo and support our conservation work with the launch of Melbourne Zoo's Summer Cinema. The proceeds for this event went towards our Marine Response

Charles Darwin observed that "It is the long history of humankind (and animal kind, too) that those who learned to collaborate and improvise most effectively have prevailed".

Unit, creating revenue and awareness for the pivotal work it performs in saving marine animals in distress.

It has been inspiring to watch the eco-system of the Zoos Victoria team flourish. We are grateful to our staff and volunteers for their dedication, our members and donors for their continuing loyalty and love for Zoos Victoria, and the Zoos Victoria Board for its guidance and support.

We would like to thank the Victorian State and Federal governments, our partners, sponsors and donors for their financial support over the past year, particularly the Victorian Department of Environment, Land, Water and Planning.

Finally, a special thank you to the Hon Lily D'Ambrosio, the Minister for Energy, Environment and Climate Action for her support of Zoos Victoria, our wide-reaching community, and the animals we have the privilege to work alongside.

**Rebecca McKenzie**  
Chair – Zoos Victoria

**Dr Jenny Gray**  
CEO – Zoos Victoria



KANGAROO  
ISLAND KANGAROO

# Our charter, our purpose

## Our vision

As a world-leading zoo-based conservation organisation, we are securing a future rich in wildlife through:

- Innovative, scientifically sound breeding and recovery programs to support Critically Endangered Victorian, terrestrial, vertebrate species
- Partnering with the Victorian community to create the world's most wildlife-friendly society
- Providing profound zoo-based animal encounters to connect people with wildlife
- Strong commercial approaches to secure financial sustainability

## Governance and legislation

Since 1973, the three great zoos collectively trading as Zoos Victoria – Healesville Sanctuary (formally known as the Sir Colin MacKenzie Sanctuary), Melbourne Zoo and Werribee Open Range Zoo – have been governed by the Zoological Parks and Gardens Board. The Board's primary role is to protect the zoos whilst promoting research, education and conservation, and operates under the *Zoological Parks and Gardens Act 1995*.

Comprised of nine members appointed by the Governor in Council, on the recommendation of Hon Lily D'Ambrosio MP, Minister for Energy, Environment and Climate Change from 1 July 2021 to 27 June 2022 the Hon Lily D'Ambrosio MP, Minister for Environment and Climate Action from 27 June to 30 June 2022.

- 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

### THE ZOOLOGICAL PARKS AND GARDENS ACT 1995

Under the Act, the Board is guided to:

- Conserve, protect, manage and improve Zoos Victoria
- Promote and increase public enjoyment, knowledge and awareness of Zoos Victoria
- Carry out and promote zoological research, the conservation of wildlife, its natural habitats and the maintenance of biodiversity
- Provide services and facilities for visitors of Zoos Victoria
- Provide consultancy and advice services to the public on zoological matters
- Advise the Minister on matters relating to the Board's functions and powers, or on any other matter referred by the Minister and to carry out any other functions conferred on it by this or any other Act



SOUTHERN KOALA

# Four areas of focus

Our moral purpose is fighting extinction and creating a future rich in wildlife.

1. Working for Wildlife
2. Connecting Community with Nature
3. Creating Special Places
4. Thriving, Ethical Business

## 1. Working for wildlife

'One of the basic steps in saving a threatened species is to learn more about it: its diet, its mating and reproductive processes, its range patterns, its social behaviour.'

– Dian Fossey

### FIGHTING EXTINCTION

**1** We continued our fight against wildlife extinction by supporting the species in our Fighting Extinction program. In addition to the highlights specifically called out below, we successfully reared 150 Vulnerable Giant Burrowing Frogs through metamorphosis, a first for conservation breeding programs; and released approximately 1400 Southern Corroboree Frog eggs.

**2** Following several wild releases, the conservation status of the Eastern Barred Bandicoot was officially reclassified and downgraded from Extinct in the Wild on mainland Australia, to Endangered. The changed status is a first for an Australian threatened species and enabled Zoos Victoria to end its 30-year captive breeding and insurance program.

**3** More than 45 Helmeted Honeyeaters were released to the wild to help boost numbers of this Critically Endangered species. In addition, 18 birds were translocated from Yellingbo Conservation Reserve to a new location in Yarra Ranges National Park to establish a population beyond Yellingbo.

**4** Healesville Sanctuary successfully bred 36 Orange-bellied Parrots. With the support of

the Tasmanian Department of Primary Industries, Parks, Water and Environment, we sent 17 juvenile birds to be released in Tasmania and join the wild population there.

**5** We successfully bred two Highland Leadbeater's Possums at Healesville Sanctuary and maintained them from pouch young through to independence. It is the first time in more than 20 years that the species has successfully been bred at Healesville Sanctuary. Since the reinstatement of the Leadbeater's Possum Captive Breeding Program in 2012, keepers have been trying to crack the code for breeding with this breakthrough attributed to diet and husbandry changes in consultation with a leading zoo and wildlife nutritionist, veterinarians, and marsupial reproductive experts. The team hopes to be able to use these lessons to breed the Critically Endangered Lowlands Leadbeater's Possum. Thirteen Lowland Leadbeater's Possums were translocated from the only wild population of 33 at Yellingbo Conservation Reserve to Tolmie, near Mansfield, in October 2021 in a trial that hoped to establish populations beyond Yellingbo. Unfortunately, unexpected predation ended the translocation trial in June 2022.



GUTHEGA SKINK

**6** Healesville Sanctuary successfully bred Guthega Skinks as part of a genetic rescue program. Two neonates bred from a female skink from Victoria's Alps and a male from Kosciusko in New South Wales. Guthega skinks are critically endangered in Victoria and highly susceptible to climate change, loss of habitat and predation. As they are restricted to the Bogong High Plains of Victoria, they have low genetic diversity and this successful breeding is a key milestone to understand if genetic rescue is a viable option to enhance the genetic diversity of the Victorian Guthega Skink.

**7** Seven of one of the world's most critically endangered and genetically distinct birds, the Plains-wanderer, were born at Werribee Open Range Zoo. The seven chicks joined nine adult Plains-wanderers in the Zoo's specialised Plains-wanderer facility and will provide invaluable genetics for the National Recovery Program.

**8** A Pookila (New Holland Mouse) conservation breeding program was established, including sourcing 22 animals for pairing from populations across the state.

**9** The veterinary team at Melbourne Zoo provided health advice to improve the success of the future reintroduction of Lord Howe Island Stick Insects to the wild. This includes a screening test for bacterium, which means we can now

select animal groups for release with greater confidence that they are free from any disease.

#### VOICE FOR WILDLIFE

**10** We played a key role in championing the scientific evidence for the danger that balloons pose to wildlife and established the taskforce of Victorian State Government agencies that brought about a ban on balloon releases in Victoria from July 2021. Research conducted by Zoos Victoria shows this ban has significantly shifted balloon-release behaviour in the Victorian funeral industry.

**11** We extended the public's understanding that Zoos Victoria is an organisation committed to fighting wildlife extinction and creating a future rich in wildlife, with external market research confirming that 84 per cent of Victorians are aware that "Zoos Victoria is an organisation which works to save endangered animals – in Australia and overseas".

**12** A marketing-led awareness campaign, "Who Knew it was the Zoo" drove more than 6.8 million impressions of content; sharing some of Zoos Victoria's incredible threatened species and wildlife rescue stories with young adults. This content marketing campaign worked to increase audience awareness that Zoos Victoria is a not-for-profit organisation playing a crucial role in wildlife conservation across the state.

#### ANIMALS IN OUR CARE

**13** In November 2021, the Minister for Energy, Environment and Climate Change announced three of the elephants at Melbourne Zoo are currently pregnant. The expectant mothers, Dokkoon, Mali and Num-oi, are due in late 2022 and early 2023. This is an important milestone for the Melbourne Zoo elephant program. This will contribute to the provision of optimal welfare by providing a multi-generational breeding herd, which mimics wild herd dynamics.

**14** Animal training initiatives continue to evolve and benefit the animals in our care with a strong focus on giving the animals choice and control over whether to participate in animal training and husbandry tasks. The animal care programs across the three zoos focus on all animals, from Wedge-tailed Eagles, Platypus and Bearded Dragons, through to crate and scales training macaws and kookaburras; and hand injecting gorillas and dingoes.

**15** Melbourne Zoo welcomed a new female giraffe, Iris, from Darling Downs Zoo in Queensland as part of the regional breeding plan for this species, as well as eight Aldabra Giant Tortoises from an overseas zoo to help create a more natural, cohesive tortoise herd.

**16** Melbourne Zoo enjoyed a highly successful breeding season for the Canberra Grassland Earless Dragons with 94 dragons bred.

**17** Two Eastern Quolls now reside at Healesville Sanctuary's Nocturnal House.

**18** Healesville Sanctuary successfully bred a female Goodfellow's Tree-kangaroo. This is the third joey to be born at the Sanctuary for this internationally-managed Endangered species.

#### EMERGENCY WILDLIFE RESPONSE

**19** In recognition of our commitment to understanding and acting on the impacts of climate change on wildlife welfare, Zoos Victoria established the role of Climate Action and Disaster Resilience Advisor. The position will help support the greater strategic planning and coordination of climate action for wildlife activities within the organisation and with external stakeholders.

**20** Following on from Zoos Victoria's role in responding to the 2019-20 summer bushfires, we were appointed the coordinating agency for Victoria's Wildlife Emergency Support Network (WESN)

for the 2021-22 year. The WESN aims to bring together veterinary professionals, wildlife responders and carers to conduct preparedness training and coordinate emergency wildlife response activities in the event of emergencies that impact wildlife in Victoria.

**21** We launched our Wildlife Outreach Program. This small team is dedicated to helping native wildlife outside of our zoos by strengthening veterinary support systems across Victoria. The program has begun to build a network of veterinary professionals through training, wildlife emergency response plans and veterinary support. The program complements and expands the ongoing work of Zoos Victoria in veterinary resource preparedness to support Victoria's wildlife emergency response.

**22** The Wildlife Outreach Team developed response plans for a range of wildlife at risk including the collaboration on a site-specific flying fox heat stress response plan for Yarra Bend Park; refining flying fox rescue techniques with Wildlife Victoria; refining marine wildlife rescue procedures; and defining disease risk assessments protocols for seized wildlife.



**23** Zoos Victoria's Wildlife Outreach Team became the official Victorian program partner of Taronga Training Institute's Wildlife Treatment and Care workshops. This program is designed for veterinarians and veterinary nurses to build knowledge and skills required for the triage, first aid, treatment and care of (wild) Australian species. Our staff ran three workshops onsite at our zoos to complement a 20-hour online component of the course specifically designed for Victorian practitioners to help shape better welfare outcomes for native wildlife.

**24** Zoos Victoria and RSPCA Victoria established a new research focus area in wildlife health and welfare to further advance applied knowledge in this field.

**ANIMAL WELFARE PEER REVIEW COMMITTEE REPORT**

The Animal Welfare Review Committee was established in 2021 to review and provide advice to the Zoos Victoria Board on matters and incidents related to animal welfare. This Committee replaces the Animal Welfare Peer Review Committee that the Minister for Environment established in 2008.

Members of the Committee possess either a qualification related to, or interest in and deep commitment to, animal welfare.

**Committee Members**

- Dr Sally Sherwen, Chair, Director of Wildlife Conservation and Science, Zoos Victoria
- Professor Andrew Fisher, Director of the Animal Welfare Science Centre, University of Melbourne
- Associate Professor Geoffrey Wescott, School of Life and Environmental Sciences, Deakin University
- Ian Sumpter, Manager Education and Community Outreach, RSPCA Victoria
- Dr Hannah Larsen, Senior Adviser Animal Welfare Science, Ministry for Primary Industries, New Zealand
- Professor Graham Mitchell, Chief Scientist, Foursight Associates

**HELMETED HONEYEATER**



**LEADBEATER'S POSSUM**

**2021-22 WELFARE REVIEW**

Instances requiring investigation included:

**Melbourne Zoo**

- Two Blue-billed ducks were found in the Great Flight Aviary and an investigation was initiated to understand their cause of death. It was found that the resident Black Swans in the aviary were likely to have contributed after they were observed attacking another duck. The swans were moved to another enclosure temporarily while a barrier was installed in the Great Flight Aviary to separate the swans and ducks. The swans and ducks now live in separate areas.
- A Royal Spoonbill that was housed in the Great Flight Aviary was injured when keepers attempted to close a sliding door. The bird flew towards the door as it closed and became trapped. Some days later, a Glossy Ibis was injured when its beak became stuck in some corrugated iron. The bird was taken to the veterinary hospital and veterinary assessment determined that euthanasia was required. The design and operation of this part of the aviary will be renovated in accordance with the Capital Development Plan. Use of this area has been suspended until works are completed.
- Visitors alerted Melbourne Zoo staff that a penguin had become stuck. Zoo keepers arrived within a minute of the advice and found the penguin had her head caught in a plastic pipe that was part of an enrichment device. Keepers worked quickly to cut the pipe in order to free the penguin. The penguin was unresponsive and taken to the Zoo's veterinary hospital. Veterinarians attempted to revive the penguin without success. Review of camera footage revealed that the penguin had become entrapped about two minutes prior to the visitor alerting staff. The opening to the pipe is normally covered, however the cover had become dislodged. This pipe has now been modified.
- The remains of a Helmeted Guineafowl were found in the Hamadryas Baboon habitat. It is likely that the bird entered the baboon habitat with one of the baboons subsequently catching and killing the bird. The guinea fowl are housed as a free-range group, and can move throughout the zoo grounds. Training is underway to encourage Guinea fowl to stay in other areas of the zoo.
- Keepers were concerned about the poor appetite of a koala in their care and sought veterinary assessment. Veterinarians found the koala to be in renal failure and provided intensive treatment, but after five weeks of care, the prognosis was poor and the decision was made for euthanasia. Additional measures have been put in place to enhance communication and reporting of food intake of these animals.

### Healesville Sanctuary

- A Red-necked Wallaby had recently arrived from another zoo and was being housed in quarantine prior to introduction to other wallabies at the Sanctuary. As part of post-arrival process, a health check was scheduled. Staff planned to catch the wallaby and entered the area where it was housed. The wallaby started to move around the enclosure and keepers opted to leave and return later. The keepers entered the enclosure a second time and the wallaby slipped when moving and fell. The wallaby was taken for immediate veterinary examination and was found to have fractured its leg. The decision was made for euthanasia.
- A Spotted Tree Frog had been transferred to Healesville Sanctuary's veterinary hospital for specialist care of facial lesions. The frog responded well to treatment with plans being made for return to the animal section. The frog was noted present and

well at the end-of-day check. At the subsequent morning check, the frog was missing from its housing. A search commenced, and about five minutes later the frog was found dehydrated and minimally responsive. Intensive treatment was provided, with the frog being checked every 30 minutes. The frog died about three hours after being found. It was determined that there was a small gap in the roof of the housing that had enabled the frog to escape. The gap had been created by warping of the lid of the housing. It has now been fixed.

### Werribee Open Range Zoo

- An Asian Wild Horse was anaesthetised to enable routine trimming of his hooves, a practice that occurs regularly at Werribee Open Range Zoo. This horse had undergone the same procedure 11 months prior without incident. During monitoring, it was determined that the horse's heart had stopped. Veterinarians tried without success to resuscitate the horse.

- Keepers observed that an Orange-bellied Parrot was having difficulty flying. Closer inspection indicated that one of the bird's wings was entangled with spider web. Keepers caught the bird and attempted to remove the web but were unable to do so and took the parrot to the veterinary hospital for treatment. Under anaesthesia the web was removed however, the parrot went into cardiac arrest and could not be revived. Pathology suggests that the function of this bird's wing may have been compromised. The bird may have physically exerted itself whilst trying to free its wing from the web then the subsequent capture and veterinary examination may have led to stress. These events may have then affected the bird's response to the anaesthesia leading to cardiac arrest.



SPOTTED TREE FROG



ORANGE-BELLIED PARROT

## Collaborating with Traditional Owners

Zoos Victoria acknowledges and respects the Traditional Owners as the original custodians of the land and waters, their ability to care for Country, and deep spiritual connection to it. We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

- 1 Commenced Cultural Competency training for the Wildlife Conservation and Science team as a first step towards everyone's cultural capability, on-going learning and development.
- 2 Developed processes that enable First Nations people to participate in the development of the new Wildlife Conservation Master Plan and ensure the plan supports First Nations people in managing Country and the process to self-determination.
- 3 Engaged and established relationships and partnerships with several Traditional Owner Corporations and /or other First Nations people/organisations.
- 4 Secured support and funding for several field conservation and research projects led by Aboriginal Corporations and Traditional Owners across Victoria.
- 5 Continued support of the Barring Djinang internship program.

### MANNA GUM SCAR TREE





## 2. Connecting community with nature

'An understanding of the natural world is a source of not only great curiosity, but great fulfilment.'  
– David Attenborough

### PROFOUND EXPERIENCES

- 1 In 2021-22, 1.6 million people visited our zoos; 772,000 of which were Zoo Members. Given we weren't open to the public for three months of the financial year, this is an incredible response from our members and visitors in returning to our zoos, engaging with wildlife in our care and enjoying everything the zoo has to offer.
- 2 A marketing campaign was developed to promote the inaugural Melbourne Zoo Summer Cinema at Melbourne Zoo. The marketing campaign achieved 3.2 million online impressions and drove over 91,000 sessions to the Melbourne Zoo website. Post-event surveys showed that 74 per cent of people who attended the cinema were able to recall that the cause behind the event was the work of the Melbourne Zoo Marine Response Unit.
- 3 As part of the Department of Education and Training's Positive Start in 2022 initiative, Zoos Victoria received funding to provide subsidised places to 6,000 Victorian students to experience a zoo education program and participate in experiences they have missed in the previous years.
- 4 All three zoos focused on creating 'nature play' activities that encourage visitors, particularly children, to interact with, and engage with, nature to deepen their understanding and connection with the natural world around them.

### ENHANCE WELLBEING THROUGH CONNECTION WITH NATURE

- 5 Three Critically Endangered Swift Parrots joined the Helmeted Honeyeaters and Orange-bellied Parrots in the Fighting Extinction Aviary at Healesville Sanctuary where they will help connect visitors with these important species.
- 6 Our Communications Team produced publicity celebrating Zoos Victoria's proud achievements and helping connect the Victorian community with nature, including:
  - 341 stories publicising our work fighting wildlife extinction
  - 193 stories publicising our role in the rescue, rehabilitation and release of wildlife
  - 951 stories publicising why people should visit our three zoos
  - 36 stories publicising community conservation campaigns
  - Production of *Zoo News* and *Zooper Kids* distributed to 110,000 households
  - Bi-annual magazine produced for 80,000 donors

**7** We achieved a total social media audience (Facebook, Instagram, Twitter, TikTok and YouTube) of 510,000 followers, with 181 million impressions, 10 million engagements and 45 million views of our videos.

**8** With the generous help of PETstock Assist, Zoos Victoria released its first set of school readers. Every Victorian primary school was gifted a series of five storybooks about the state's local native wildlife to help inspire the next generation of conservationists. Each of the books tells the story of an endangered Victorian species.

**9** We welcomed 30 secondary students from around Victoria to the Zoos Victoria Youth Leadership Program. The students were supported to improve their science leadership skills and build up a network to undertake action for

wildlife. For the first time we supported six students from regional areas and low socioeconomic backgrounds with a scholarship to participate in the program.

**10** More than 100,000 students participated in Zoos Victoria's online education programs during periods of remote learning. We also saw 80,000 students participate in onsite zoo education programs.

**11** Healesville Sanctuary continued to focus on how Aboriginal culture can be further incorporated into the education programs that are delivered to students both onsite and online with nine new curriculum-focused programs. The Sanctuary also facilitated four teacher workshops focussing on Aboriginal culture, Australian animals, science and nature play in the classroom.

## MOUNTAIN PYGMY-POSSUM



### EMPOWER AND SUPPORT COMMUNITY WILDLIFE RESPONSE

**12** We teamed up with the Arthur Rylah Institute, Bushfire Recovery Victoria and other environmental organisations to support regional communities in their recovery from the 2019-20 Black Summer bushfires. Six community-led projects have been funded through the Zoos Victoria Bushfire Emergency Wildlife Fund as well as additional community events connecting people with wildlife and environment experts, storytelling programs, and resources for citizen science.

**13** We led the citizen science initiative Moth Tracker for its third year. Moth Tracker allows citizen scientists to upload photos of Bogong Moths as the animals make their annual migration from Queensland to Victoria's alpine region. This provides the Mountain Pygmy-possum Recovery Team with valuable data about the availability of the Bogong Moth as a food source for the Critically Endangered possum.

**14** We launched new guidelines to help in the decision-making process of how the zoo uses and releases photos, videos, and signage to avoid unnecessary touching of wildlife and animals in our care. Zoos Victoria and Deakin University-led research identified such contact between humans and animals in images can encourage poor beliefs about wildlife and their conservation status in the wild.

**15** The first year of a three-year research program investigating effective biodiversity behaviour change across the coffee supply chain has been successfully completed. This work will help inform how best to encourage consumers to switch to purchasing wildlife-friendly coffee and form part of the social evaluation of a new Coffee for Wildlife campaign.





### 3. Creating special places

'Being able to experience the many thoughtful activities and knowing that the zoo facilities were specifically customised for all children with various challenges, was so amazing!'  
– Dream Day 2022 attendee

#### CAPITAL DEVELOPMENT PLAN

- 1 Following the announcement that \$84million will be invested over four years by the Victorian Government, Werribee Open Range Zoo's master plan expansion is underway, as well as various permit and planning approvals that will allow for construction of this world-class attraction to begin.
- 2 Melbourne Zoo staff upgraded the gardens along the main drive and at the Reptile House to bring colour back into the planting design, installed greenery at MPavilion and created a child-friendly landscape for children to enjoy and play in nature.
- 3 Melbourne Zoo finalised the uplift of the boardwalk at the Great Flight Aviary from timber to modwood, providing a safer, less slippery and more aesthetically pleasing boardwalk throughout the aviary.
- 4 A number of upgrades took place at Healesville Sanctuary's Australian Wildlife Health Centre, including a new water bird facility; rebuilding the macropod holding yards; renovating the laboratory and post-mortem coolroom; renovating the venomous snake enclosures; and purchasing a wildlife response vehicle. Planning also began for a Threatened Species Amphibian Bunker and raptor rehabilitation facilities.
- 5 Melbourne Zoo completed the Amphibian Bushfire Recovery Centre, a purpose-built off-limit holding and breeding facility for amphibian species impacted by 2019-20 Black Summer bushfires. The facility includes species-targeted life support systems, breeding habitats as well as high level biosecurity. It will house genetically robust founder groups that will support wild recovery and will operate jointly with Healesville Sanctuary to ensure recovery objectives are met.
- 6 Werribee Open Range Zoo's Hippopotamus Boardwalk was replaced and canopy lighting installed.
- 7 The design for a new \$1.6million Wildlife Hospital Facility at Melbourne Zoo was completed. \$590,000 was contributed from Zoos Victoria's Bushfire Emergency Wildlife Fund and \$1.01million from RSPCA's National Bushfire Appeal to the project.

**8** Melbourne Zoo completed a number of habitat upgrades that focus on improving animal welfare, including new gorilla platforms; an additional yard and a new fence for the giant tortoises; resurfacing of the pools and raceway for the Pygmy Hippopotamus; and enrichment structures and a shade sail for the baboons.

**9** In February, construction began on a world-class veterinary facility at Werribee Open Range Zoo to treat sick and injured koalas and other wildlife from across western Victoria. The \$2.55M facility will be known as the 'RSPCA Koala Ward' in recognition of a funding partnership between Zoos Victoria and RSPCA Victoria following the 2019-20 Black Summer bushfires.

**10** Following the arrival of two pelicans from Melbourne Zoo, Healesville Sanctuary upgraded its pelican habitat to focus on improving the birds' welfare. These upgrades include a beach that facilitates a more natural environment for the birds.

### CUSTOMER FOCUS

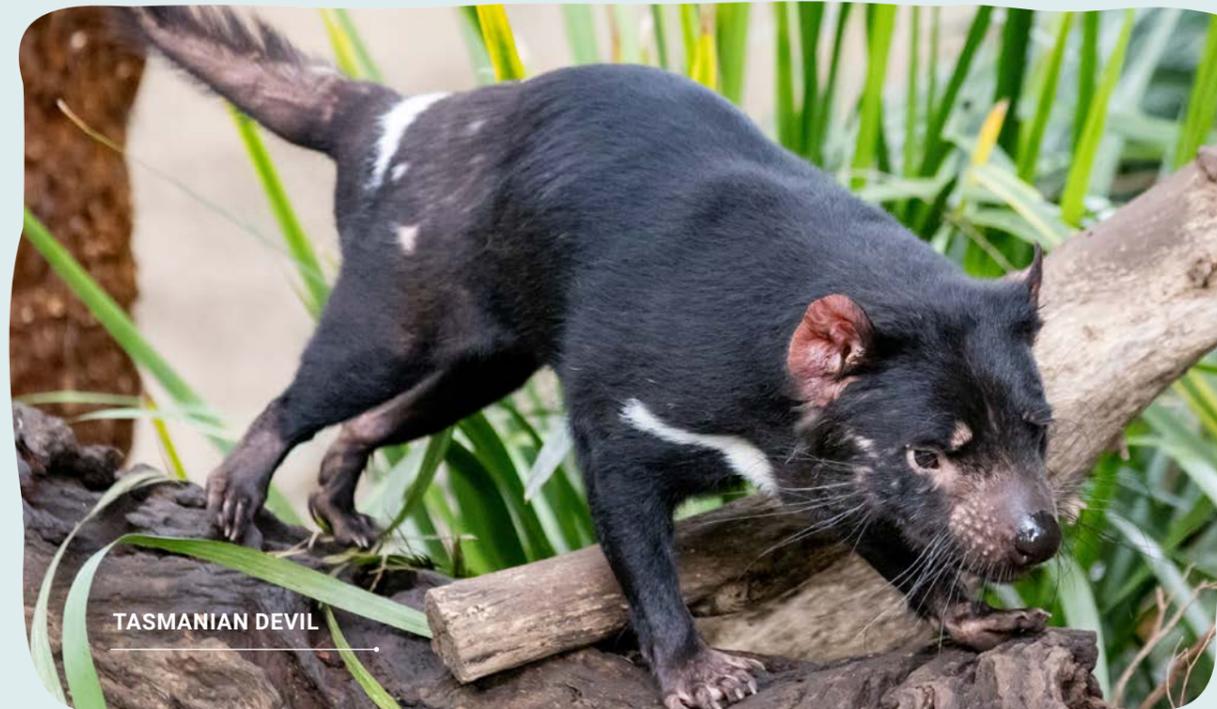
**11** In 2021-22, we continued daily tracking of our Net Promoter Score and asked members and visitors to nominate how likely they were to recommend us. We had an average score of 69 at Healesville Sanctuary, 66 at Melbourne Zoo and 64 at Werribee Open Range Zoo.

These scores tell us that our visitors love visiting and engaging with the zoo, are likely to talk about their visit to our zoos and recommend us to their friends and family.

**12** Werribee Open Range Zoo successfully embedded a 'Share our Care' philosophy of showcasing how the team cares for the animals at our zoos into all visitor experience programs. This included the installation of the bushfire recovery tent, a cheetah observation camera and deepening our engagement with school teachers.

**13** We maintained effective online ticketing operations, with no significant disruption, while coping with massive spikes in demand from our members and community for entry tickets following our zoos reopening after the last extended COVID-19 lockdown.

**14** We continue to evolve our application of our property brands on site and around our zoos with the development of the Operational Signage Guidelines. These guidelines have been developed to support consistent and on-brand operational signage. The Operational Signage Guidelines include directional signage and amenities signage, ensuring we are considering accessibility and inclusion, as well as creating strong brand recognition for our visitors and members.



TASMANIAN DEVIL

**15** In partnership with the Association for Children with a Disability, Melbourne Zoo continued the tradition of hosting 'Dream Day' in March. The event gave children with a disability and their families an opportunity to experience the wonder of wildlife together in a safe and stress-free environment, away from judgement and other barriers that sometimes stop families from visiting the zoo together. The Bowness Family Foundation and Naomi Milgrom Foundation supported this event.

### SUSTAINABLE OPERATIONS

**16** We continue to be certified Carbon Neutral under the Climate Active Certification\*. This means that from 1st July 2011, we have remained carbon neutral by reducing and offsetting our scope 1, 2 and 3 emissions. Our ISO14001 certified Environmental Management System ensures we consider all environmental aspects and have systems and processes for improving our environmental performance.

**17** From 1 July 2021, Zoos Victoria has been powered by 100 per cent renewables with the

addition of GreenPower for Melbourne Zoo and Werribee Open Range Zoo. We have 675kW of on-site solar PV installed across our three zoos, a power purchase agreement for electricity and LGCs from the Crowlands Wind farm for Healesville Sanctuary, and GreenPower for the remaining power requirements at Melbourne Zoo and Werribee Open Range Zoo. Renewable energy reduces scope two and three emissions by about 6,000 tonnes CO2e/yr.

**18** We introduced a new environmental, social and governance (ESG) framework to ensure sustainable and ethical procurement practices that consider the lifecycle impacts (including carbon) from services and products we use.

**19** To mitigate the impacts of climate change on water scarcity, we have maintained our water recycling program at Melbourne Zoo, recycling 100 megalitres of potable water per year to Class A recycled water for reuse in irrigation, refilling water bodies and cleaning exhibits.

### EXTENDED PLACES

**20** We supported the translocation of Eastern Bristlebirds to establish a new population in southern Victoria that will help support their genetic rescue in an area that has a reduced risk of bushfire. Prior to the translocation, we conducted a review of health concerns in Eastern Bristlebirds, identified a new health concern for the Victorian population and supported the development of translocation protocols. During the translocation, we also provided staff to monitor the health and welfare of the translocated birds with health and welfare impacts of the translocation and genetic rescue to be reviewed prior to a second translocation event.

**21** Our ongoing partnership with Tennis Australia resulted in Zoos Victoria being offered an activation stand within the Ballpark area at the Australian Open. The installation connected the community with nature while families engaged in fun zoo activities. We engaged with around 700 children per day over 14 days. Zoos Victoria is proud to be part of this iconic Melbourne event.

\* Our detailed emissions can be found at <https://www.climateactive.org.au/buy-climate-active/certified-members/zoos-victoria>



# 4. Thriving, ethical business

'There is still so much in the world worth fighting for. So much that is beautiful, so many wonderful people working to reverse the harm, to help alleviate the suffering. And so many young people dedicated to making this a better world. All conspiring to inspire us and to give us hope that it is not too late to turn things around, if we all do our part.' – **Dr Jane Goodall**

### COMMERCIAL FOCUS

- 1 Zoos Victoria's Membership program reached more than 300,000 active Zoo Members joining or renewing in 2021-22, a growth of more than 56,000 people compared to last year.
- 2 We demonstrated the strength and commitment of Zoos Victoria's Members in supporting the zoo and the wildlife we are committed to saving. Only 1 per cent of member households on direct debit payment plans chose to cancel their memberships through the various COVID-19 lockdowns.
- 3 In order to provide streamlined transactional services for our members, we upgraded our website with membership features and transitioned to a more effective and secure online payment gateway.
- 4 Healesville Sanctuary introduced a new paid Platypus experience for visitors. This commercial product is more immersive than before but, importantly, is more aligned to the animal welfare standards in place at the Sanctuary, allowing the Platypus to have full choice and control in how it chooses to participate.

### AMAZING PEOPLE

- 5 We trained and upskilled volunteers to help participate in animal behaviour data collection, animal encounter and horticultural upkeep.
- 6 A new leadership structure was trialled in Melbourne Zoo's Wild Sea precinct that saw an improvement in cross-training exercises and sharing the compassion fatigue load, which is particularly important in this team as they manage numerous cases from the Marine Response Unit.
- 7 Werribee Open Range Zoo finalised a Cultural Heritage Management Plan process for the Zoo's expansion. This will enable stronger working relationships with both the Bunurong and Wadawurrung Aboriginal Elders and allow us to strengthen our connection with Aboriginal culture onsite and share the stories from this region with visitors to the zoo.
- 8 We increased our capacity at Healesville Sanctuary's Australian Wildlife Health Centre with new veterinary and support staff. This will allow for more consistency in wildlife care, better welfare outcomes and increased team welfare.

**9** The World of Platypus philanthropy campaign, inspired by our long history of expertise with the Platypus and our plans for the Australian Platypus Conservation Centre at Healesville Sanctuary, fundraised \$214,000 against a budget of \$150,000. The campaign further uncovered an ongoing donation from a new donor to Zoos Victoria with this platypus-lover and visitor already committing to donating \$50,000 towards our work in saving this iconic species under threat. A further \$150,000 was anonymously gifted to the Zoos Victoria Endowment Fund to support the running of the Australian Platypus Conservation Centre at Healesville Sanctuary, bringing the total amount raised for the project to \$414,000.

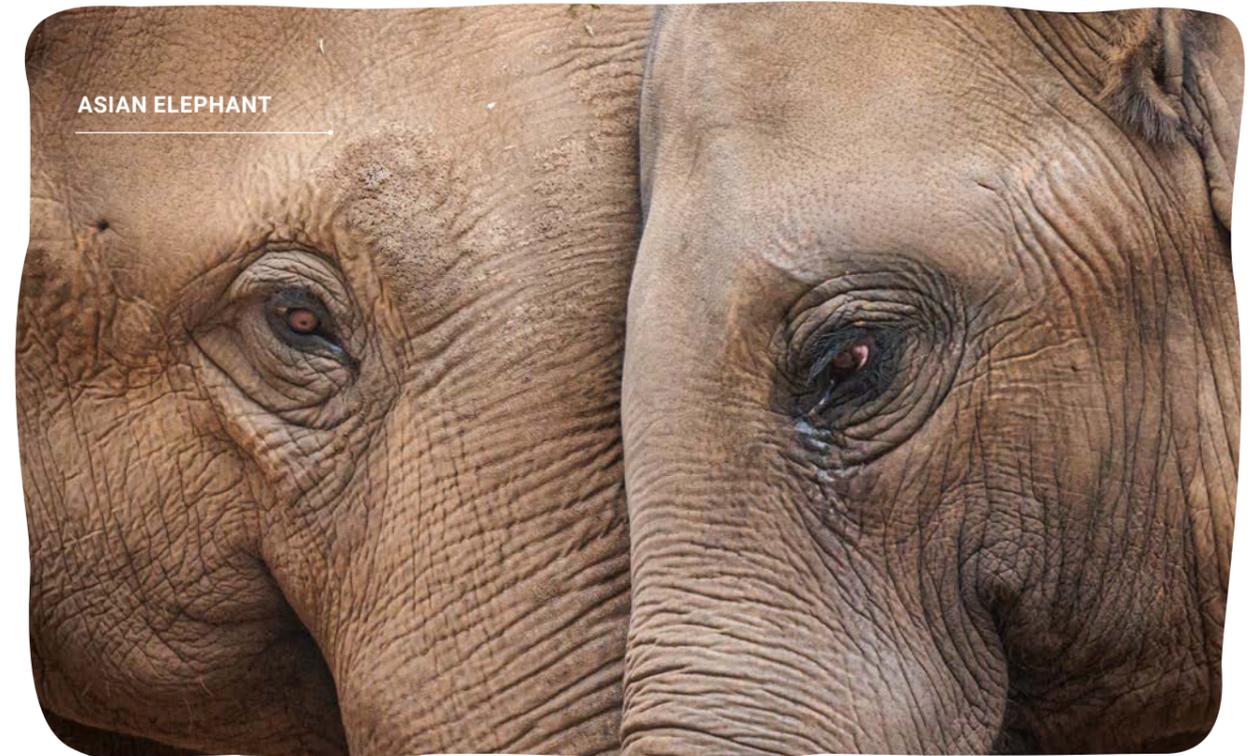
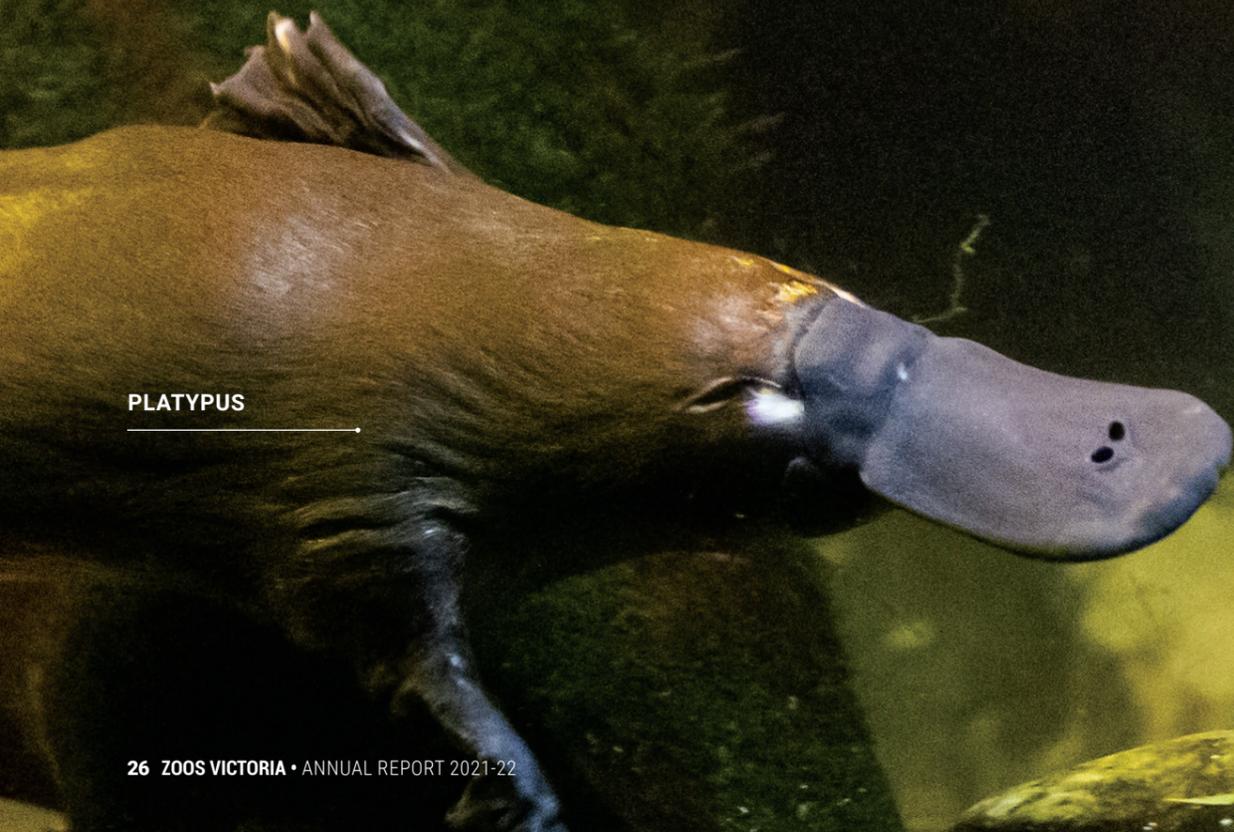
**10** We have seen a continued bounce back from our tourism trade partners since state and international borders reopened following COVID-19 lockdowns with sales via our tourism partners reaching 60 per cent of our pre-COVID levels for the financial year and expected to return to pre-COVID levels in 2022-23. Yield from commercial product sales via our trade partners has increased over 150 per cent from pre-COVID levels with more experiences now available to the trade.

**11** We sold 7,008 Totes for Wildlife bags in support of the Plains-wanderer, generating \$35,092. Bag sales convert into direct conservation action for this Critically Endangered species by funding conservation covenants on 21 hectares of habitat in northern Victoria.

**12** Zoos Victoria's LEAP consultancy arm, shared its zoo-based conservation frameworks with more than 90 organisations and 570 professionals, shaping industry capacity in animal welfare, environmental sustainability, and community conservation campaigning through our proven Connect-Understand-Act model. In April 2022, LEAP delivered its first in-person Behaviour Change Essentials Masterclass at Melbourne Zoo, helping organisations create engaging campaigns that inspire conservation action. The event achieved an impressive satisfaction rate of 99 per cent.

**13** All current Zoos Victoria sponsors were retained and budgets were met despite the zoo being closed for Q1. In addition, an additional \$50,000 was secured as part of sponsorship deals for events such as Melbourne Zoo's Summer Cinema and the Zoo Member Christmas Party.

## PLATYPUS



## ASIAN ELEPHANT

**14** We submitted our first Workplace Gender Audit and Workplace Gender Equality Plan to the Gender Equality Commission. The plan details our work in supporting and developing our incredible female leaders and key achievements, including gender equality at Board and Senior Executive Team levels. With our Gender Equality working group we are excited to action our plan, which will focus on increasing flexibility for our workforce, continuing to eliminate negative behaviours (sexual harassment and bullying) and deliver initiatives that address issues faced by people from intersectional groups.

**15** We continued to expand our internship programs for Aboriginal and Torres Strait Islander candidates and people with a disability. Our workforce was provided with more disability training and our leaders participated in the Disability Confident Recruiter program delivered in partnership with the Australian Network on Disability; strengthening the direct employment pathways for people with a disability.

**16** We engaged with our community to increase spiritual spaces for people from different backgrounds and faiths, such as the Muslim community at Werribee.

**17** Due to COVID-19 impacts on the Volunteer Program, the first half of 2022 has seen us very much in the process of rebuilding. We currently have 613 volunteers actively supporting the work of Zoos Victoria who have contributed just over 37,000 hours, produced over 25,000 individual enrichment items and Zooperman/girl has responded to over 3000 junior members.

## CONTINUOUS IMPROVEMENT

**18** The first plant-based concept café successfully launched at Melbourne Zoo to great success with a lift in commercial return and positive visitor and Zoo Member feedback.



# Occupational health and Safety

Zoos Victoria's occupational health and safety vision is to ensure all staff go home healthy and safe every day.



The 2021-22 financial year was affected by a COVID-19 restrictions landscape. We were able to provide appropriate related support for staff throughout the year. This included maintenance of COVIDSafe plans, positive case protocols and the collection and storing of COVID-19 vaccination certificates for all staff which involved working with our Solv Health software provider to create a COVID-19 vaccination module to ensure accuracy of oversight and records management in this space.

Development of the three-year OHS Strategic Plan 2021-24 and the completion of year one actions was a priority focus. Internal and external sources of quantitative and qualitative information and strategies have shaped and informed the development of the Plan.

#### These included:

- An Internal OHS Audit conducted via Zoos Victoria's Audit and Risk Committee.
- ISO 45001 Self-Assessment Desktop Review conducted by the Zoos Victoria OHS Team.
- The Victorian Public Sector's OHS Model: *Leading the Way*.

The resulting three-year OHS Strategic Plan primarily contains the roadmap for the construction of our central OHS governance by way of an overarching comprehensive OHS Management System (OHSMS). Year one has seen over 30 Policy and Procedure documents produced.

Additionally, a thorough review and improvement of the OHS reporting metrics occurred at Zoos Victoria. This resulted in a better balance of lead and lag indicators across the business and inclusion of areas of identified focus. The new set of metrics also more closely aligns with the datasets of the VPS Leading the Way safety model and our Organisational goals and objectives.

#### Reported Hazards

Year	2021-22	2020-21	2019-20
Hazards	617	585	542
Per 100 FTE	90	92	89

The reporting of hazards is a positive proactive step to identify and reduce the likelihood of injuries before they happen. The total number of hazards and number reported per 100 FTE has remained at a healthy level over the past three years. We continue to encourage staff to report hazards and reduce barriers that may discourage reporting.

#### Incidents

Year	2021-22	2020-21	2019-20
Incidents	426	295	228
Per 100 FTE	62	46	37

Similar to the trend seen in reported Hazards, our level of reporting incidents and injuries continues to improve each year. Increased reporting is a sign of a favourable or improving safety culture and must be interpreted in conjunction with other injury metrics. We have seen a spike in incident numbers during 2021-22, which has also been affected by COVID-19 related incidents being required to be reported.

#### Lost-time injuries (Standard Claims)

Year	2021-22	2020-21	2019-20
Total LTI's	1	5	6
LTI's per 100 FTE	0.1	0.9	1
Psychological Injury LTI's	0	0	2
Psychological Injury LTI's/100FTE	0	0	0.3

There was a significant decrease in the number of lost time standard claims in 2021-22. This occurred despite an increase in total FTE, which is even more pleasing. And for the last two consecutive years we have had zero Mental Injury LTI's.

#### Average Cost per Claim

Year	2021-22	2020-21	2019-20
Average Actual Paid	\$2,122	\$17,752	\$28,631
Average Total Estimate	\$8,883	\$88,426	\$65,180

The average cost per claim for both actual amounts paid and estimated average total cost of those claims decreased for 2021-22. This is due to the nature of the claim being less serious, and Zoos Victoria implementing tighter management of these claims by implementing frequent claims conferences with EML, our WorkCover insurer, to ensure appropriate ongoing management and best outcomes for our injured staff. We consistently see the actual costs paid on claims being much less than the statistical claims estimates provided by WorkSafe.

#### WorkCover Premium

Year	2021-22	2020-21	2019-20
Premium	\$688,957	\$497,460	\$343,281

The 2021-22 premium increase is reflective of some more serious claims sustained in the 2019-20 and early 2020-21 years now taking effect on our premium levels. The number and severity of WorkCover claims experienced in these years will have a negative effect on the premium for the three premiums years following. These claims will also adversely affect the coming 2022-23 premium. Despite a less than favourable premium in comparison, Zoos Victoria continues to perform 45 per cent better relative to our industry as per advice received from WorkSafe via our insurer.



# Marine Response Unit Statistics 2021-22

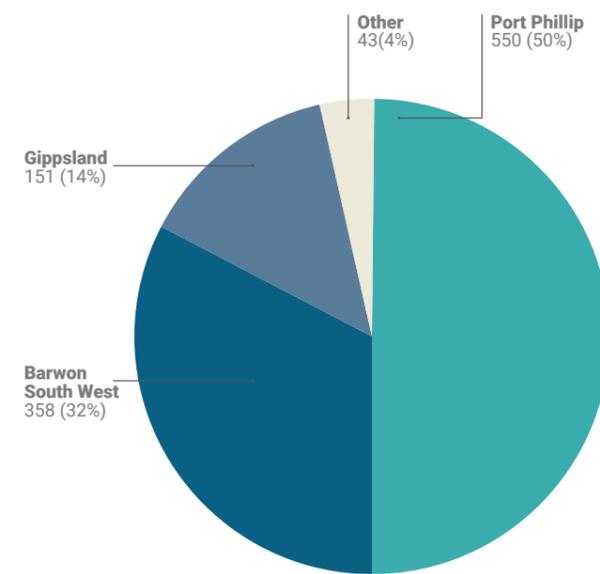
As a zoo-based conservation organisation, saving wildlife is not just what we do, it's who we are. The Marine Response Unit is Victoria's first dedicated marine unit, responding to calls for assistance involving seals, turtles, seabirds and other marine wildlife in Victorian waters.

In 2021-22 Melbourne Zoo's Marine Response Unit was called to 1102 cases of marine (aquatic) life needing help across the state.

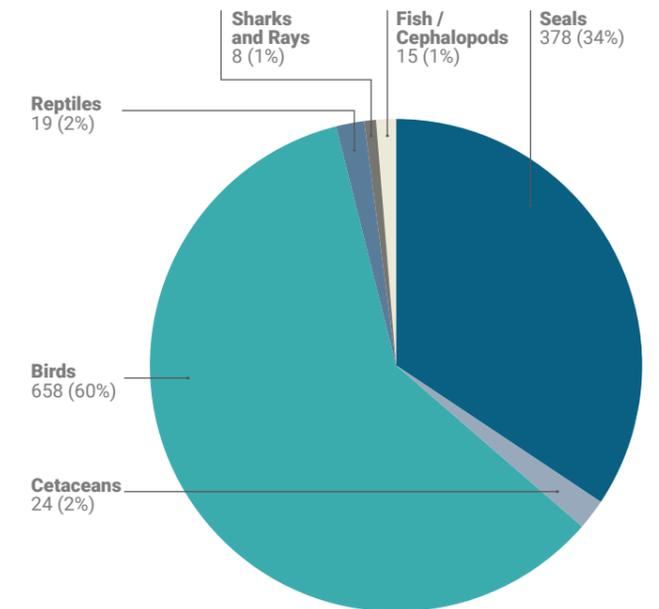
LONG-NOSED FUR SEAL



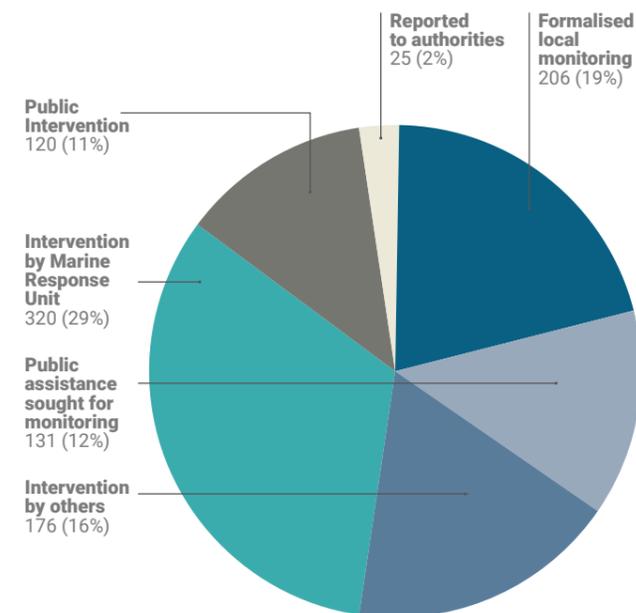
## Where cases originated



## Cases by animal



## Responses

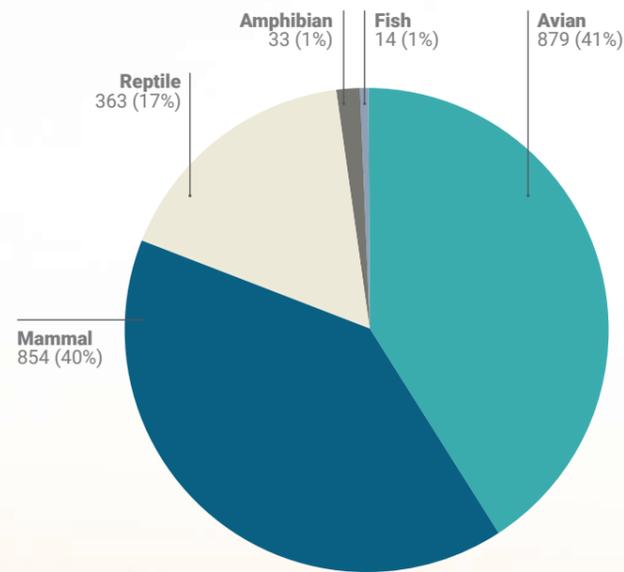


Our commitment to fighting extinction and creating a future rich in wildlife includes caring for injured or distressed wild animals that need assistance.

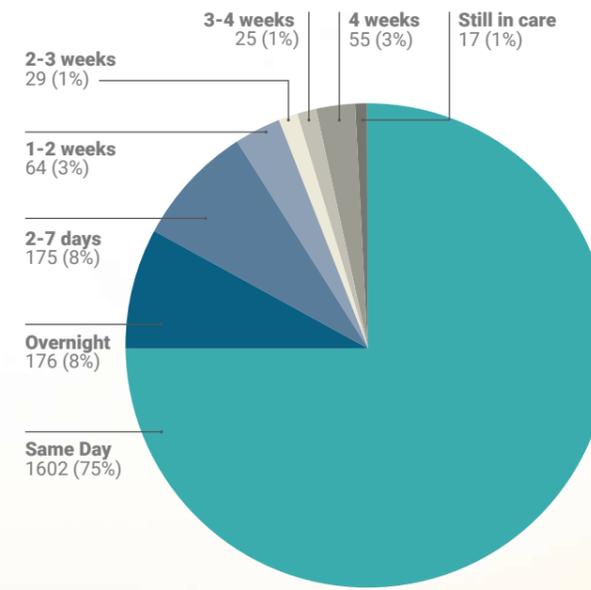
# Healesville Sanctuary's Australian Wildlife Health Centre Wildlife Statistics 2021-22

The Australian Wildlife Health Centre treats sick and injured native animals. It is an important training space for wildlife veterinarians, and the home of vital conservation programs and research. The Centre is funded by the Victorian Government through Wildlife Rehabilitator Grants from the Department and public donations.

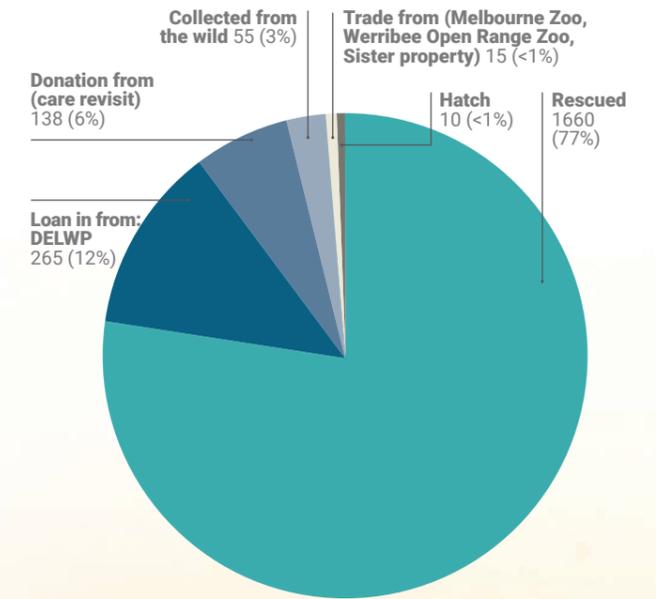
Species type



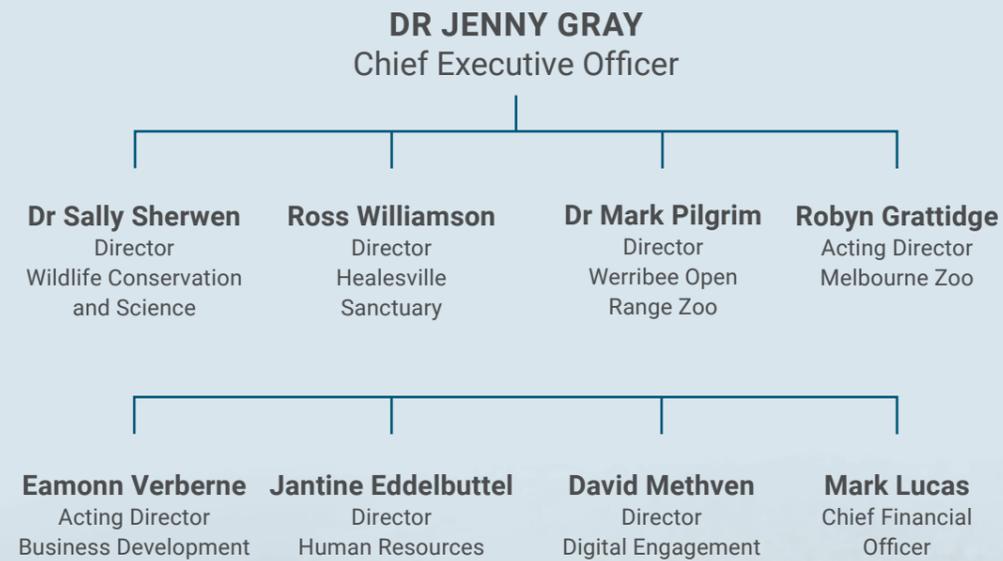
Time in care



Where cases came from



# Organisational chart



# Our workplace profile

Merit and equity principles are always applied when appointing staff at Zoos Victoria. Applicants are assessed and evaluated fairly and equally, without discrimination, against the key selection criteria and other accountabilities.

	As at 30 June 2022	As at 30 June 2021
<b>Employees (total)</b>	<b>938</b>	<b>867</b>
Male	324	303
Female	612	564
Self-described	2	none
<b>HEAD COUNT</b>		
<b>Full-time and part-time</b>	<b>659</b>	<b>622</b>
Male	254	238
Female	405	384
Self-described	0	Not previously reported
<b>Casual (total)</b>	<b>279</b>	<b>245</b>
Male	70	65
Female	207	180
Self-described	2	Not previously reported
<b>Full-time Equivalents (total)</b>	<b>764</b>	<b>639</b>
Full-time and Part-time	580	550
Casual	184	89
<b>Indigenous Employees (total)</b>	<b>4</b>	<b>2</b>
<b>Executive (total)</b>	<b>9</b>	<b>9</b>
Male	5	4
Female	4	5
<b>Senior Managers (total)</b>	<b>20</b>	<b>19</b>

MEERKAT

# Key performance indicators

Measure	End June	Target	Met
<b>Working for Wildlife</b>			
<i>Threatened Species recovery programs following Black Summer fires continues, while wild or free ranging populations of Helmeted Honeyeaters, Orange-bellied Parrots and Eastern Barred Bandicoots show promising increases. The Eastern Barred Bandicoot captive breeding program is no longer required.</i>			
Wildlife Conservation - number of captive-bred individual animals released to the wild	1,955	3,100	X
Wildlife Conservation - number of FE species with insurance populations secured if deemed necessary	20	20	✓
Zero Waste to Landfill - diversion rate from landfill (%)	88.9%	90%	X
Percentage of animals assessed as positive or neutral in animal welfare survey (%)	88%	90%	X
<b>Connecting Community with Nature</b>			
<i>The COVIDSafe Settings impacted visitation numbers.</i>			
Annual visitation (millions)	1,636,380	2,109,990	X
Annual paid visitations	528,360	644,781	X
Visits per member	2.5	3.2	X
Membership renewal rate (%)	51.3%	50%	✓
Percentage of Victorian schools part of the Fighting Extinction Schools	44%	40%	✓
<b>Thriving, Ethical Business</b>			
<i>Leadership, engagement and safety indicators were all very high during this challenging year. The lost time injury frequency rate was 8% better than the previous year whilst not quite meeting the new target set. Excess annual leave balances increased due to the COVIDSafe Settings.</i>			
Leadership measure according to Pulse Survey or People Matters Survey (%)	82%	>75%	✓
Employee Engagement Index (People Matters) or Job Satisfaction (%)	92%	>80%	✓
Workplace Safety according to Pulse Survey (month) (%)	97%	>95%	✓
Lost time Injuries: Frequency Rate	0.87	4.46	✓
Lost time injuries: Number of incidents longer than 2 days lost	1	4 or <	✓
Excess Annual Leave: % of staff with excess leave	8.8%	<5%	X
<b>Financial Sustainability</b>			
<i>The closure of zoos to the public and visitor cap restrictions due to COVID19 impacted Financial Sustainability measures and some project delivery.</i>			
Revenue (YTD)	\$115.2m	\$97.5m	✓
Expenditure (YTD)	\$123m	\$119.1m	✓
Net operating (deficit) (YTD)	(\$7.9m)	(\$21.6m)	✓
Cash Holdings (millions) <sup>1</sup>	\$51.6m	\$24.5m	✓
\$ operating revenue per total visitor	\$29.56pv	\$22.41pv	✓
Wages as % revenue (YTD)	65%	60%	X
Conservation Master Plan % spend against budget	86%	100%	X
Annual Members	305,546	190,000	✓
Philanthropy (YTD)	\$4.8m	\$4.0	✓
Asset Management % spend on asset maintenance against budget	100%	100%	✓

<sup>1</sup> Cash holdings reflects funds received for capital projects, grants, tied bequests and bushfire funds.

# Admission charges

Price / Category	2022-23	2021-22
Adult (16 years and over)	\$42	\$40
Child (aged 4-15)	\$21	\$20
Child (aged 4-15) on weekends, Victorian public holidays and Victorian school holidays.	FREE	FREE
Seniors (10% discount, rounded)	\$38	\$36
A child under 16 years old with a physical or intellectual disability	\$5	\$5
Carer or Teacher's Aide (accompanying the person with a disability)	FREE	FREE
Full-time student on presentation of proof of full-time enrolment in secondary school or post-secondary educational institution	\$31.50	\$30
Eligible recipient or eligible beneficiary within the meaning of the State Concessions Act 1986 on presentation of a current pensioner or Health Care Card issued by the Commonwealth Government	\$31.50	\$30
Family (a group of 2 adults and 2 children)	\$105	\$100



# Financial summary

	(\$ thousand)				
	2021-22	2020-21	2019-20	2018-19	2017-18
<b>Recurrent</b>					
Revenue Zoo Activities	48,371	39,301	55,385	67,200	61,227
Parks and Reserve Trust Fund <sup>1</sup>	41,409	32,037	23,668	24,908	27,024
Other grants, income and sponsorship	25,432	20,621	16,910	8,252	11,604
<b>Total Income<sup>2</sup></b>	<b>115,212</b>	<b>91,959</b>	<b>95,963</b>	<b>100,360</b>	<b>99,855</b>
Total Depreciation	(14,796)	(12,611)	(12,384)	(11,977)	(11,590)
Total Operating Expenses <sup>2</sup>	(108,262)	(91,076)	(97,442)	(96,232)	(86,657)
<b>Total Expenses<sup>3</sup></b>	<b>(123,058)</b>	<b>(103,687)</b>	<b>(109,826)</b>	<b>(108,209)</b>	<b>(98,247)</b>
<b>Net Result from transactions</b>	<b>(7,846)</b>	<b>(11,728)</b>	<b>(13,863)</b>	<b>(7,849)</b>	<b>1,608</b>
<b>Other economic flows<sup>4</sup></b>	<b>2,156</b>	<b>720</b>	<b>306</b>	<b>(303)</b>	<b>78</b>
<b>Net Result for the period</b>	<b>(5,690)</b>	<b>(11,008)</b>	<b>(13,557)</b>	<b>(8,152)</b>	<b>1,686</b>
<b>Assets, Liabilities and Equity</b>					
Total Assets	483,705	445,200	396,306	399,539	385,211
Total Liabilities	(36,328)	(30,271)	(27,910)	(23,607)	(19,950)
Total Equity	447,377	414,929	368,396	375,932	365,261
<b>Capital Contributions for<sup>5</sup></b>					
Expanding Werribee Open Range Zoo	17,595	7,676			
Kyabram Fauna Park	3,000				

- 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.
- Total Income and operating expenses reflects the receipts of funds or payment of expenses as they are incurred during the year.
- Total expenses are comprise of high fixed costs linked to the care of animals and assets of Zoos Victoria.
- Other economic flows consist of revaluation of long service leave liability due to changes in bond rates and net gain or loss on disposal of physical assets.
- Capital Contribution by State Government and is treated as Equity.

## MAJOR CHANGES OR FACTORS AFFECTING PERFORMANCE

The impact of COVID-19 resulted in the closure of Zoos Victoria's three zoos to the public for 91 days in 2021-2022 (130 days in 2020-21), and they operated with visitor cap restrictions from October to December 2021. This led to a significant reduction in revenue from all zoo activities. Please refer to Section 1.6 in the Zoos Victoria Financial Report for details.

## SUBSEQUENT EVENTS

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

## SIGNIFICANT CHANGES IN THE FINANCIAL POSITION DURING THE YEAR

During the financial year, the three zoos were closed to the public for 91 days and they operated with visitor cap restrictions from October to December 2021. This resulted in a reduction in revenue and in turn negatively impacted the financial position during the year. Refer to Section 1.6 in the Zoos Victoria Financial Report for details.

## DETAILS OF CONSULTANCIES (VALUED AT \$10,000 OR GREATER)

In 2021-22 there was one consultancy where the total fees payable to the consultants were \$10,000 or greater. Details of individual consultancies are outlined below.

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl. GST)	Expenditure 2021-22 (excl. GST)	Future expenditure (excl. GST)
Ernst & Young	Business case	27/05/2021	31/12/2021	\$177,787	\$177,787	Nil

## DETAILS OF CONSULTANCIES UNDER \$10,000

In 2021-22 there were no consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000.

## INFORMATION AND COMMUNICATION TECHNOLOGY EXPENDITURE

For the 2021-22 reporting period, Zoos Victoria had a total ICT expenditure of \$4,712,000 with the details shown below.

All Business as usual operational ICT Expenditure	Non-Business as usual ICT expenditure related to projects to create or enhance ICT capabilities		
	Total ICT expenditure	Operational expenditure	Capital expenditure
4,712	219	0	219

## DISCLOSURE OF MAJOR CONTRACTS

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

Details	Details of major contracts			
	2021-22		2020-21	
	Number	Value (\$Million)	Number	Value (\$Million)
Contract commenced	-	-	-	-
Contract completed	-	-	-	-



## Board attendance

### BOARD ATTENDANCE 1 JULY 2021 TO 30 JUNE 2022

Member	No. of meetings eligible	No. of meetings attended	Date appointed
Rebecca McKenzie	6	6	1/7/18
Greg Smith AM	6	6	1/7/18
Hon Marsha Thomson	6	6	1/7/21
Dr Jennifer Beer	6	6	1/7/21
Professor Anna Meredith	5	5	1/7/21
Tony Hallam	6	6	1/7/21
Dr Teresa De Fazio OAM	6	6	1/7/21
Vijaya Vaidyanath	6	5	1/7/21
Professor Brendan Wintle	5	5	10/8/21

Anna Meredith resigned effective 11/2/2022

### BOARD ATTENDANCE OF EXTRAORDINARY MEETINGS 1 JULY 2021 TO 30 JUNE 2022

Member	No. of meetings eligible	No. of meetings attended
Rebecca McKenzie	4	4
Greg Smith AM	4	4
Hon Marsha Thomson	4	4
Dr Jennifer Beer	4	3
Professor Anna Meredith	2	1
Tony Hallam	4	4
Dr Teresa De Fazio OAM	4	4
Vijaya Vaidyanath	4	2
Professor Brendan Wintle	4	3

# Board profiles

AS AT 30 JUNE 2022



## REBECCA MCKENZIE (CHAIR)

Rebecca is an accomplished public sector leader with a successful career at executive level in Australia, UK and the Republic of Ireland. Rebecca joined the Zoos Victoria Board in July 2018. CEO at City of Glen Eira since February 2016, Rebecca has held CEO and executive roles across local and state government, and in the higher education sector. Rebecca is passionate about creating resilient communities with a sense of pride of place. A values-based leader who invests in her people, Rebecca builds strong relationships at all levels, and acts as a mentor and coach for emerging leaders. Rebecca also sits on the South East Water Customer and Community Advisory Council and the Ministerial Advisory Committee on Gender Equality. Rebecca's qualifications include a Bachelor of Arts, Masters of Science and she is a graduate of the Australian Institute of Company Directors.



## TONY HALLAM (DEPUTY CHAIR)

Tony Hallam is a Chartered Accountant and began his career with a series of management and leadership positions over 20 years at PwC, including nine years as a Partner. He moved into the sports and major event industry in 2005 and has held senior executive positions within golf, football (FFA), and cricket, as well as his Chair and Board positions with Melbourne Stadiums Limited (Etihad now Marvel Stadium), Melbourne Boomers WNBL Club, and Yarra Bend Golf group of companies. He was one of the Founding Shareholders and Executive Chairman of Confirmations Asia Pacific which represented Confirmation.com (2013-19) with offices in Australia, Singapore, and Hong Kong. He has also been a Board Director at the Brotherhood of St Laurence since October 2018 and is the Chair of its Financial and Investment Committee.



## DR JENNIFER BEER

Jennifer is a proud Indigenous woman from Western Australia who started her career as a veterinary surgeon and national representative for Volleyball, and has since held leadership roles supporting vulnerable communities to access services through technology, held leadership roles in not-for-profit organisations - including supporting Indigenous women in business - as well as other senior strategy, transformation and customer experience roles including leading NBN Co's regional and remote strategies for both the health and education portfolios. Jennifer commenced in March 2022 as the Head of 1800RESPECT, the national telephone and online counselling service, supporting individuals experiencing, or at risk of experiencing domestic, family and sexual violence, including workplace sexual harassment. Jennifer's qualifications include a Bachelor of Veterinary Medicine and Surgery, Masters of Business Administration, and she is a certified Health Informatician (CHIA) and graduate of the Australian Institute of Company Directors. Jennifer is a member of the Indigenous Advisory Group for the Dilin Duwa Centre for Indigenous Business Leadership, and has also been a member of the Finance, Risk and Audit Committee for Cancer Council Victoria.



## PROFESSOR BRENDAN WINTLE

Brendan Wintle is Professor of Conservation Science at the University of Melbourne, where he teaches Applied Ecology and Global Environmental Change. He undertakes research to support decision making and policy development for biodiversity conservation. For six years to the end of 2021, he was the Director of the Commonwealth Government funded Threatened Species Recovery Hub (NESP TSR) and was recently an ARC Future Fellow and Theme Leader in the ARC Centre of Excellence for Environmental Decisions. His research tackles technical developments including species distribution and population modelling to inform conservation spending, management, and monitoring. He serves on the board of Zoos Victoria and was this year nominated a fellow of the Royal Society of Victoria.



## GREG SMITH AM

Greg has had extensive experience in conciliation and arbitration, both in Australia and overseas, through his previous roles with the Conciliation and Arbitration Commission, Industrial Relations Commission and Fair Work Commission. His skills in resolving industrial disputes across a range of industry sectors through conciliation, mediation and arbitration span more than 30 years. His non-executive Director experience includes being the Board Chair of the Country Fire Authority, and a Director of Ambulance Victoria.



## PROFESSOR ANNA MEREDITH

Board Member Professor Anna Meredith (OBE MA VetMB PhD Cert LAS DZooMed DipECZM FRCVS) Professor of Zoological and Conservation Medicine and Head of Melbourne Veterinary School (2018-2022). Before moving to Australia in 2018, Professor Meredith worked at the University of Edinburgh's Royal (Dick) School of Veterinary Studies, where she was Associate Dean International and Director of Postgraduate Taught Programmes for the College of Medicine and Veterinary Medicine. An experienced wildlife veterinarian, she was Head Veterinary Surgeon at the Edinburgh Zoo in Scotland for many years and established and led the University of Edinburgh's Exotic Animal and Wildlife Unit. Anna chaired the UK Government's Zoos Expert Committee, leading a strategic review of the UK's Standards of Modern Zoo Practice, and was a Council Member of the Royal Zoological Society of London. Professor Meredith's research in conservation medicine examines the interrelationship between ecosystems, animal and human health. She is a Fellow and Specialist in Zoological Medicine of the Royal College of Veterinary Surgeons and a Specialist in Wildlife Population Health of the European College of Zoological Medicine. In 2019 she received an OBE for services to animal welfare and the veterinary profession.



## DR TERESA DE FAZIO OAM

Dr Teresa De Fazio has extensive experience in inclusion and diversity, and strong background as an academic in the field of Education - all of which complements her board experience. She is the Director of Intersect Global Partners working with Government, industry and community to lead and support a range of inclusive and equity practices. Teresa served two terms as a Commissioner of the Victorian Multicultural Commission. She continues to be an Adjunct Fellow of the Institute for Sustainable Industries and Liveable Cities (ISILC) at Victoria University (VU) where she worked for over 22 years. She continues to supervise research students and undertake research. She has worked in educational leadership at various universities across Australia, Teresa was awarded the Medal of the Order of Australia (OAM) for her services to tertiary education. Among other roles, she is a Board member of Multicultural Arts, Victoria, works as Editor-in-Chief for Segmento Magazine, Regional Advisory Committee Member for the Victorian Multicultural Commission, Member of the Centre for Resilient and Inclusive Societies Consortia, Ambassador, Melbourne Victory Football Club, Ambassador, Asian Football Cup and Love of Languages Ambassador. She is an advisor to the Society for South Sudanese Professionals Association and a past Board Member of the Edmund Rice Community and Refugee Services, and Multicultural Arts Victoria. Teresa continues to work closely with a number of community and refugee organisations. She is passionate about the protection of wildlife and contributing to a just and healthy world.



## HON MARSHA THOMSON

The Hon Marsha Thomson is a former Member of the Victorian Parliament and a former State Minister. She has held the portfolios of Minister for Consumer Affairs, Small Business and Information Communications and Technology. (First woman to hold the ICT portfolio in Australia). She has served in the Legislative Council and as the Member for Footscray. Inner Inaugural speech to Parliament Marsha said: "Government is responsible for providing social cohesion where everyone feels they have place within".

Marsha has also worked as an economic forecaster for IBIS research services and in project management for the State Transport Authority. Before retiring from Parliament in 2018 She was Special Adviser to Premier Daniel Andrews in the areas of Trade and Innovation. She has been a member of the Board of the National Ageing Research Centre since September 2019.



## VIJAYA VAIDYANATH

Vijaya Vaidyanath is the inaugural Chief Executive Officer (CEO) of Homes Melbourne, an entity within the City of Melbourne since January 2022. Prior to this role, Vijaya spent close to a decade as CEO at the City of Yarra. She was also the CEO of two New Zealand city councils for over a decade. Vijaya is a highly experienced Board/Advisory group member that includes public, private, NFPs, universities and international Banks. She is currently a Board Member of Vision Super, Procurement Australia and Parks Victoria. Vijaya has exemplary qualifications including a Senior Executive Fellow of the John F Kennedy School of Government, Harvard University, MBA from JMKatz Graduate School of Business in Pittsburgh USA, Master of Arts (Economics) and a Bachelor of Arts (Economics) from the University of Bangalore. Under the leadership of Vijaya, Yarra won global, national and local awards and recognition. Her belief in building coalitions and developing the capability of the community has been her avowed work philosophy. Vijaya is renowned for her innovation, integrity, inspiring leadership style and a unique ability to deliver results. She has enormous commitment to social justice and value-based leadership and is relishing her new role in helping the City of Melbourne deliver on its aspirations to increase the supply of affordable homes and strengthen and support the pathway for rough sleepers from 'homelessness to housing'.

# Board committees

Zoos Victoria Board Committees	Board Members	Zoos Victoria Management	Independent Members
<b>People, Culture and Safety</b>	Greg Smith AM (Chair) Dr Jennifer Beer Hon Marsha Thomson Dr Teresa De Fazio OAM	CEO Director HR Property Directors	Loren Murray
<b>Werribee Open Range Zoo Expansion Steering Committee</b>	Vijaya Vaidyanath (Chair) Hon Marsha Thomson Dr Teresa De Fazio OAM Greg Smith AM	CEO CFO WORZ Director WORZ Expansion Program Manager	Lisa Opray (DELWP) Kate Houlden (DV) Peter Van Lambaart (DV)
<b>Foundation Advisory Board</b>	Brendan Wintle Tony Hallam Vijaya Vaidyanath	CEO Director Business Development, General Manager, Philanthropy, Relationship Manager, Philanthropy	John Dyson (Chair) Olivia Bartolo Natasha Bowness Timothy Clark Elizabeth Finkel Matt Green Suzanne Halliday Kenneth Hinchcliff Colin Hyett David Lee Jamie Mi Tessa Smith Lou Tandy Andrew Vizard Elina Wilson
<b>Audit, Finance, Risk Management and Compliance</b>	Tony Hallam (Chair) Rebecca McKenzie Dr Jennifer Beer Hon Marsha Thomson	CEO CFO Senior Manager – Governance & Risk	Bill Whitford
<b>Science Advisory Committee</b>	Brendan Wintle (Chair) Greg Smith AM	CEO Director WCS Senior Research Manager GM, Community Conservation & Learning GM, Threatened Species Senior Social Science Research Manager Senior Manager Animal Welfare & Life Sciences Wildlife Health and Welfare Advisor	Bidda Jones Fern Hames Georgia Garrard Jack Pascoe John Woinarski Michael Kearney Kim Borg Paul Hemsworth

The purpose of the People Culture & Safety Committee is to provide advice on people-related policies, frameworks, and strategies to improve workforce effectiveness, health and safety and wellbeing of employees and volunteers, industrial relations and executive remuneration.

The purpose of the Werribee Expansion Steering Committee is to provide recommendations to the Zoos Victoria Board on major decisions with respect to the delivery and governance of the Werribee Open Range Zoo Expansion Program, funded by the Victorian State Government. The committee will monitor progress to ensure the benefits, outcomes and capabilities desired from the program and individual projects are realised.

The purpose of the Zoos Victoria Foundation Advisory Board is to provide advice and practical support to Zoos Victoria in identifying and raising funds from current and prospective supporters to assist Zoos Victoria to achieve its philanthropy objectives.

The Audit, Finance, Risk and Compliance Committee's purpose is to assist the Board in carrying out its duties regarding financial reporting and governance, risk management and compliance.

The Science Advisory Committee's purpose is to provide scientific advice and oversight of the assessment, quality, and impact of strategic plans and activities relating to wildlife conservation (both social and biological) and animal health and welfare for Zoos Victoria.

EASTERN BARRED BANDICOOT



# Governance and other disclosures

YELLOW-TAILED BLACK COCKATOO



## AUDIT FINANCE, RISK MANAGEMENT AND COMPLIANCE COMMITTEE

The committee assists the Board in fulfilling its responsibilities concerning financial reporting, audit activities, accounting and reporting practices, and risk management and governance.

Names	Position	Period	No. of meetings attended to no. of meeting held
Tony Hallam	Board Member (Committee Chair)	01/07/2021 to 30/06/2022	5/5
Rebecca McKenzie	Board Chair	01/07/2021 to 30/06/2022	4/5
Jennifer Beer	Board Member	01/07/2021 to 30/06/2022	5/5
Marsha Thomson	Board Member	27/04/22 to 30/06/22	1/1
Anna Meredith	Board Member	01/07/2021 to 11/02/2022	4/5

All Audit Finance, Risk Management and Compliance Committee are independent members.

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 disclosure
- Review the quality of management financial reporting and support the Board in making informed decisions regarding corporate and business plans and forecasting
- Review the financial management of the Board
- Review the effectiveness of internal controls and financial risk management procedures
- Review the appointment, scope, findings and independence of the internal and external audits
- Monitor regulatory, legal and internal control compliance
- Review and assist the development of strategies for key financial areas

### ZOOS MANAGEMENT IN ATTENDANCE, BUT NOT MEMBERS OF THE COMMITTEE:

**Dr Jenny Gray**  
Chief Executive Officer

**Mark Lucas**  
Chief Financial Officer

**Lawrence Tai**  
Senior Manager  
Governance and Risk

**INTERNAL AUDITORS:**  
RSM Australia

### FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

I, Rebecca McKenzie, on behalf of the Responsible Body, certify that Zoos Victoria has no Material Compliance Deficiencies with respect to the applicable Standing Directions of the Minister for Finance under the *Financial Management Act 1994* and Instructions.

**Rebecca McKenzie**  
Chair – Zoos Victoria  
1 July 2021 - present

## LOCAL JOBS FIRST

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy, which were previously administered separately. Departments and Public sector bodies are required to apply the Local Jobs First policy in all projects valued at \$3 million or more in metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria. MPSG applies to all construction projects valued at \$20 million or more. The MPSG guidelines and VIPP guidelines will continue to apply to MPSG applicable and VIPP applicable projects respectively, where contracts have been entered prior to 15 August 2018. During 2021-22, the Board did not commence or complete any major projects.

## COMPLIANCE WITH THE DISABILITY ACT 2006

The *Disability Act 2006* requires Zoos Victoria to prepare a disability action plan and report on its implementation in its annual report. Zoos Victoria's *Disability Action Plan* aims to reduce barriers for people with a disability to access our services and facilities and promote inclusion and participation in the community.

In the reporting period Zoos Victoria has:

Provided our Community Access program to several organisations including:

- Association for Children with a Disability (ACD). Dream Day at Melbourne Zoo was held in March 2022 with our partners ACD – over 3000 families with Children with Disability participated and we were delighted with the feedback that so many families loved the special event. We also won the Disability Inclusive Community Award for Dream Night in September 2021. Whilst we have run Dream Day for a number of years, it is so great is that we are inspiring other organisations to support visitors with disabilities. Karen Dimmock, CEO of ACD shared "We had the first ever Inclusive Pit Lane Walk

at the F1 Grand Prix Friday night, about 100 families enjoyed the amazing experience. The F1 team took on board much of what we have learnt from Dream Day. It is great to see the ripple effect of what we have been doing together and how inclusion can be built into international sporting events."

- Hosting Down Syndrome Victoria's Family Fun Day at Werribee Open Range Zoo in March 2022 to celebrate World Down Syndrome Day.
- Supporting several charities, schools and community groups by providing passes for their community and fundraising work including YMCA Victoria, Variety, Royal Children's Hospital, Make A Wish, Starlight Foundation, new arrivals to Wyndham, local African groups and City of Melbourne for NAIDOC week.

We also continued our Gold membership with the Australian Network on Disability (AND) and continued our partnership with them to become a Disability Confident Recruiter. This ongoing work included:

- Offering internships through the Stepping Into Program, a national initiative through AND which introduces skilled and talented university students with disability to our organisation.
- Providing further education and support to managers.
- Our Accessibility Champion Group, which has representatives from the organisation, assisted with driving local activities and awareness for example taking the initiative to organise training for Autism Awareness which was delivered by Amaze in December 2021.
- Attended the inaugural AND Awards Night. Our Accessibility Champion Group was nominated for the Employee Network of the Year Award.

Zoos Victoria's *Accessibility Action Plan* is aligned with the *Inclusive Victoria: State Disability Plan for 2022-26*, which is the Victorian State Government's plan to make things fairer, more inclusive and accessible for people with a disability.

## COMPLIANCE WITH THE BUILDING ACT 1993

The Zoological Parks and Gardens Board Complies with the *Building Act 1993*.

The Board ensures 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 plans for these works are lodged with the relevant local council.

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

## DISCLOSURE OF MAJOR CONTRACTS

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

## BUILDING WORKS

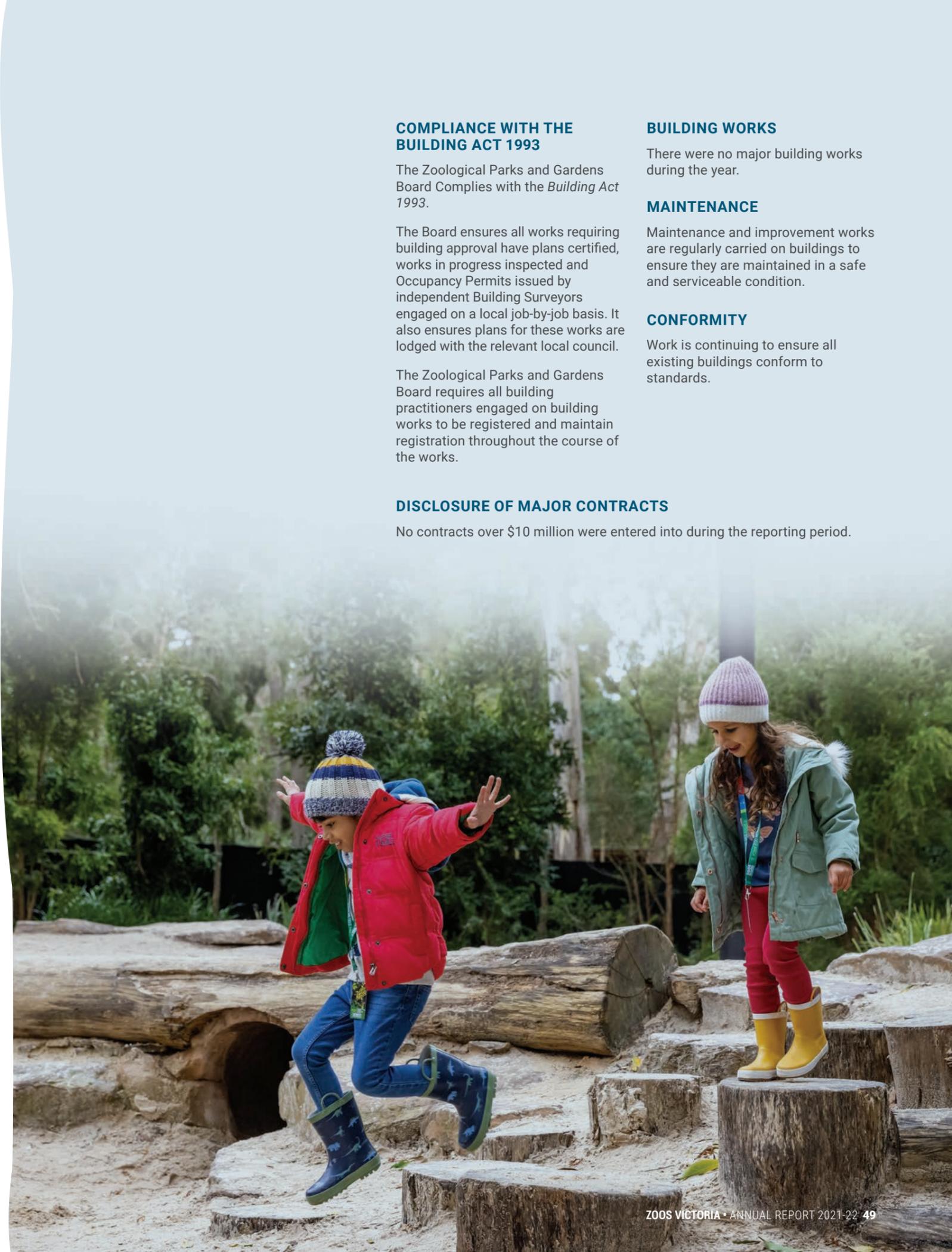
There were no major building works during the year.

## MAINTENANCE

Maintenance and improvement works are regularly carried on buildings to ensure they are maintained in a safe and serviceable condition.

## CONFORMITY

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



## FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* allows the public a right of access to documents held by Zoos Victoria. The purpose of the Act is to extend as far as possible the right of the community to access information held by government departments and agencies, local councils, Ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by a government agency. This comprises documents both created by Zoos Victoria or supplied to Zoos Victoria by an external organisation or individual, and may also include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes

The Act allows Zoos Victoria to refuse access, either fully or partially, to certain documents or information. Examples of documents that may not be accessed include: cabinet documents; some internal working documents; law enforcement documents; documents covered by legal professional privilege, such as legal advice; personal information about other people; and information provided to Zoos Victoria in confidence.

From 1 September 2017, the Act has been amended to reduce the Freedom of Information (FOI) processing time for requests received from 45 to 30 days. However, when external consultation is required under ss29, 29A, 31, 31A, 33, 34 or 35, the processing time automatically reverts to 45 days. Processing time may also be extended by periods of 30 days, in consultation with the applicant. With the applicant's agreement this may occur any number of times. However, obtaining an applicant's agreement for an extension cannot occur after the expiry of the time frame for deciding a request.

If an applicant is not satisfied by a decision made by Zoos Victoria, under section 49A of the Act, they have the right to seek a review by the Office of the Victorian Information Commissioner (OVIC) within 28 days of receiving a decision letter.

### Making a request

Access to documents can also be obtained through a written request to Zoos Victoria's Freedom of Information Officer, as detailed in s17 of the Act.

When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought.

Requests for documents in the possession of Zoos Victoria should be addressed to:

Freedom of Information Officer  
Zoos Victoria  
PO Box 74,  
PARKVILLE VIC 3052  
Email FOI request to [foi@zoo.org.au](mailto:foi@zoo.org.au)

**You can download the FOI Application Form from our webpage.**

### FOI statistics/timelines

During 2021–22, Zoos Victoria received no Freedom of Information applications.

### Further information

Further information regarding the operation and scope of FOI can be obtained from the Act; regulations made under the Act; and <https://ovic.vic.gov.au/freedom-of-information/for-the-public/>

## MAJOR EXTERNAL REVIEWS

There were no major external reviews conducted in 2021-22.

## COMPETITIVE NEUTRALITY POLICY

Competitive neutrality requires government businesses to ensure where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest. Government businesses are required to cost and price these services as if they were privately owned. Competitive neutrality policy supports fair competition between public and private businesses and provides government businesses with a tool to enhance decisions on resource allocation. This policy does not override other policy objectives of government and focuses on efficiency in the provision of service.

The Board continues to comply with the requirements of the Competitive Neutrality Policy.

## COMPLIANCE WITH PUBLIC INTEREST DISCLOSURES ACT 2012

The *Public Interest Disclosures Act 2012* (the Act) 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 Zoological Parks and Gardens Board (ZPGB) 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 ZPGB 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.

There have been no disclosures received in 2020-21 for notification to the Independent Broad-based Anti-Corruption Commission in relation to the operation, activities or officers of ZPGB.

### Reporting procedures

Zoos Victoria is not a public body able to receive public interest disclosures under the PID Act. If you wish to make a public interest disclosure about Zoos Victoria or any of its employees and/or officers, you must contact:

### The Independent Broad-based Anti-Corruption Commission (IBAC):

Level 1, North Tower, 459 Collins Street Melbourne, VIC 3000  
1300 735 135  
[www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)

Email: (see the website above for the secure email disclosure process, which also provides for anonymous disclosures)

For further information, download a copy of Zoos Victoria Making and Handling Public Interest Disclosure Procedures available our website: [www.zoo.org.au/about-us/governance-and-policies/](http://www.zoo.org.au/about-us/governance-and-policies/).

## SOUTHERN HAIRY-NOSED WOMBAT



### 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 interests at the start of each Board meeting.

### STATEMENT OF AVAILABILITY OF OTHER INFORMATION

Information relevant to the headings listed in Financial Reporting Direction 22H 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.

### DETAILS OF CONSULTANCIES (VALUED AT \$10,000 OR GREATER)

In 2021-22 there was one consultancy where the total fees payable to the consultants were \$10,000 or greater. Details of individual consultancies are outlined below.

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl. GST)	Expenditure 2021-22 (excl. GST)	Future expenditure (excl. GST)
Ernst & Young	Business case	27/05/2021	31/12/2021	\$177,787	\$177,787	Nil

### DETAILS OF CONSULTANCIES UNDER \$10,000

In 2021-22 there were no consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000.

### INFORMATION AND COMMUNICATION TECHNOLOGY EXPENDITURE

For the 2021-22 reporting period, Zoos Victoria had a total ICT expenditure of \$4,712,000 with the details shown below.

All Business as usual operational ICT expenditure	Non-Business as usual ICT expenditure related to projects to create or enhance ICT capabilities		
	Total ICT expenditure	Operational expenditure	Capital expenditure
4,712	219	0	219

### DISCLOSURE OF MAJOR CONTRACTS

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

Details of major contracts				
Details	2021-22		2020-21	
	Number	Value (\$ Million)	Number	Value (\$ Million)
Contract commenced	-	-	-	-
Contract completed	-	-	-	-

## SOCIAL PROCUREMENT FRAMEWORK

Zoos Victoria is fully committed to supporting the Victorian Government's directions under the Social Procurement Framework (SPF) and we recognise that we play a key role in advancing social and sustainable outcomes for Victorians and Victorian wildlife. In 2020, Zoos Victoria developed a Social Procurement Strategy to enable a strategic, agencywide approach to how it will deliver social and sustainable outcomes through our procurement in accordance with the Social Procurement Framework and beyond. In that Strategy, Zoos Victoria prioritised five SPF objectives – detailed in the table below, with their associated reporting metrics. These SPF objectives were chosen based on their high degree of alignment with Zoos Victoria's strategic direction and values as well as being best positioned to advance our identified social and sustainable procurement opportunities.

Objective prioritised	Outcome sought	SPF reporting metric
Supporting safe and fair workplace objectives	Purchasing from suppliers that comply with industrial relations laws and promote secure employment	Number of Victorian Government suppliers that attest to compliance with the supplier code of conduct
Sustainable Victoria social enterprises and Aboriginal business sectors	Purchasing from Victorian social enterprises and Aboriginal businesses	Number of Victorian Aboriginal businesses engaged
Environmentally sustainable outputs	Purchasing from suppliers that consider whole-of-life impacts by providing sustainably sourced goods with the least environmental impacts which are recycled and recyclable at end-of-life	Number of Victorian Government suppliers that attest to waste minimisation and provide sustainably sourced goods and materials
Environmentally sustainable business practices	Purchasing from suppliers who prioritise management of environmental performance through recycling and waste avoidance	Number of Victorian Government suppliers with accredited Environmental Management Systems and/or zero waste to landfill target
Implementation of the Climate Change Policy Objectives	Purchasing from suppliers who have carbon-neutral policies and accreditation	Number of Victorian Government suppliers with Carbon Neutral Accreditation and number of Climate Active carbon neutral products

## ACHIEVEMENTS

- Zoos Victoria's first Environmental Social and Governance (ESG) Procurement Framework was approved in June 2021, with an updated strategy forthcoming in FY23.
- Zoos Victoria seeks opportunities, where available, to directly or indirectly procure from certified Victorian social benefit suppliers.
- Zoos Victoria's Supplier Questionnaire was released in October 2021, to identify opportunities to source goods and services from suppliers who are aligned with our values and objectives, to improve visibility of our supply chain.
- Zoos Victoria continues to develop and roll out ESG procurement frameworks for each spend category to discover the most sustainably sourced goods and services, with the inclusion of animal and wildlife welfare considerations.
- The Zoos Victoria's ESG procurement framework, along with the responses from the Supply Chain review, will be used to guide and work with suppliers on the most ethical and sustainable goods.

- The Procurement Team continues to implement and oversee the disclosed 10% minimum criterion weighting for Social Procurement Framework objectives for all procurement evaluations as a mandatory assessment requirement, regardless of value.
- We revised our procurement templates to include the Victorian Government's Supplier Code of Conduct. The code incorporates minimum expectations for labour and human rights and seeks to increase supply chain opportunities for suppliers that provide safe and fair workplaces for all workers, focusing on ensuring compliance with industrial relations laws throughout supply chains, and promoting job security and addressing underpayment and exploitation of workers.
- Zoos Victoria has updated its procurement templates to require suppliers to advise us if they are a Sustainable Victorian social enterprise or Aboriginal business.
- The Procurement Team updated our procurement templates to require suppliers to advise us if they have a policy for Environmentally Sustainable Outputs. We removed single use

- plastics from property and worked with the Victorian Government on the 'Tackling Plastic Pollution', Victoria's plastic pollution policy.
- Zoos Victoria updated its procurement templates to require suppliers to advise us if they have an Environmental Management Policy and/or zero waste to landfill target. We implemented the 'three recycling channels of recycling' at our zoos to remove the option of landfill for visitors, with all catering packaging products able to be sorted, then recycled or composted. We proactively work with suppliers to remove any unnecessary packaging, or redesign to more sustainable solutions.
  - We updated our procurement templates to require suppliers to advise us if they have an Implementation of Climate Change Policy and have Carbon Neutral Accreditation. Our zoos are now powered by 100% renewable energy. All individual procurement activities undertaken in 2021-22 fell within the 'below threshold' band of Victoria's Social Procurement Framework where social procurement approaches are encouraged but not mandatory.

## SPF CASE STUDY: WORZ ROAD REPAIR & PREVENTATIVE MAINTENANCE

The provision of Werribee Open Range Zoo Road Repair and Preventative Maintenance services was presented to the market via an open public tender. Following a five-week tender period, including a mandatory site briefing, the Road Rehabilitation tender closed for evaluation and interviews.

Following the Tender Evaluation Panel's detailed consideration of the submissions, Fulton Hogan were invited to interview, and the evaluation panel ascertained that they would be capable of delivering the services in-house without requiring subcontractors, and that their Social and Sustainability response demonstrably set them apart as the unanimously preferred supplier.

These SPF objectives which carried a 15 per cent weighting include, but are not limited to:

**Sustainability:** Fulton Hogan Industries is committed to continuing the transition of construction and maintenance in the road sector from a linear to a circular economy by reusing, recycling, creating and circulating. This evolution is well advanced in with Reclaimed Asphalt Pavement (RAP), warm mix, crumb rubber, pavement recycling and glass sand being introduced and used by the sector over the last 30 years.

**Social Traders:** Fulton Hogan is an active member of Social Traders, a leading Australian social enterprise development organisation specialising in facilitating the incorporation of social enterprises into business and government supply chains. Fulton Hogan will utilise Social Trader's services to help assess the capacity and suitability of social enterprises to participate in the delivery of the works, services or supplies for the provision of the contract.

**Indigenous Communities:** Fulton Hogan is committed to increasing the inclusion and participation of Aboriginal employees in our operations and strive for increasingly stronger, more enduring and resilient relationships with Aboriginal communities.

**Supply Nation:** Fulton Hogan is a founding member of Supply Nation, the Australian leader in supplier diversity, established in 2009 to connect members of Australia's leading brands and government with Indigenous businesses across the country. Supply Nation's aim is to ensure that small to medium sized Indigenous businesses have the opportunity to be integrated into the supply chains of Australian companies and Government agencies.

**Employment opportunities for people with disability:** Fulton Hogan readily embraces initiatives that support employees with a disability, including accessibility. All necessary steps are taken to ensure workplace adjustments are made to cater for employees with disabilities enabling them to fully and actively participate as valuable members of Fulton Hogan's workforce.

**Diversity within Fulton Hogan:** Gender Equality Policies and Commitments - Fulton Hogan believes in advancement through merit and ensuring that job opportunities go to the most suitable, qualified and experienced personnel. Our objective is to provide fair and equitable treatment for all employees. Our formal program is called "Equal Employment Opportunity" (EEO), incorporating Affirmative Action for Women. Affirmative Action is a process of identifying and removing barriers to employment and to promote equal opportunities for women in the workplace. EEO means that discrimination shall not occur in the workplace due to sex, age, national origin, race, religion, marital status, sexual preference, pregnancy, disability or political conviction.

These leading Social Procurement Framework objective outcomes will provide win/win solutions for our supply chain and the Victorian Community.

# Our partners and supporters

## CORPORATE PARTNERS

### Annual Partners

Asahi Lifestyle Beverages
Dental Health Services Victoria
IXOM
Melbourne Water
Mondelez - Cadbury Dairy Milk Freddo
PETstock
RACV
Unilever Australia
<b>In-kind Partners</b>
Active Air
Baby Jogger
Green Valley Grains
Gribbles Veterinary Pathology
Insight Mobile Veterinary Diagnostics
Interpath Global
Jetpets
Mattioli
Melbourne Veterinary Specialist Centre
Troy Laboratories
Worawa Aboriginal College
YMCA

### ESTATES

*Zoos Victoria acknowledges the generosity of those who have given via a gift in their Will.*

A N & B O Williams Foundation
Kevin Stewart Cowell, a sub-fund of the State Trustees Australia Foundation
Estate of Patricia Downes
The HGK Bequest managed by Equity Trustees
Estate of Nancy Unice Jenner
Estate of Kathleen Millicent Lewellin
Estate of Betty Claire Lynch
Estate of Anthony James Major
Merle Carroll Assistance Fund
Shirley Edith Poole, a sub-fund of the State Trustees Australia Foundation
Estate of Leonard Norman Robinson
Estate of Noelle Cynthia Schollenberger
Estate of Dawn Shoebridge

## PHILANTHROPIC PARTNERS

*Zoos Victoria acknowledges the generosity of those who give via our Philanthropic Conservation Partners program, including those who give anonymously.*

### Visionary

Anonymous (1)
<b>Leader</b>
Meg Bentley
The Dyson Bequest
John T Reid Charitable Trusts
Anonymous (1)

## Influencer

Lisa Cochrane and Scott Hipkins
Finkel Foundation
Baillieu Myer AC and Sarah Myer
Nick Sims on behalf of Goldman Sachs Gives
Zoo and Aquarium Association Australasia, Wildlife Conservation Fund
Anonymous (1)

## Hero

The Dyson Family
The Fox Family
Purryburry Trust
Lady Southey AC
Sunraysia Foundation
Vizard Foundation
Volkswagen Group Australia
In memory of Dr JD Wilson
Helen Wilson
Anonymous (1)

## Champion

S. Allender
Jay Bethell and Peter Smart
The Calvert-Jones Foundation
Brian Coe & Dave Sharp
Mark and Carol Collins
JMS Foundation
Cara Kwok
The Lin Huddleston Charitable Foundation
Naomi Milgrom Foundation
PETstock and Petspiration Foundation (formerly PETstock Assist)
In honour of John Seebeck
Shirley Sullivan
Warranbrooke Pty Ltd
Stuart Webster
Kim Wood
The Wood Foundation
Anonymous (6)

## Fighter

Allen & Unwin - Albert Street Books
B M Investments Pty Ltd
Ken and Joy Barassi
The Bartolo Family
Maxine Bowness
Debbie Carruthers
The Cattermole Family
Cincinnati Zoo & Botanical Garden
Alan and Jillian Cobb
Coote Family Lawyers
Debbie Dadon AM
David & Lone Ford
Simon and Christina Edelstein
The Garry White Foundation
Rose Gilder
Alexander Gosling AM and Wirat Sukprem
Lesley Griffin

Hallam-Ho Family
Angela Hey
The Hooper Family
In Memory of Jean Margaret Howard
Ian Barker Gardens
Greg Jeffers and Alicia Vengust
Suzanne Kirkham
Melody Ku and Jian An Lim
Alexander and Nicholas Lee
Peter Lemon
In memory of Barbara Martyn
McPhee Charitable Trust
Kujtim Memishi
Microchips Australia
In honour of Helen Anderson Miller
Helen Myall and Alastair Firkin
Nashville Zoo
Janice Pleydell
Nola Schenk
Elaine and Richard Stradwick
Anonymous (4)

*Please visit our supporters page for further information: [zoo.org.au/donate/our-supporters/](http://zoo.org.au/donate/our-supporters/)*

## COMMUNITY PARTNERS

Australian Children with a Disability (ACD)
Bunurong Land Council Aboriginal Corporation
Cardinia Catchment Landcare
Challenge
City West Water
Community and Public Sector Union
Construction, Forestry, Mining and Energy Union
Country Fire Authority
HeartKids
Help for Wildlife
Leukemia Foundation
Make a Wish
Melbourne Airport
Member for Seymour, Cindy McLeish
Monash Children's Hospital
Orygen
RACV Healesville Country Club
Royal Children's Hospital
Starlight Foundation
United Voice
University of Melbourne
Urban Camp
Variety
Wadawurrung Traditional Owners Aboriginal Corporation
Werribee River Association
Wildlife Victoria
Worawa Aboriginal College
Wyndham Children's Week Festival
Wyndham Community and Education Centre
YMCA Victoria

## TOURISM PARTNERS

Australian Tourism Export Council
Business Events Geelong
Business Events Victoria
City of Melbourne
Committee for Wyndham
Go Beyond Melbourne
Great Southern Touring Route
Les Clef d'Or
Melbourne Convention Bureau
Sydney Melbourne Touring Route
Tennis Australia
Tourism Australia
Tourism Greater Geelong and the Bellarine
Victorian Tourism Industry Council
Visit Victoria
Western Melbourne Tourism
Werribee Business and Tourism Association
Yarra Ranges Tourism
Yarra Valley Business and Tourism Association

## GOVERNMENT PARTNERS

ACT Environment and Sustainable Development Directorate
Animal Quarantine and Inspection Service
Centre for Ecological Learning
City of Melbourne
Commissioner for Environmental Sustainability Victoria
Department of Agriculture, Water and the Environment (Aust)
Department of Education and Training (Vic)
Department of Environment, Land, Water and Planning (Vic)
Department of Health and Human Services (Vic)
Department of Jobs, Precincts and Regions (Vic)
Department of Treasury and Finance (Vic)
Department for Environment and Water (SA)
NSW Department of Planning, Industry and Environment
Victorian Catchment Management Authorities
Victorian Fisheries Authority

## Education

Aboriginal Catholic Ministry Victoria
Engagement Specialist Advisory Group, Zoo and Aquarium Association
Environment Education Victoria
Environment Protection Authority
Environmental Education in Early Childhood
Environmental Science Teachers Network
Faculty of Education, Monash University
Geography Teachers' Association of Victoria
Healesville Indigenous Community Services Association
International Zoo Educators Association
Melbourne Archdiocese Catholic Schools
NSW Office for Environment and Heritage
Parks Victoria
Phillip Island Nature Parks
Princes Trust

Reconciliation Victoria
Royal Botanic Gardens
RSPCA Victoria
Science Teachers' Association of Victoria
Somers School Camp
Sustainability Victoria
Tangaroa Blue
Tourism Australia
Victorian Association for Philosophy in Schools
Victorian Youth Advisory Council
Wathaurung Aboriginal Corporation
Worawa Aboriginal College
Wurundjeri Council
Wyndham City Council
Yarra Ranges Shire Council
YMCA Victoria
PETstock Assist

## Conservation & Research

ACT Environment and Sustainability
Adrift Lab
Animal and Gene Resource and Storage Centre – Monash University
Arthur Rylah Institute for Environmental Research
Aussie Ark
Australasian Dark Sky Alliance
Australian Conservation Foundation
Australian Museum
Australian National University
Bass Coast Shire
Australian Veterinary Association
Baw Baw Frog Recovery Team
Baw Baw National Park
Baw Baw Shire Council
BeadWORKS
Behaviour Works Australia
BirdLife Australia
Bjarne K Dahl
Bush Heritage Australia
Cardinia Shire Council
Canidae Development
CeRDI – Federation University
City of Melbourne
City of Monash
City of Port Phillip
Charles Sturt University
Conservation Planning Specialist Group
Conservation Volunteers Australia
Corroboree Frog Recovery Team
Currumbin Wildlife Sanctuary
Deakin University
Department of Environment, Land, Water and Planning (Vic)
Department of Natural Resources and Environment Tasmania
Dian Fossey Gorilla Fund International
Dunkeld Pastoral Co Pty Ltd
Eastern Barred Bandicoot Recovery Team
Elanus Consulting
Fauna & Flora International

FaunaBank
Featherdale Wildlife Park
Federation University
Friends of the Leadbeater's Possum Inc
Friends of the Helmeted Honeyeater Inc
Future Fish
Genovese Coffee
Gorilla Doctors
Greening Australia
Helmeted Honeyeater Recovery Team Inc
ICON Science Research Group, RMIT University
Institute for Marine and Antarctic Studies
La Trobe University
Lake Mountain Alpine Resort
Land for Wildlife
Leadbeater's Possum Recovery Team
Lord Howe Island Board
Lord Howe Island Museum
Mabuwaya Foundation
Melbourne Water
Mobile Muster
Monash University
Mountain Pygmy-possum Recovery Team
Mount Baw Baw Alpine Resort
Mt Buller and Mt Stirling Management Board
Mt Hotham Alpine Resort Management Board
Mt Rothwell Biodiversity Interpretation Centre
Mt Toolebewong and District Landcare
Murdoch University
Museums Victoria
National Geographic
National Recovery Team for the Brush-tailed Rock-wallaby
Northern Plains Conservation Management Network
Odonata
Orange-bellied Parrot Recovery Team
Parks Victoria
Phillip Island Nature Parks
PhoneCycle
Plains-wanderer Recovery Team
Port Moresby Nature Park
Port Phillip and Westernport Catchment Management Authority
Port Phillip Ecocentre
Priam Psittaculture Centre
Regent Honeyeater Recovery Team
Remember the Wild
RMIT University
RSPCA Australia
RSPCA Victoria
San Marino Municipal Government
Save the Tasmanian Devil Program
Société d'Ornithologie de Polynésie Manu
Southern Bent-wing Bat Recovery Team
Southern Cross University
Spotted Tree Frog Recovery Team Red-tailed Black-Cockatoo Recovery Team
SWIFFT
Swinburne University

Taronga Conservation Society Australia  
 The Carnivore Conservancy  
 Threatened Mallee Birds Steering Committee  
 Tidbinbilla Nature Reserve  
 Tiverton Property Partners  
 Tree Kangaroo Conservation Program  
 Trust for Nature  
 University of Canberra  
 University of Melbourne  
 University of Newcastle  
 University of Queensland  
 University of South Australia  
 University of Sydney  
 University of Tasmania  
 University of Western Australia  
 University of Wollongong

Uganda Wildlife Education Centre  
 Urban Light Lab - University of Melbourne  
 Victoria University  
 Wildlife Profiles  
 Wildlife Unlimited  
 Woodland Park Zoo  
 World Association of Zoos and Aquariums  
 WWF Australia  
 Yarra Valley Water  
 Zoo and Aquarium Association  
 Zoos SA

#### Catering Partners

Compass Group  
 Kitchen & Butcher

PLAINS-WANDERER

## Disclosure index

LEGISLATION	REQUIREMENT	PAGE REFERENCE
FRD 10	Disclosure index	59
FRD 22	Objectives, functions, powers and duties	6-7
FRD 22	Manner of establishment and responsible Minister	7
FRD 22	Nature and range of services provided	6
FRD 22	Key performance indicators	36
FRD 22	Summary of the financial results	38
FRD 22	Major changes or factors affecting performance	38
FRD 22	Subsequent events	38
FRD 22	Significant changes in financial position during the year	38
FRD 22	Organisational structure	34
FRD 22	Occupational health and safety policy	28
FRD 22	Employment and conduct principles	35
FRD 29	Workforce Data disclosures	35
FRD 15	Executive Officer disclosures	110
FRD 22	Details of consultancies in excess of \$10 000	53
FRD 22	Details of consultancies under \$10 000	53
FRD 22	Disclosure of government advertising expenditure	53
FRD 12	Disclosure of major contracts	49
FRD 22	Disclosure of ICT expenditure	53
FRD 22	Statement on National Competition Policy	51
FRD 22	Application and operation of Protected Disclosures Act 2012	51
FRD 22	Summary of environmental performance	23
FRD 22	Statement of availability of other information	53
FRD 22	Application and operation of Freedom of Information Act 1982	50
FRD 22	Compliance with Building Act 1993	49
FRD 25	Local Jobs First	48
SD 5.2.2	Declaration in financial statements	63
SD 5.2.3	Declaration in report of operations	2
SD 5.4.1	Attestation for compliance with Ministerial Standing Direction	47
	<b>Legislation</b>	
	<i>Building Act 1993</i>	47
	<i>Financial Management Act 1994</i>	45
	<i>Freedom of Information Act 1982</i>	48
	<i>Local Jobs First Act 2003</i>	46
	<i>Public Interest Disclosure Act 2012</i>	49
	<i>Zoological Parks and Gardens Act 1995</i>	7

Annual Report 2021-22

# *Financial Report*



## How this report is structured

The Zoological Parks and Gardens Board (Board) presents its audited general purpose financial statements for the financial year ended 30 June 2022 and provides users with the information about the Board's stewardship of resource entrusted to it. It is presented in the following structure:

### FINANCIAL STATEMENTS

Comprehensive operating statement	64
Balance sheet	65
Statement of changes in equity	66
Cash flow statement	67

### NOTES TO THE FINANCIAL STATEMENTS

<b>1 ABOUT THIS REPORT</b>	<b>68</b>	<b>6 HOW WE FINANCE OUR OPERATIONS</b>	<b>91</b>
		Borrowings, leases, commitments for expenditure and cash flow information	
<b>2 FUNDING THE DELIVERY OF OUR SERVICES</b>	<b>71</b>	6.1 Borrowings and leases	91
Revenue recognised from rendering of services and sale of good, grants, donations and other sources		6.2 Commitments for expenditure	95
2.1 Summary of income that funds the delivery of our services	71	6.3 Cash flow information and balances	95
2.2 Rendering of services and sale of goods	71	<b>7 RISK, CONTINGENCIES, AND VALUATION JUDGEMENTS</b>	<b>97</b>
2.3 Government and other grants	73	Financial risk management, contingent assets and liabilities, and fair value determination	
2.4 Other income	75	7.1 Financial instruments specific disclosure	97
<b>3 THE COST OF DELIVERING THE SERVICES</b>	<b>76</b>	7.2 Contingent assets and contingent liabilities	104
Operating expenses for the financial year		7.3 Fair value determination	104
3.1 Summary of expenses in the delivery of services	76	<b>8 OTHER DISCLOSURES</b>	<b>109</b>
3.2 Employee expenses	76	8.1 Subsequent events	109
3.3 Other expenses	80	8.2 Remuneration of executives	110
<b>4 KEY ASSETS AVAILABLE TO SUPPORT OUR SERVICES</b>	<b>81</b>	8.3 Responsible persons	111
Land, property, plant and equipment, vehicles and intangible assets		8.4 Related parties	112
4.1 Land, property, plant and equipment and vehicles	81	8.5 Remuneration of auditors	113
4.2 Intangible assets	86	8.6 Ex-gratia expenses	114
4.3 Investments	87	8.7 Reserves	114
<b>5 OTHER ASSETS AND LIABILITIES</b>	<b>88</b>	8.8 Other accounting policies	115
Working capital balances and other key assets and liabilities		8.9 Glossary of terms	116
5.1 Receivables	88		
5.2 Payables and contract liabilities	90		
5.3 Inventories	91		
5.4 Other non-financial assets	91		

## Declaration

We certify that the attached financial statements for the Zoological Parks and Gardens Board have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under 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 accompanying notes present fairly the financial transactions during the year ended 30 June 2022 and the financial position of the Zoological Parks and Gardens Board at 30 June 2022.

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

We authorise the attached financial statements for issue on 12 October 2022.



**Rebecca McKenzie**  
Chair  
Melbourne



**Dr Jenny Gray**  
Chief Executive Officer  
Melbourne



**Mark Lucas**  
Chief Financial Officer, FCA  
Melbourne

## FINANCIAL STATEMENTS

**Comprehensive operating statement for the financial year ended 30 June 2022**

(\$ thousand)			
	Notes	2022	2021
<b>Income from transactions</b>			
Rendering of services and sale of goods	2.2	48,371	39,301
Government and other grants	2.3	60,293	46,660
Other income	2.4	6,548	5,998
<b>Total income from transactions</b>		<b>115,212</b>	<b>91,959</b>
<b>Expenses from transactions</b>			
Employee expenses	3.2	(74,603)	(66,198)
Other expenses	3.3	(33,638)	(24,857)
Depreciation, amortisation and impairment	4.1.1	(14,796)	(12,611)
Interest expense	6.1.2	(21)	(21)
<b>Total expenses from transactions</b>		<b>(123,058)</b>	<b>(103,687)</b>
<b>Net /(deficit) from transactions</b>		<b>(7,846)</b>	<b>(11,728)</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on disposal of physical assets		217	(23)
Net gain/(loss) on financial assets		262	335
Net gain/(loss) arising from revaluation of long service leave liability due to change in bond rates		1,677	408
<b>Total other economic flows included in net result</b>		<b>2,156</b>	<b>720</b>
<b>Net /(deficit)</b>		<b>(5,690)</b>	<b>(11,008)</b>
<b>Other economic flows – other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Gain/(loss) in physical asset revaluation surplus	7.3.3.4	18,233	49,133
Gain/(loss) to the fair value of investments measured at fair value through other comprehensive income	8.7.2	(690)	732
<b>Total other economic flows – other comprehensive income</b>		<b>17,543</b>	<b>49,865</b>
<b>Comprehensive result surplus</b>		<b>11,853</b>	<b>38,857</b>

The accompanying notes form part of these financial statements.

**Balance sheet as at 30 June 2022**

(\$ thousand)			
	Notes	2022	2021
<b>Assets</b>			
<b>Current financial assets</b>			
Cash and cash equivalents	6.3	51,618	30,752
Receivables	5.1	4,483	1,381
<b>Total current financial assets</b>		<b>56,101</b>	<b>32,133</b>
<b>Non-current financial assets</b>			
Investments	4.3	5,220	5,519
<b>Total financial assets</b>		<b>61,321</b>	<b>37,652</b>
<b>Non-financial assets</b>			
Land, property, plant and equipment and vehicles	4.1.2	419,205	404,420
Intangible assets	4.2	2,007	2,140
Inventories	5.3	699	621
Other non-financial assets	5.4	473	367
<b>Total non-financial assets</b>		<b>422,384</b>	<b>407,548</b>
<b>Total assets</b>		<b>483,705</b>	<b>445,200</b>
<b>Liabilities</b>			
Employee benefits	3.2.2	18,531	17,599
Payables and contract liabilities	5.2	17,099	12,207
Borrowings and leases	6.1	698	465
<b>Total liabilities</b>		<b>36,328</b>	<b>30,271</b>
<b>Net assets</b>		<b>447,377</b>	<b>414,929</b>
<b>Equity</b>			
Accumulated surplus/(deficit)		(47,603)	(42,237)
Contribution by owners		157,894	137,299
Endowment reserve	8.7.1	5,125	5,449
Financial assets at fair value through comprehensive income revaluation reserve	8.7.2	(117)	573
Physical asset revaluation surplus	7.3.3.4	332,078	313,845
<b>Net worth</b>		<b>447,377</b>	<b>414,929</b>
Commitments for expenditure	6.2		
Contingent assets and contingent liabilities	7.2		

The accompanying notes form part of these financial statements.

## FINANCIAL STATEMENTS

## Statement of changes in equity for the financial year ended 30 June 2022

(\$ thousand)							
Movements in carrying amounts	Notes	Accumulated surplus/ (deficit)	Contributions by owner	Endowment reserve	Financial assets at FV through other comprehensive income	Physical asset revaluation surplus	Total
<b>Opening balance at 1 July 2020</b>		<b>(30,685)</b>	<b>129,623</b>	<b>4,905</b>	<b>(159)</b>	<b>264,712</b>	<b>368,396</b>
Net result for the year		(11,008)	-	-	-	-	(11,008)
Transfer/ movement to Endowment reserve	8.7.1	(544)	-	544	-	-	-
Contributed capital by owners	8.8.2	-	7,676	-	-	-	7,676
Other comprehensive income for the year	7.3.3.4, 8.7.2	-	-	-	732	49,133	49,865
<b>Balance at 30 June 2021</b>		<b>(42,237)</b>	<b>137,299</b>	<b>5,449</b>	<b>573</b>	<b>313,845</b>	<b>414,929</b>
Net result for the year		(5,690)	-	-	-	-	(5,690)
Transfer/ movement to Endowment reserve	8.7.1	324	-	(324)	-	-	-
Contributed capital by owners	8.8.2	-	20,595	-	-	-	20,595
Other comprehensive income for the year	7.3.3.4, 8.7.2	-	-	-	(690)	18,233	17,543
<b>Balance at 30 June 2022</b>		<b>(47,603)</b>	<b>157,894</b>	<b>5,125</b>	<b>(117)</b>	<b>332,078</b>	<b>447,377</b>

The accompanying notes form part of these financial statements.

## Cash flow statement for the financial year ended 30 June 2022

(\$ thousand)			
	Notes	2022	2021
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipts from sales of goods and services		47,669	43,089
Receipts from government and other grants		60,405	46,660
Sponsorship, grants and donations received		5,621	5,303
GST net refunded from/(payable to) the ATO <sup>(i)</sup>		2,447	870
Receipts from other sources		782	628
Interest received		676	107
<b>Total receipts</b>		<b>117,600</b>	<b>96,657</b>
<b>Payments</b>			
Payments to employees		(71,638)	(64,212)
Payments to suppliers		(34,220)	(27,277)
Interest and other costs of finance paid		(21)	(21)
<b>Total payments</b>		<b>(105,879)</b>	<b>(91,510)</b>
<b>Net cash flows from operating activities</b>	6.3.2	<b>11,721</b>	<b>5,147</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment and vehicles		(10,877)	(4,288)
Payments for intangible assets	4.2.1	(149)	(203)
Proceeds from sale of VFMC investment		-	5,500
Payments for VFMC investments		(391)	(650)
Proceeds from sale of plant and equipment and vehicles		225	18
<b>Net cash flows from/(used in) investing activities</b>		<b>(11,192)</b>	<b>377</b>
<b>Cash flows from financing activities</b>			
Owner contributions by State Government		20,595	7,676
Repayment of finance lease liabilities		(258)	(145)
<b>Net cash flows from financing activities</b>		<b>20,337</b>	<b>7,531</b>
<b>Net increase in cash and cash equivalents</b>		<b>20,866</b>	<b>13,055</b>
Cash and cash equivalents at the beginning of the financial year		30,752	17,697
<b>Cash and cash equivalents at the end of the financial year</b>	6.3	<b>51,618</b>	<b>30,752</b>

<sup>(i)</sup> Goods and Services Tax (GST) refunded by the Australian Taxation Office (ATO) is presented on a net basis. The accompanying notes form part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## 1. ABOUT THIS REPORT

### 1.1 Reporting Entity

The Zoological Parks and Gardens Board ("Board") operates under the *Zoological Parks and Gardens Act 1995* and is responsible 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. Its principal address is Elliott Avenue, Parkville, Melbourne, Victoria 3052. A description of the nature of its operations and its principal activities is included in the "Report of operations," which does not form part of these financial statements.

### 1.2 Basis of preparation

These financial statements are in Australian dollars, and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting and going concern has been applied in preparing 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, except for Government Grants which 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.

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Board. 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 to or distributions by owners have also been designated as contributions by owners.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes, where amounts affected by those judgements are disclosed. 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.

Judgements and assumptions made by management in applying Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates relate to:

- The fair value of land, buildings, infrastructure, plant and equipment (note 7.3)
- Employee benefits provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (note 3.2.2)
- Estimated useful lives over which non-financial assets are depreciated (note 4.1.1)
- The timing of satisfaction of performance obligation (note 2.2)
- For leases, determining whether the arrangement is in substance a short-term arrangement and estimating the discount rate when not implicit in the lease (note 6.1)
- The impacts of COVID-19 on financial report and going concern (note 1.6).

### 1.3 Compliance information

These general purpose financial statements have been prepared in accordance with the Financial Management Act 1994 (FMA) and applicable AAS's, which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 Whole of Government and General Government Sector Financial Reporting.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure 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.

These annual financial statements were authorised for issue by the Board on 12 October 2022.

# NOTES TO THE FINANCIAL STATEMENTS

### 1.4 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 that are recoverable from or payable to the taxation authority are presented as operating cash flow.

### 1.5 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.

### 1.6 COVID-19 impact

In March 2020, the State Government declared a State of Emergency as a result of the COVID-19 global health pandemic. Since that time this has led to a number of operating restrictions that have had a significant impact on the operating and economic environment that impacted the ability of the Board to trade over the last three financial years including the current financial year.

Since March 2020 the three zoos have been closed to the public for a total 130 days in 2020-21 and 91 days in 2021-22 and at other times when the zoos were open, they were subject to visitor cap restrictions. These closures and restrictions have resulted in a significant loss of trading revenue from rendering goods and services such as admissions, zoo activities and retail and catering sales. During this time, all animal care and welfare needs, building infrastructure and utility requirements continued to be provided to the animal collection at all three zoos.

During the 2021-22 period, the Board continued to reduce its transactional expenditure (excluding costs related to animal care, welfare, and safety) wherever possible to assist in offsetting the loss in revenue. As a State Government-owned entity, the Board is not eligible for JobKeeper but has kept full time, part-time and designated casual staff employed as a result of the application of the Victoria Public Sector guidance for COVID-19 and with ongoing financial support from the State Government to maintain employment.

The Board has worked closely with the State Government through the responsible Minister and the Department of Environment Land, Water and Planning (DELWP) to maintain adequate financial support during these periods of closure and visitor restrictions to the public, including the provision to DELWP of regular and detailed cash flow forecasts. As a result, DELWP provided additional COVID financial support of \$12.4m (2020/21 \$13.9m) during the year. The responsible Minister through DELWP has further committed to provide ongoing financial support for Zoos Victoria to meet its financial responsibilities, including the provision of a letter of financial support for the period until 30 November 2023.

The Federal Government has also provided COVID-19 financial support of \$10.7m (2020-21 \$11m) through its Zoos and Aquariums Financial Support Package.

There are financial account balances directly affected by the closure and visitor restrictions of the three zoos to the public and other account balances affected by COVID-19 due to management's judgements and assumptions about the future and estimation uncertainty.

# NOTES TO THE FINANCIAL STATEMENTS

The Board has reviewed the underlying accounting policies and assumptions of all balance sheet accounts and operating statement items in the preparation of these financial statements and has not made any adjustment to those balances or amounts as a result of COVID-19. Further disclosures to reflect the Board's judgements, assumptions, and consequential impact of COVID-19 can be found in:

- Note 2.2 Rendering of services and sale of goods
- Note 2.3 Government and other grants
- Note 3.2 Employee Expenses
- Note 3.3 Other Expenses
- Note 4.1.1 Depreciation, amortisation and impairment of property, plant and equipment and vehicles
- Note 5.1 Receivables

Due to the continuing nature of this event and the uncertainty that exists, it is not possible to quantify the full economic impact of COVID-19 on the operations of the Board. The Board has assessed its financial position in accordance with the impact of COVID-19 on Going Concern and related assessments as jointly published by the Australian Accounting Standards Board and the Auditing and Assurance Standards Board, and DELWP have committed to providing ongoing cash flow support to meet the Boards current and future obligations as and when they fall due for a period up to 30 November 2023. On that basis, it has been determined that the going concern assumption remains the appropriate basis for the preparation of the 2021-22 annual financial report.

## 1.7 Bushfire impact

During December 2019 and January 2020, Victoria, New South Wales and South Australia were subject to extreme bushfires, which led to wide-scale devastation of animals and habitat. The Board responded to this emergency by providing staff and services to look after injured wildlife at triage centres across the state and provided animal care and rehabilitation at its three zoo properties.

In January 2020, the Board launched a Bushfire Emergency Wildlife Appeal, which until 30 June 2022 has raised a total of \$12.5m (\$11.1m in the previous two financial years). These donations and grants are disclosed in the accounts in Other Income (Note 2.4.2). These funds have been and will continue to be used in accordance with the terms of the Bushfire Response and Recovery Plan, as approved by the Board in March 2020 and continue to be spent providing support capability, zoo facilities including expansion to hospital facilities and field work to assist in the rehabilitation of animals and habitat.

## 2. FUNDING THE DELIVERY OF OUR SERVICES

### Introduction

The Board's revenue comes from various sources, namely income from rendering of services such as admission, membership and commercial activities, government grants and other income such as sponsorship, donations, interest earned and other contributions.

### Structure

2.1	Summary of income that funds the delivery of our services	71
2.2	Rendering of services and sale of goods	71
2.3	Government and other grants	73
2.4	Other income	75

### 2.1 Summary of income that funds the delivery of our services

		(\$ thousand)	
	Notes	2022	2021
Rendering of services and sale of goods	2.2	48,371	39,301
Government and other grants	2.3	60,293	46,660
Other income	2.4	6,548	5,998
<b>Total income from transactions</b>		<b>115,212</b>	<b>91,959</b>

Income that funds delivery of the Board's services is accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

### 2.2 Rendering of services and sale of goods

		(\$ thousand)	
	Notes	2022	2021
Rendering of services	2.2.1	42,754	34,451
Sale of goods		5,617	4,850
<b>Total income from rendering of services and sale of goods</b>		<b>48,371</b>	<b>39,301</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 2. FUNDING THE DELIVERY OF OUR SERVICES (CONTINUED)

#### 2.2.1 Rendering of services and sale of goods

Income from rendering of services is recognised when the services are rendered. It includes items such as income from gate admissions, zoo memberships, catering revenue and income from zoo activities. Income from the sale of goods includes retail sales, and 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 reliably measured.

The income from rendering of services and sale of goods in the 2022 financial year continued to be affected by COVID which reduced trading activity from July to December 2021 as a result of the closure of the three zoos to the public during this time for 91 days and visitor cap limits due to COVID-19 restrictions.

The rendering of services and sale of goods included in the table above are transactions that the Board has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

#### Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in the contract with the customer. The Board recognises revenue when it transfers control of a good or service to the customer, i.e. when, or as, the performance obligations for the sale of services, goods, and assets to the customer are satisfied.

- Revenue is measured based on the consideration specified in the contract with the customer. The Board recognises revenue when it transfers control of a good or service to the customer, i.e. when, or as, the performance obligations for the sale of services, goods, and assets to the customer are satisfied. Customers obtain control of the supplies and consumables at a point in time when the goods or services are delivered to and have been accepted by the customer;
- Revenue from the sale of goods is recognised when the goods or services are delivered and have been accepted by the customer;
- Revenue from the rendering of services such as membership, admissions and zoo activities is recognised at a point in time when the performance obligation is satisfied when the service is completed; and over time when the customer simultaneously receives and consumes the service as it is provided.

Customers are invoiced and revenue is recognised when retail goods are delivered and accepted by customers. For services rendered, where customers simultaneously receive and consume the services as it is provided, revenue is recognised progressively as contract assets until the customer is subsequently invoiced in accordance with the terms of the service agreement. For other customers that are only able to consume the services when they have been completed, revenue is only recognised upon completion and delivery of the services.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 5.2). Where the performance obligations are satisfied but not yet billed, a contract asset is recorded (Note 5.1).

### 2. FUNDING THE DELIVERY OF OUR SERVICES (CONTINUED)

#### 2.3 Government and other grants

		(\$ thousand)	
	Notes	2021	2020
Within portfolio department	2.3.1	47,305	33,544
Other state government departments	2.3.2	874	612
Others	2.3.3	12,114	12,504
<b>Total government and other grants</b>		<b>60,293</b>	<b>46,660</b>

(i) The Parks and Reserves Trust Account.

#### Grants recognised under AASB 1058

The Board has determined that the grant income included in the table above under AASB 1058 has been earned under arrangements that are either not enforceable and/or not linked to sufficiently specific performance obligations.

Income from grants without any sufficiently specific performance obligations or that is not enforceable is recognised when the Board has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the Board recognises any related contributions by owners, increases in liabilities, decreases in assets, and revenue in accordance with other Australian Accounting Standards.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. FUNDING THE DELIVERY OF OUR SERVICES (CONTINUED)

#### 2.3.1 Government grants – within portfolio department

The Board's portfolio department is the Department of Environment, Land, Water and Planning (DELWP). All Grants received from DELWP are recorded here, including funds from the Parks and Reserves Trust Account (PRTA), the source of 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 operations for conservation, recreation, leisure, maintenance and tourism.

The increase in grant income in 2021-22 includes grant income of \$12.4m (2020-21 \$13.9m) from DELWP to assist in offsetting the loss of revenue from rendering goods and services due to COVID-19, as well as a \$5m grant for Platypus facilities at Healesville Sanctuary and \$4m for the Werribee Expansion.

#### 2.3.2 Government grants – other state government departments

Grants from all other State Government Departments are included here. The Board receives regular grants from the Department of Education and Training to support education programs for primary and secondary schools. Occasionally the Board may receive funds for one-off programs from other State Government Departments.

#### 2.3.3 Others – including Federal Government grants

Other grants are usually one-off grants from other partners such as Commonwealth Departments and the Catholic Education Office.

In 2020-21, the Federal Government introduced "Supporting Australia's Exhibiting Zoos and Aquariums Program" to provide financial assistance to zoos and aquariums whose external trading revenue had been reduced as a result of COVID-19, and this program continued in 2021-22. The Board continued to meet this grant funding's conditions, and as a result, the Board received \$10.7m (2020-21 \$11m) from this program.

### 2. FUNDING THE DELIVERY OF OUR SERVICES (CONTINUED)

#### 2.4 Other income

		(\$ thousand)	
	Notes	2022	2021
Interest income	2.4.1	145	67
Sponsorship, grants and donations	2.4.2	4,181	3,140
Bushfire Appeal grants and donations	2.4.3	1,440	2,163
Sundry income	2.4.4	782	628
<b>Total other income</b>		<b>6,548</b>	<b>5,998</b>

#### 2.4.1 Interest income

Interest income includes interest received on the Board's bank accounts. Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

#### 2.4.2 Sponsorship, grants and donations

Sponsorship, grants, bequests, donations and contributions from Corporates, Trusts & Foundations 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. The Board has endorsement as a deductible gift recipient (DGR) from the Australian Taxation Office. Any donation above \$2 is tax-deductible.

#### 2.4.3 Bushfire Appeal grants and donations

The 2021-22 amount received is \$1.4m. This is grants and donations income received as a result of the establishment by the Board of a Bushfire Emergency Wildlife Fund following the Victoria bushfires in December 2019 and January 2020, with funds raised to assist with the response and recovery activities for wildlife and their habitat. \$8.9m was received in 2019/20 and a further \$2.2m in 2020-21. These grants and donations relating to the Bushfire Emergency Wildlife Fund have been accounted for in accordance with AASB 1058. As at June 2022, the balance of the Bushfire Emergency Wildlife Fund was \$5m (2020-21 \$7.9m).

#### 2.4.4 Sundry income

Sundry income includes rental income and outgoings recovered from caterers, insurance claims, receipts from disposal of assets at auction, reimbursements of expenditure, miscellaneous items. Sundry income is usually ad hoc or one-off during the year. Sundry income is recognised when the services are rendered.

## NOTES TO THE FINANCIAL STATEMENTS

### 3. THE COST OF DELIVERING THE SERVICES

#### Introduction

This section provides an account of the expenses incurred by the Board in operating the three zoos namely:

- Melbourne Zoo;
- Healesville Sanctuary; and
- Werribee Open Range Zoo.

#### Structure

3.1	Summary of expenses in the delivery of services	76
3.2	Employee expenses	76
3.3	Other expenses	80

#### 3.1 Summary of expenses in the delivery of services

(\$ thousand)			
	Notes	2022	2021
Employee expenses	3.2	74,603	66,198
Other expenses	3.3	33,638	24,857
<b>Total expenses incurred in the delivery of services</b>		<b>108,241</b>	<b>91,055</b>

#### 3.2 Employee expenses

(\$ thousand)			
	Notes	2021	2020
Salary and wages, annual leave and long service leave		62,004	56,415
Payroll tax		3,362	2,898
WorkCover		680	459
Movement in provisions – annual leave and long service leave		2,615	1,207
<b>Sub-total</b>		<b>68,661</b>	<b>60,979</b>
Superannuation	3.2.1	5,942	5,219
<b>Total employee expenses</b>		<b>74,603</b>	<b>66,198</b>

Employee expenses include all costs related to employment, including wages and salaries, leave entitlements and termination benefits. These are recognised when incurred.

During COVID-19 lockdowns, the Board has followed the Victorian Public Service guidance requirements in relation to the ongoing employment of existing full time, part-time and designated casual staff.

## NOTES TO THE FINANCIAL STATEMENTS

### 3. THE COST OF DELIVERING THE SERVICES (CONTINUED)

#### 3.2.1 Superannuation

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

Employer's superannuation contributions paid or payable for the reporting period are included in the comprehensive operating statement of the Board. The details are outlined below.

Details	(\$ thousand)					
	Contributions paid		Contributions outstanding		Total contributions	
	2022	2021	2022	2021	2022	2021
ESSSuper defined benefit plan	199	241	-	-	199	241
Vicsuper	3,218	2,621	256	225	3,474	2,846
Others	2,017	1,928	252	204	2,269	2,132
<b>Total</b>	<b>5,434</b>	<b>4,790</b>	<b>508</b>	<b>429</b>	<b>5,942</b>	<b>5,219</b>

Employer superannuation expenses in relation to employees who are members of the defined benefit superannuation 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 the 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.

## NOTES TO THE FINANCIAL STATEMENTS

### 3. THE COST OF DELIVERING THE SERVICES (CONTINUED)

#### 3.2.2 Employee benefits in the balance sheet

Provision is made for benefits accruing to employees in respect of annual leave and long service leave for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	(\$ thousand)	
	2022	2021
<b>Provisions</b>		
<b>Current</b>		
Annual Leave		
– Unconditional and expect to settle wholly within 12 months	3,850	3,507
– Unconditional and expect to settle wholly after 12 months	2,215	2,130
	<b>6,065</b>	<b>5,637</b>
Long Service Leave		
– Unconditional and expect to settle wholly within 12 months	781	778
– Unconditional and expect to settle wholly after 12 months	7,308	7,162
	<b>8,089</b>	<b>7,940</b>
Provisions related to employee benefit on-costs		
– Unconditional and expect to settle wholly within 12 months	743	678
– Unconditional and expect to settle wholly after 12 months	1,549	1,460
	<b>2,292</b>	<b>2,138</b>
<b>Total current provisions</b>	<b>16,446</b>	<b>15,715</b>
<b>Non-current</b>		
Long Service Leave benefits	1,790	1,625
Provisions related to employee benefit on-costs	295	259
<b>Total non-current provisions</b>	<b>2,085</b>	<b>1,884</b>
<b>Total provisions</b>	<b>18,531</b>	<b>17,599</b>
<b>Reconciliation of movement in Provisions</b>		
<b>Movement in provisions of on-costs</b>		
Balance at start	2,397	2,221
Additional provision recognised	1,258	896
Reductions arising from payments/other sacrifices of future economic benefits	(823)	(663)
Unwind of discount and effect of changes in the discount rate	(244)	(57)
<b>Closing balance</b>	<b>2,588</b>	<b>2,397</b>
<b>Current</b>	<b>2,293</b>	<b>2,138</b>
<b>Non-Current</b>	<b>295</b>	<b>259</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 3. THE COST OF DELIVERING THE SERVICES (CONTINUED)

#### Annual leave

Liabilities for annual leave and on-costs are recognised as part of the employee benefits provision as current liabilities because the Board does not have an unconditional right to defer settlements of these liabilities.

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

- nominal 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

Unconditional long service leave 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 the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months. The components of this current long service leave liability 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.

Conditional long service leave 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. This non-current long service liability is measured at the present value. Any gain or loss following a revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' in the net result.

#### Employee benefits on-costs

On-costs, including superannuation, workers' compensation and payroll tax, are recognised and included in employee benefits liabilities and on-costs when the employee benefits to which they relate are recognised as liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

## 3. THE COST OF DELIVERING THE SERVICES (CONTINUED)

### 3.3 Other Expenses

	(\$ thousand)	
	2022	2021
<b>Operating costs</b>		
Supply and services	11,351	8,685
Maintenance	9,990	6,764
Cost of goods sold	3,656	2,900
Marketing and promotion	3,685	2,877
Utilities	2,276	2,199
Information technology	2,680	1,432
<b>Total other expenses</b>	<b>33,638</b>	<b>24,857</b>

#### Operating costs

Operating costs are recognised as an expense in the reporting period in which they are incurred. These expenses generally represent the day-to-day operating costs incurred in normal operations of the Board.

Supply and services include operating costs such as animal food, auditor remuneration, bank charges, conservation activities, hospitality, insurance, legal, low-value lease payments (leases with underlying asset's fair value that is no more than \$10,000), medical, postage, printing and stationery, professional services, staff amenities, staff development, subscriptions, travel and veterinary costs

Operating costs in 2021-22 are higher than in the prior year as Zoos Victoria returns to more regular operational activity levels this financial year compared to the prior year's requirement to reduce non-essential operating expenditure as a result of COVID-19.

#### Cost of goods sold

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 in which the reversal occurs.

The cost of goods sold in 2021-22 is higher than the prior-year as a result of higher retail sales as Zoos Victoria returns to more regular trading levels compared to the previous year where the zoos were closed to the public due to COVID-19.

# NOTES TO THE FINANCIAL STATEMENTS

## 4. KEY ASSETS AVAILABLE TO SUPPORT OUR SERVICES

### Introduction

The Board controls land, property, plant and equipment and vehicles that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to the Board to be utilised for the delivery of its services.

### Structure

4.1	Land, property, plant and equipment and vehicles	81
4.2	Intangible assets	86
4.3	Investments	87

### 4.1 Land, property, plant and equipment and vehicles

	(\$ thousand)					
Details	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2022	2021	2022	2021	2022	2021
Land at fair value	193,722	175,489	-	-	193,722	175,489
Property at fair value	213,233	210,697	(11,818)	(2)	201,415	210,695
Plant & equipment and vehicles at fair value	30,790	29,237	(17,509)	(15,113)	13,281	14,124
	<b>437,745</b>	<b>415,423</b>	<b>(29,327)</b>	<b>(15,115)</b>	<b>408,418</b>	<b>400,308</b>
Work-in-progress	10,787	4,112	-	-	10,787	4,112
<b>Total</b>	<b>448,532</b>	<b>419,535</b>	<b>(29,327)</b>	<b>(15,115)</b>	<b>419,205</b>	<b>404,420</b>

### 4.1(a) Total right-of-use assets: plant and equipment and vehicles

	(\$ thousand)					
Details	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2022	2021	2022	2021	2022	2021
Plant & equipment and vehicles	1,239	1,023	(684)	(790)	555	233
<b>Total</b>	<b>1,239</b>	<b>1,023</b>	<b>(684)</b>	<b>(790)</b>	<b>555</b>	<b>233</b>

	(\$ thousand)	
	2022	2021
Plant, Equipment and vehicles at fair value		
Opening balance	233	377
Additions	491	-
Disposals	(8)	-
Depreciation	(161)	(144)
<b>Closing balance</b>	<b>555</b>	<b>233</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 4. KEY ASSETS AVAILABLE TO SUPPORT OUR SERVICES (CONTINUED)

#### Initial recognition

Items of property and plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

#### Right-of-use asset acquired by lessees – Initial measurement

The Board recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- Any lease payments made at or before the commencement date less any lease incentive received
- Any initial direct costs incurred

#### Subsequent measurement

Property (including buildings) and plant and equipment, as well as right-of-use assets under leases, are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised by asset category.

Specialised land and specialised buildings are also valued using the market approach, although the land is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued. 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.

For the Board's specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciation.

The Board depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of lease term. The right-of-use assets are also subject to revaluation. In addition, the right-of-use asset is periodically reduced by impairment losses, if any and adjusted for certain premeasurements of the lease liability. The Board's right-of-use assets are vehicles leased through the State Government's Vehicle Management Leasing Unit (Vicfleet). The 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. The process of acquisition, use and disposal in the market is managed by experienced fleet managers through Vicfleet, who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Fair value for plant and equipment that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the depreciated replacement cost method. Fair value is determined as the original acquisition costs less any accumulated depreciation and accumulated impairment losses. Existing depreciated historical cost is generally a reasonable proxy for the depreciated replacement cost because of the short lives of the assets concerned. The capitalisation threshold for plant and equipment, individually or forming part of a network, is \$2,000, and such assets are capitalised when they are placed in service.

## NOTES TO THE FINANCIAL STATEMENTS

#### Revaluation of non-physical assets

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 included 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 de-recognition of the relevant asset.

## NOTES TO THE FINANCIAL STATEMENTS

### 4. KEY ASSETS AVAILABLE TO SUPPORT OUR SERVICES (CONTINUED)

#### 4.1.1 Depreciation, amortisation and impairment of property, plant and equipment and vehicles

	(\$ thousand)	
	2022	2021
Property	11,816	9,634
Plant and equipment and vehicles	2,698	2,696
<b>Total</b>	<b>14,514</b>	<b>12,330</b>
Intangible assets	282	281
<b>Total depreciation, amortisation and impairment</b>	<b>14,796</b>	<b>12,611</b>

All property, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated. Low-value leases are not included in the above figures.

Depreciation is calculated on a straight-line basis at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life (years)	
	2022	2021
Property	3 to 50	3 to 50
Plant and equipment	5 to 20	5 to 20
Vehicles (including leased assets)	3 to 5	3 to 5

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments are made where appropriate.

The 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.

Depreciation and amortisation begin when the asset is available for use, that is when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

## NOTES TO THE FINANCIAL STATEMENTS

### 4. KEY ASSETS AVAILABLE TO SUPPORT OUR SERVICES (CONTINUED)

#### 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 included in the net result' 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. The 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.

#### COVID-19

Given the nature of the Board's land, property, plant and equipment and the purposes for which they are used, the Board does not consider that there is any impairment of the carrying value of these assets as a result of COVID-19.

#### 4.1.2 Reconciliation of movements in carrying values of land, property, plant and equipment and vehicles

	(\$ thousand)									
Non-current	Land at fair value		Property at fair value		Plant, equipment and vehicles at fair value		Work-in progress at cost		Total	
Details	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	175,489	163,806	210,695	181,147	14,124	15,689	4,112	2,474	404,420	363,116
Revaluation	18,233	11,683	-	37,450	-	-	-	-	18,233	49,133
Transfer in/(out)	-	-	639	627	-	-	(639)	(627)	-	-
Additions	-	-	1,897	1,105	1,863	1,141	7,314	2,265	11,074	4,511
Disposal	-	-	-	-	(8)	(10)	-	-	(8)	(10)
Depreciation	-	-	(11,816)	(9,634)	(2,698)	(2,696)	-	-	(14,514)	(12,330)
<b>Net carrying amount</b>	<b>193,722</b>	<b>175,489</b>	<b>201,415</b>	<b>210,695</b>	<b>13,281</b>	<b>14,124</b>	<b>10,787</b>	<b>4,112</b>	<b>419,205</b>	<b>404,420</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 4. KEY ASSETS AVAILABLE TO SUPPORT OUR SERVICES (CONTINUED)

#### 4.2 Intangible assets

Details	(\$ thousand)					
	Gross carrying amount		Accumulated amortisation		Net carrying amount	
	2022	2021	2022	2021	2022	2021
Intangible assets	3,033	2,875	(1,383)	(1,101)	1,650	1,774
	<b>3,033</b>	<b>2,875</b>	<b>(1,383)</b>	<b>(1,101)</b>	<b>1,650</b>	<b>1,774</b>
Work-in-progress	357	366	-	-	357	366
<b>Total</b>	<b>3,390</b>	<b>3,241</b>	<b>(1,383)</b>	<b>(1,101)</b>	<b>2,007</b>	<b>2,140</b>

#### Initial recognition

Intangible assets represent identifiable non-monetary assets without physical substance. The Board's intangible assets consist of computer software. Purchased intangible assets are initially recognised at cost.

Software costs incurred for the development of software code that enhances, modifies, or creates additional capability to existing on-premise systems and meets the definition of and recognition criteria for an intangible asset are recognised as intangible software assets. See note 8.8.4 for the new accounting policy for software.

Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The capitalisation threshold for intangible assets, individually or forming part of a network, is \$2,000 and such assets are capitalised at the end of the financial year.

#### Subsequent measurement

Intangible assets with finite useful lives are amortised as an 'expense from transactions' on a straight-line basis over their useful lives and are carried at cost less accumulated amortisation and accumulated impairment losses. Typical estimated useful lives for intangible assets are included in the table below:

Details	2022	2021
Intangible assets - useful life in years	10	10

#### Impairment of intangible assets

Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified. The methodology in connection with treatment of impairment is outlined in section 4.1.1.

## NOTES TO THE FINANCIAL STATEMENTS

### 4. KEY ASSETS AVAILABLE TO SUPPORT OUR SERVICES (CONTINUED)

#### 4.2.1 Reconciliation of movements in carrying values of intangible assets

Details	(\$ thousand)					
	Intangible assets		Work-in-progress at cost		Total	
	2022	2021	2022	2021	2022	2021
Opening balance	1,774	1,933	366	316	2,140	2,249
Transfer in/(out)	-	-	(105)	-	(105)	-
Additions	158	152	96	50	254	202
Disposal	-	(61)	-	-	-	(61)
Amortisation	(282)	(250)	-	-	(282)	(250)
<b>Net carrying amount</b>	<b>1,650</b>	<b>1,774</b>	<b>357</b>	<b>366</b>	<b>2,007</b>	<b>2,140</b>

#### 4.3 Investments

	(\$ thousand)	
	2022	2021
Managed investment with VFMC – Endowment Fund	5,125	5,416
Managed investment with VFMC – General Account	95	103
<b>Total Investments</b>	<b>5,220</b>	<b>5,519</b>

Refer Note 7.1 for the accounting policy in relation to managed investments with VFMC.

#### Ageing analysis of investments and other financial assets

All investment and financial assets are not past due and not impaired for 2021-22.

## NOTES TO THE FINANCIAL STATEMENTS

### 5. OTHER ASSETS AND LIABILITIES

#### Introduction

This section sets out those assets and liabilities that arose from the Board's controlled operations.

#### Structure

5.1	Receivables	88
5.2	Payables and contract liabilities	90
5.3	Inventories	91
5.4	Other non-financial assets	91

#### 5.1 Receivables

	(\$ thousand)	
	2022	2021
<b>Current</b>		
<b>Contractual</b>		
Sale of goods and services	3,709	772
Other receivables	230	256
	<b>3,939</b>	<b>1,028</b>
<b>Statutory</b>		
GST input tax credit recoverable	544	353
<b>Total receivables</b>	<b>4,483</b>	<b>1,381</b>

Receivables consist of:

- Contractual receivables such as debtors in relation to goods and services, accrued interest, WorkCover premium refund claimed and finance lease receivables. Contractual receivables are classified as financial instruments and categorised as receivables (refer to Note 7.1.1). The 2022 balance includes \$2.1m receivable from Austrade for COVID-19 financial support.
- Statutory receivables are mainly for Goods and Services Tax (GST) input tax credits recoverable. Statutory receivables are recognised and measured similarly to contractual receivables but are not classified as financial instruments because they do not arise from a contract.

Receivables are initially recognised at fair value and subsequent to initial measurement, they are measured at amortised cost. Receivables are due for settlement normally 30 days from the date of recognition. Collectability of receivables is reviewed on an ongoing basis. A provision for doubtful debts is raised when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

No interest is charged for amounts not paid by the due date (30 days – standard credit term). The average credit period for sales of goods and services and for other receivables is normally settled in approximately 30 days. There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

The Board has reviewed the carrying value of receivables including payments received subsequent to the end of the financial year and has determined that there are no receivable impairments to bring to account as a result of COVID-19.

## NOTES TO THE FINANCIAL STATEMENTS

### 5. OTHER ASSETS AND LIABILITIES (CONTINUED)

#### Impairment of financial assets under AASB 9

The Board records the allowance for expected credit loss for the relevant financial instruments, applying AASB 9's Expected Credit Loss approach. Subject to AASB 9, impairment assessment includes the Board's contractual receivables and statutory receivables. Other financial assets mandatorily measured or designated at fair value through net result are not subject to impairment assessment under AASB 9. While cash and cash equivalents are also subject to the impairment requirements of AASB 9, the identified impairment loss was immaterial.

#### Contractual receivables at amortised cost

The Board applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The Board has grouped contractual receivables on shared credit risk characteristics and days past due and select the expected credit loss rate based on the Board's past history, existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, the Board determines the opening loss allowance on initial application date of AASB 9 and the closing loss allowance at end of the financial year as follows:

#### 5.1.1 Expected loss allowance

30-Jun-21	Current	Total
<b>Expected loss rate</b>	0%	
Gross carrying amount of contractual receivables	1,028	<b>1,028</b>
<b>Loss allowance</b>	-	-
30-Jun-22	Current	Total
<b>Expected loss rate</b>	0%	
Gross carrying amount of contractual receivables	3,939	<b>3,939</b>
<b>Loss allowance</b>	-	-

The Board's historical credit losses are 0%.

## NOTES TO THE FINANCIAL STATEMENTS

### 5. OTHER ASSETS AND LIABILITIES (CONTINUED)

#### 5.2 Payables and contract liabilities

	(\$ Thousand)	
	2022	2021
<b>Current</b>		
<b>Contractual</b>		
Trade payables	5,813	2,471
Unearned revenue	-	30
Contract liabilities <sup>①</sup>	8,845	7,643
Other payables	1,400	1,309
	<b>16,058</b>	<b>11,453</b>
<b>Statutory</b>		
Fringe Benefit Tax, Payroll Tax, Superannuation payments	1,041	754
<b>Total payables and contract liabilities</b>	<b>17,099</b>	<b>12,207</b>

<sup>①</sup> The movement of contract liabilities is shown in table 5.2.1.

#### 5.2.1 Movement in contract liabilities

	(\$ Thousand)	
	2022	2021
Carrying amounts as at 1 July	7,643	5,653
Add: Payments received for performance obligations yet to be completed during the period	6,937	6,331
Less: Revenue recognised for the completion of performance obligation	(5,735)	(4,341)
<b>Carrying amounts as at 30 June</b>	<b>8,845</b>	<b>7,643</b>

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 the 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. Payables consist of:

- Contractual payables classified as financial instruments and measured at amortised cost
- Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts
- Unearned revenue consists of proceeds received in advance of meeting the obligations associated with recognising the revenue
- Contract liabilities consists of unredeemed admission tickets and deposits paid in advance for events reservations that are cancellable and refundable. It also includes the amount of membership revenue not yet earned as at 30 June 2022
- Other payables consist mainly of accrued wages. Payables for supplies and services have an average credit period of 30 days. No interest is payable if the payment is made outside the normal trading terms

## NOTES TO THE FINANCIAL STATEMENTS

### 5. OTHER ASSETS AND LIABILITIES (CONTINUED)

#### 5.3 Inventories

Inventories are comprised of finished goods held either for sale or for distribution in the ordinary course of business. All inventories are measured at the lower of cost and net realisable value. Inventory excludes depreciable assets. Cost for inventory is measured at cost.

#### 5.4 Other non-financial assets

Other non-financial assets consist of prepaid expenditures which represent payments made in advance of the receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

### 6. HOW WE FINANCE OUR OPERATIONS

#### Introduction

This section sets out those assets and liabilities that arose from the Board's controlled operations.

#### Structure

6.1	Borrowings and leases	91
6.2	Commitments for expenditure	95
6.3	Cash flow information and balances	95

#### 6.1 Borrowings and leases

	(\$ thousand)	
	2022	2021
<b>Current</b>		
Lease liabilities	226	276
	<b>226</b>	<b>276</b>
<b>Non-current</b>		
Lease liabilities	472	188
<b>Total borrowings</b>	<b>698</b>	<b>464</b>

Borrowings refer to interest bearing liabilities through VicFleet for lease liabilities.

Borrowings are classified as financial instruments. All interest bearing borrowings are initially recognised at the fair value of the consideration received less 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.

## NOTES TO THE FINANCIAL STATEMENTS

### 6. HOW WE FINANCE OUR OPERATIONS (CONTINUED)

#### 6.1.1 Maturity analysis of lease liabilities

	(\$ thousand)			
Details	2022	2021	2022	2021
<b>Lease liabilities payable</b>				
– Not longer than one year	241	285	226	276
– Longer than one year and not longer than five years	495	195	472	188
<b>Minimum future lease payments</b>	<b>736</b>	<b>480</b>	<b>698</b>	<b>464</b>
Less future finance charges	(38)	(15)	-	-
<b>Present value of minimum lease payments</b>	<b>698</b>	<b>465</b>	<b>698</b>	<b>464</b>
<b>Included in the financial statements as:</b>				
Current borrowings			226	276
Non-current borrowings			472	188
			<b>698</b>	<b>464</b>

During the current and prior year, there were no defaults or breaches of any of the lease obligations.

#### 6.1.2 Interest expense

	(\$ thousand)	
	2022	2021
Interest on lease liabilities	21	21
<b>Total interest expense</b>	<b>21</b>	<b>21</b>

Interest expense represents costs incurred in connection with borrowings and currently the expense is for the interest components of lease repayments. Interest expense is recognised in the period in which it is incurred.

## NOTES TO THE FINANCIAL STATEMENTS

### 6. HOW WE FINANCE OUR OPERATIONS (CONTINUED)

#### 6.1.3 Leases

*The Board's leasing activities*

The Board leases motor vehicles and digital multimedia devices. The lease contracts are typically made for fixed periods of 1-5 years with an option to renew the lease after that date.

Leases of digital multimedia devices with contract terms of 1-3 years are either short-term and or/leases of low-value items. The Board has elected not to recognise right-of-use assets and lease liabilities for these leases.

Right-of-use assets are presented in note 4.1(a).

The following amounts are recognised in the Comprehensive Operating Statement relating to leases:

	(\$ thousand)	
	2022	2021
Interest expense on lease liabilities	21	21
Expenses relating to leases of low-value assets	54	36
<b>Total amount recognised in the Comprehensive Operating Statement</b>	<b>75</b>	<b>57</b>

The following amounts are recognised in the Statement of Cashflows for the year ending 30 June 2022 relating to leases:

	(\$ thousand)	
	2022	2021
<b>Total cash outflow for leases</b>	<b>258</b>	<b>145</b>

For any new contracts entered into, the Board considers whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Board assesses whether the contract meets three key evaluations:

- Whether the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Board and for which the supplier does not have substantive substitution rights
- Whether the Board has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract and the Board has the right to direct the use of the identified asset throughout the period of use
- Whether the Board has the right to take decisions in respect of 'how and for what purpose' the asset is used throughout the period of use

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

#### Separation of lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the lessee is required to separate out and account separately for non-lease components within a lease contract and exclude these amounts when determining the lease liability and right-of-use asset amount.

## NOTES TO THE FINANCIAL STATEMENTS

### 6. HOW WE FINANCE OUR OPERATIONS (CONTINUED)

#### Recognition and measurement of leases as a lessee

##### Lease Liability – initial measurement

The lease liability is initially measured at the present value of the lease payments unpaid at the commencement date, discounted using the interest rate implicit in the lease if that rate is readily determinable or the Board's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments (including in-substance fixed payments) less any lease incentive receivable
- Variable payments based on an index or rate, initially measured using the index or rate as at the commencement date
- Amounts expected to be payable under a residual value guarantee
- Payments arising from purchase and termination options reasonably certain to be exercised

##### Lease Liability – subsequent measurement

Subsequent to the initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit or loss if the right-of-use asset is already reduced to zero.

##### Leases of low-value assets

The Board has elected to account for leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

##### Presentation of right-of-use assets and lease liabilities

The Board presents right-of-use assets as 'property plant equipment' in the balance sheet. Lease liabilities are presented as 'borrowings' in the balance sheet.

##### Recognition and measurement of leases

The Board determined whether an arrangement was or contained a lease based on the substance of the arrangement and required an assessment of whether fulfilment of the arrangement is dependent on the use of the specific asset(s); and the arrangement conveyed a right to use the asset(s).

Leases of property, plant and equipment where the Board as a lessee had substantially all of the risks and rewards of ownership were classified as finance leases. Finance leases were initially recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The leased asset is accounted for as a non-financial physical asset and depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum finance lease payments were apportioned between the reduction of the outstanding lease liability and the periodic finance expense, which is calculated using the interest rate implicit in the lease and charged directly to the consolidated comprehensive operating statement.

Assets held under other leases were classified as operating leases and were not recognised in the Board's balance sheet. Operating lease payments were recognised as an operating expense in the Statement of Comprehensive Income on a straight-line basis over the lease term.

## NOTES TO THE FINANCIAL STATEMENTS

### 6. HOW WE FINANCE OUR OPERATIONS (CONTINUED)

#### 6.2 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded below at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

##### 6.2.1 Total commitments payable at nominal amounts

	(\$ thousand)	
	2022	2021
The following commitments have not been recognised as liabilities in the financial statements.		
(a) Capital expenditure commitments		
– Payable within one year	4,528	5,317
<b>Total capital expenditure commitments</b>	<b>4,528</b>	<b>5,317</b>
(b) Operating lease commitments		
– Payable within one year	35	42
– Payable longer than one year and not longer than five years	-	35
<b>Total operating lease commitments</b>	<b>35</b>	<b>77</b>
<b>Total commitments (inclusive of GST)</b>	<b>4,563</b>	<b>5,394</b>
Less: GST recoverable	(415)	(490)
<b>Total commitments (exclusive of GST)</b>	<b>4,148</b>	<b>4,904</b>

Capital expenditure commitments consist of contractual amounts payable to contractors for construction works undertaken by the Board, mainly for asset renewal or refurbishment.

Operating lease commitments are for low-value leases of photocopiers.

#### 6.3 Cash flow information and balances

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Cash Invested with approved institutions includes cash received from the Bushfire Wildlife Appeal Fund.

	(\$ thousand)	
	2022	2021
Total cash and cash equivalents	51,618	30,752
<b>Balance per cash flow statement</b>	<b>51,618</b>	<b>30,752</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 6. HOW WE FINANCE OUR OPERATIONS (CONTINUED)

### 6.3.1 Composition of cash and cash equivalents

	(\$ thousand)	
	2022	2021
Current		
Cash invested with approved institutions	42,180	30,188
	<b>42,180</b>	<b>30,188</b>
Cash on hand and at bank	9,438	564
<b>Total cash and cash equivalents</b>	<b>51,618</b>	<b>30,752</b>

### 6.3.2 Reconciliation of net result for the period to cash flow operating activities

	(\$ thousand)	
	2022	2021
<b>Net surplus/(deficit)</b>	(5,690)	(11,008)
<b>Non-cash movements:</b>		
– Depreciation and amortisation of noncurrent assets	14,796	12,611
– Goods in kind donations	-	-
– (Gain)/loss on sale or disposal of non-financial assets	(217)	23
<b>Movements in assets and liabilities:</b>		
– (Increase)/decrease in inventories	(78)	498
– (Increase)/decrease in receivables	(3,102)	744
– (Increase)/decrease in non-financial assets	(106)	(4)
– (Decrease)/increase in payables	5,186	1,484
– (Decrease)/increase in employee benefits	932	799
<b>Net cash flows from/(used in) operating activities</b>	<b>11,721</b>	<b>5,147</b>

### 6.3.3 Non-cash financing activities

During the reporting period, the Board assumed liabilities for new vehicles lease through VicFleet Fleet Management and Leasing facility as indicated below.

	(\$ thousand)	
	2022	2021
Additions to vehicles under finance lease	491	-
<b>Total additions to vehicles under finance lease</b>	<b>491</b>	<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS

### Introduction

The Board is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument-specific information (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Board relates mainly to fair value determination.

### Structure

7.1	Financial instruments specific disclosure	97
7.2	Contingent assets and contingent liabilities	104
7.3	Fair value determination	104

### 7.1 Financial instruments specific disclosure

#### Introduction

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 (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

#### Categories of financial assets

##### Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the Board to collect the contractual cash flows
- the assets contractual terms give rise to cash flows that are solely payments of principal and interest

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method less any impairment.

The Board recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)

##### Financial assets at fair value through other comprehensive income

Equity investments are measured at fair value through other comprehensive income if the assets are not held for trading. These assets are initially recognised at fair value with any subsequent change in fair value recognised in other comprehensive income. Upon disposal of these equity instruments, any related balance in fair value reserve is reclassified to retained earnings. The Board recognises managed investments with VFMC within this category.

However, as an exception to those rules above, the Board may, at initial recognition, irrevocably designate financial assets as measured at fair value through net result if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

# NOTES TO THE FINANCIAL STATEMENTS

## 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

### Categories of financial liabilities

**Financial liabilities at amortised cost** 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.

The Board recognises the following liabilities in this category:

- payables (excluding statutory payables); and
- borrowings (including finance lease liabilities).

### De-recognition of financial assets:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Board retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Board has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset; or
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Board has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Board's continuing involvement in the asset.

### Impairment of financial assets:

At the end of each reporting period, the Board assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment. The allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

### De-recognition of financial liabilities:

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

# NOTES TO THE FINANCIAL STATEMENTS

## 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

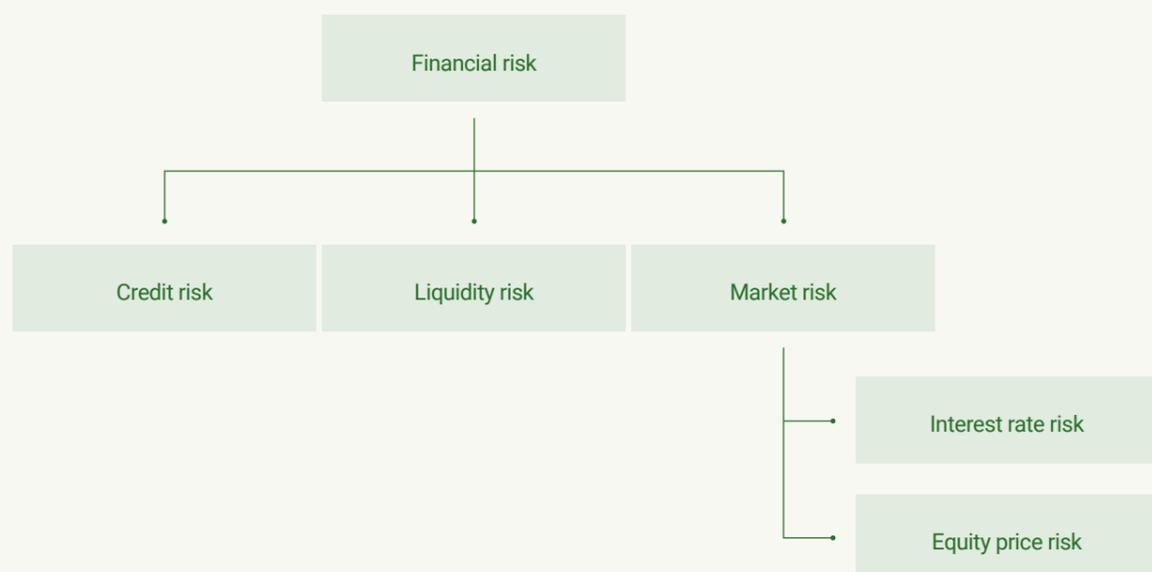
### 7.1.1 Financial instruments: Categorisation

(\$ thousand)				
2022	Financial assets designated at fair value through other comprehensive income	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
<b>Contractual financial assets:</b>				
– Cash and deposits	-	51,618	-	51,618
<b>Receivables:</b>				
– Sale of goods and services	-	3,709	-	3,709
– Other receivables	-	230	-	230
<b>Investments and other contractual financial assets:</b>				
– Managed investment schemes	5,220	-	-	5,220
<b>Total contractual financial assets</b>	<b>5,220</b>	<b>55,557</b>	<b>-</b>	<b>60,777</b>
<b>Contractual financial liabilities</b>				
<b>Payables:</b>				
– Supplies and services	-	-	16,058	16,058
<b>Borrowings:</b>				
– Lease liabilities	-	-	698	698
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>-</b>	<b>16,756</b>	<b>16,756</b>
<b>2021</b>				
<b>Contractual financial assets:</b>				
– Cash and deposits	-	30,752	-	30,752
<b>Receivables:</b>				
– Sale of goods and services	-	772	-	772
– Other receivables	-	256	-	256
<b>Investments and other contractual financial assets:</b>				
– Managed investment schemes	5,519	-	-	5,519
<b>Total contractual financial assets</b>	<b>5,519</b>	<b>31,780</b>	<b>-</b>	<b>37,299</b>
<b>Contractual financial liabilities</b>				
<b>Payables:</b>				
– Supplies and services	-	-	11,453	11,453
<b>Borrowings:</b>				
– Lease liabilities	-	-	465	465
<b>Total contractual financial liabilities</b>	<b>-</b>	<b>-</b>	<b>11,918</b>	<b>11,918</b>

# NOTES TO THE FINANCIAL STATEMENTS

## 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

### 7.1.2 Financial risk management, objectives and policies



As a whole, the Board's financial risk management program seeks to manage these risks and the associated volatility of its financial performance. 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, with respect to each class of financial asset and financial liability are disclosed below.

The main purpose in holding financial instruments is to prudentially manage the Board's financial risks within the government policy parameters. The Board's main financial risks include credit risk, liquidity risk, interest rate risk and equity price risk. The Board manages these financial risks in accordance with its financial risk management policy. The Board uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Board.

#### 7.1.2.1 Financial instrument: Credit risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. The Board's exposure to credit risk arises from the potential default of a debtor on their contractual obligations resulting in financial loss to the Board. Credit risk is measured at fair value and is monitored on a regular basis.

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 counterparties. Four groups who wish to trade on credit terms are subject to credit verification. In addition, receivable balances are monitored on an ongoing basis with the result that the Board's exposure to bad debts is not significant.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The Board is not materially exposed to any customer or counterparty. The maturity of the financial instruments is outlined in section 7.1.2.3.

There has been no material change to the Board's credit risk profile in 2021-22.

# NOTES TO THE FINANCIAL STATEMENTS

## 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

### 7.1.2.2 Financial instrument: Liquidity risk

Liquidity risk arises from being unable to meet financial obligations as they fall due. The Board operates under the Government fair payments policy of settling financial obligations within 10 days (COVID-19 requirement) 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 on 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 taking necessary 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 institutions such as Westpac Banking Corporation; 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 Westpac Banking Corporation. The maturity of the financial instruments is outlined in section 7.1.2.3. The Board's liquidity is also supported by the Letter of Comfort provided by the Responsible Minister (refer Note 1.6)

#### 7.1.2.3 Maturity of financial instruments

	(\$ thousand)							
	Carrying amount		Maturity dates					
			Less than 1 year		Greater than 1 but less than 3 years		Greater than 3 but less than 5 years	
2022	2021	2022	2021	2022	2021	2022	2021	
<b>Cash and deposits</b>								
– Cash and cash equivalents	51,618	30,752	51,618	30,752	-	-	-	-
<b>Receivables</b>								
– Receivables at amortised cost excluding statutory amounts	3,939	1,028	3,939	1,028	-	-	-	-
	<b>55,557</b>	<b>31,780</b>	<b>55,557</b>	<b>31,780</b>	-	-	-	-
<b>Borrowings</b>								
– Finance lease liabilities								
<b>Payables</b>	698	465	226	276	472	189	-	-
– Payables at amortised cost excluding statutory amounts	16,058	11,453	16,058	11,453	-	-	-	-
	<b>16,756</b>	<b>11,918</b>	<b>16,284</b>	<b>11,729</b>	<b>472</b>	<b>189</b>	-	-

## NOTES TO THE FINANCIAL STATEMENTS

### 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

#### 7.1.2.4 Financial instruments: Market risk

The Board's exposures to market risk is primarily through interest rate risks and equity price risk. The Board's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding 12 months, with all variables other than the primary risk variable held constant.

#### Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Board has minimal exposure to cash flow interest rate risks through cash and deposits that are at floating rate.

The future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Board invests most of its cash with Westpac Banking Corporation investment products such as cash deposits. The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and the Board's sensitivity to interest rate risk are set out in the table that follows.

#### Interest rate exposure of financial instrument

Details	%		(\$ thousand)							
	Weighted average effective interest rate	Carrying amount	Fixed interest rate		Variable interest rate		Non-interest bearing			
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Cash and deposits</b>										
– Cash and cash equivalents	0.26	0.32	51,618	30,752	-	-	42,180	30,187	9,438	565
<b>Receivables</b>										
– Receivables at amortised cost excluding statutory amounts			3,939	1,028	-	-	-	-	3,939	1,028
			<b>55,557</b>	<b>31,780</b>	<b>-</b>	<b>-</b>	<b>42,180</b>	<b>30,187</b>	<b>13,377</b>	<b>1,593</b>
<b>Borrowings</b>										
– Finance lease liabilities	3.37	3.93	698	465	698	465	-	-	-	-
<b>Payables</b>										
– Payables at amortised cost excluding statutory amounts			16,058	11,453	-	-	-	-	16,058	11,453
			<b>16,756</b>	<b>11,918</b>	<b>698</b>	<b>465</b>	<b>-</b>	<b>-</b>	<b>16,058</b>	<b>11,453</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

#### Interest rate risk sensitivity

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Board believes that a movement of 100 basis points up or down in market interest rates is possible over the next 12 months. The sensitivity analysis of the 100 basis points movements is outlined below.

Details	Carrying amount		Interest rate risk			
			-100 basis points		+100 basis points	
	2022	2021	2022	2021	2022	2021
<b>Financial assets</b>						
– Cash and cash equivalents - does not include non-interest bearing amounts held for daily use such as change and petty cash.	42,180	30,187	(422)	(302)	422	302
Sensitivity impact on net result due to a +/-100 basis points movement in market interest rate.			<b>(422)</b>	<b>(302)</b>	<b>422</b>	<b>302</b>

#### Equity price risk sensitivity

The Board is exposed to equity price risk through its investments in managed investment schemes. Such investments are allocated, traded and managed by VFMC to match the Board's investment objectives. On behalf of the Board, VFMC closely monitors performance and manages the equity price risk through diversification of the Board's investment in VFMC Balanced Fund.

The Board's sensitivity to equity price risk is set out below.

Details	Carrying amount		-5%		+5%	
			Fair value through operating comprehensive income revaluation reserves		Fair value through operating comprehensive income revaluation reserve	
	2022	2021	Net result	Net result	Net result	Net result
Managed investment with VFMC	5,220	-	(261)	-	-	261
<b>Total impact</b>	<b>5,220</b>	<b>-</b>	<b>(261)</b>	<b>-</b>	<b>-</b>	<b>261</b>
<b>2021</b>						
Managed investment with VFMC	5,519	-	(276)	-	-	276
<b>Total impact</b>	<b>5,519</b>	<b>-</b>	<b>(276)</b>	<b>-</b>	<b>-</b>	<b>276</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

#### 7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

The Board is not aware of and had not made: (a) any claim against a supplier or third party for a breach of their contract or (b) received any claim for damages against the Board or any staff for breach of contract, at the end of this financial year and none also for the last financial year.

#### 7.3 Fair value determination

This section sets out information on how the Board determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- Available-for-sale financial assets
- Financial assets and liabilities at fair value through operating result
- Land, buildings, infrastructure, plant and equipment

In addition, the fair values of other assets and liabilities which are carried at amortised cost also need to be determined for disclosure purposes. The Board determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

##### 7.3.1 Fair value hierarchy

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- 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
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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.

## NOTES TO THE FINANCIAL STATEMENTS

### 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value)
- which level of the fair value hierarchy was used to determine the fair value
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
  - a reconciliation of the movements in fair values from the beginning of the year to the end
  - details of significant unobservable inputs used in the fair value determination

Disclosures in connection with fair value determination for financial instruments (refer Note 7.3.2) and non-financial physical assets (refer Note 7.3.3) are set out below.

#### 7.3.2 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial 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 markets 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
- 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. These financial instruments include:

Financial assets	Financial liabilities
Cash and deposits	Payables
Receivables	Borrowings
– Sale of goods and services	– Lease liabilities
– Other receivables	
– Managed investment with VFMC	

## NOTES TO THE FINANCIAL STATEMENTS

### 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

#### Financial assets measured at fair value

(\$ thousand)								
Details	Net carrying amount		Fair value measurement at the end of the reporting period using:					
	2022	2021	Level 1		Level 2		Level 3	
	2022	2021	2022	2021	2022	2021	2022	2021
Managed investment schemes	5,220	5,519	-	-	5,220	5,519	-	-
<b>Net carrying amount</b>	<b>5,220</b>	<b>5,519</b>	<b>-</b>	<b>-</b>	<b>5,220</b>	<b>5,519</b>	<b>-</b>	<b>-</b>

There have been no transfers between levels during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The Board invests in the Balanced Fund managed by VFMC, which is not quoted in an active market and which may be subject to restrictions on redemptions.

#### 7.3.3 Fair value determination of non-financial physical assets

(\$ thousand)								
Details	Net carrying amount		Fair value measurement at the end of the reporting period using:					
	2022	2021	Level 1		Level 2		Level 3	
	2022	2021	2022	2021	2022	2021	2022	2021
Specialised Land	193,722	175,489	-	-	-	-	193,722	175,489
Specialised Property	201,415	210,695	-	-	-	-	201,415	210,695
Plant and equipment and vehicles	13,281	14,124	-	-	-	-	13,281	14,124
<b>Net carrying amount</b>	<b>408,418</b>	<b>400,308</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>408,418</b>	<b>400,308</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

#### 7.3.3.1 Specialised land and specialised property

The market approach is used for specialised land, although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued. The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that it 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 all of the Board's specialised property, the current replacement cost method is used, adjusting for the associated depreciation. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

Land and property measured at fair value are revalued in accordance with Financial Reporting Directions (FRDs) issued by the Minister for Finance. Financial Reporting Direction 103 (FRD) determines the revaluation cycle to occur every five years and each year to use the land and building indices provided by the Valuer-General Victoria (VGV) to assess whether the land asset's carrying value still materially reflects its fair value for the class of asset. If the compound change in fair value is equal to or greater than 40% since the last scheduled valuation, the change is considered significant. Then the Board will need to engage the VGV to conduct the revaluation/reassessment exercise. An independent valuation of the Board's specialised land and specialised property was last performed by the VGV in 2021. The effective date of the valuation is 30 June 2021. Land revaluation is conducted by management (Managerial Revaluation) on a yearly basis using the indexes provided by the VGV to take into account the incremental change in land value, rather than absorbing the valuation every five years.

A managerial revaluation is performed if the compound change in fair value is equal to or greater than 10% since the last scheduled valuation. A managerial revaluation was performed in 2021-22 as the fair value movement was above 10%.

#### 7.3.3.2 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. As depreciation adjustments are considered as significant, unobservable inputs in nature, these assets are classified as Level 3 fair value measurements.

#### 7.3.3.3 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. The process of acquisition, use and disposal in the market is managed by experienced fleet managers through VicFleet who set relevant depreciation rates during use to reflect the utilisation of the vehicles. As depreciation adjustments are considered as significant, unobservable inputs in nature, these assets are classified as Level 3 fair value measurements.

#### 7.3.3.4 Land Valuation

Apart from the scheduled 5-year formal valuation, land is revalued on an annual basis using the VGV's indices at 30 June each year. The yearly adjustment would minimise the impact of the increment or the decrement in value of land following a formal valuation.

## NOTES TO THE FINANCIAL STATEMENTS

### 7. RISK, CONTINGENCIES AND VALUATION JUDGEMENTS (CONTINUED)

#### Movement in physical asset revaluation surplus

	(\$ thousand)	
	2022	2021
Physical asset revaluation surplus		
Balance at the beginning of the year	313,845	264,712
Revaluation land - increments	18,233	11,683
Revaluation property - increments	-	37,450
<b>Total physical asset revaluation surplus</b>	<b>332,078</b>	<b>313,845</b>

#### 7.3.3.5 Reconciliation of Level 3 fair value movements

	(\$ thousand)							
	Specialised land		Specialised property		Plant, equipment and vehicles		Total	
Details	2022	2021	2022	2021	2022	2021	2022	2021
Opening balance	175,489	163,806	210,695	181,147	14,124	15,689	400,308	360,642
Additions and transfers from work-in-progress	-	-	2,536	1,732	1,863	1,141	4,399	2,873
Disposals	-	-	-	-	(8)	(10)	(8)	(10)
Depreciation	-	-	(11,816)	(9,634)	(2,698)	(2,696)	(14,514)	(12,330)
<b>Sub-total</b>	<b>175,489</b>	<b>163,806</b>	<b>201,415</b>	<b>173,245</b>	<b>13,281</b>	<b>14,124</b>	<b>390,185</b>	<b>351,175</b>
<b>Gains or losses recognised in other economic flows – other comprehensive income</b>								
Revaluation	18,233	11,683	-	37,450	-	-	18,233	49,133
<b>Closing balance</b>	<b>193,722</b>	<b>175,489</b>	<b>201,415</b>	<b>210,695</b>	<b>13,281</b>	<b>14,124</b>	<b>408,418</b>	<b>400,308</b>

#### 7.3.3.6 Description of significant unobservable inputs to Level 3 valuation

2022 and 2021	Valuation technique	Significant unobservable inputs and range
Specialised land	Market approach	Community Service Obligation (CSO) adjustment ranging from 30% to 60% (to reduce the market value approach for the Board's specialised land).
Specialised property	Current replacement cost	Cost per metre square and useful life of specialised buildings
Plant and equipment and vehicles	Current replacement cost	Cost per unit and useful life of the asset

## NOTES TO THE FINANCIAL STATEMENTS

### 8. OTHER DISCLOSURES

#### Introduction

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

#### Structure

8.1	Subsequent events	109
8.2	Remuneration of executives	110
8.3	Responsible persons	111
8.4	Related parties	112
8.5	Remuneration of auditors	113
8.6	Ex-gratia expenses	114
8.7	Reserves	114
8.8	Other accounting policies	115
8.9	Glossary of terms	116

#### 8.1 Subsequent events

The policy in connection with recognising subsequent events is as follows. Where events occur between the end of the reporting period and the date when the financial statements are authorised for issue:

- adjustments are made to amounts recognised in the financial statements where those events provide information about conditions which existed at the reporting date; and/or
- disclosure is made where the events relate to conditions which arose after the end of the reporting period that are considered to be of material interest.

#### COVID-19

The ongoing uncertainty and challenges caused by COVID-19 continues to effect ZV. It has been necessary throughout the pandemic for the Board to make continual managerial estimates and forecasts as to the likelihood of returning visitors, revenue and expenditures. It is anticipated that revenue earnings will continue to be lower in 2022-23 due to international travel restrictions, the continuation of COVID-19 related illnesses in the community and workforce, the broader economic climate and changing consumer confidence and sentiment. The impact of COVID-19 is expected to have an ongoing impact on the Board's revenue.

The Board and management have submitted regular forecast and cash flow updates to DELWP and the responsible minister reflecting the changing operating circumstances for ZV as a result of the State Government's response to COVID-19. The Board continues to monitor the financial and non-financial impacts of COVID-19 on its operations and cash flow and has put in place appropriate mitigation strategies such as managing non-essential operating and capital expenditure to levels appropriate to the levels of revenue received.

However, due to the continuing nature of this event and the uncertainty that exists, it is not possible to quantify the full economic impact at present. To mitigate this risk, DELWP has provided to the Board a letter of financial support for the period to 30 November 2023 to provide a level of assurance that financial assistance will be made available for the entity to continue as a going concern. The conditions of the letter of support are as follows:

## NOTES TO THE FINANCIAL STATEMENTS

### 8. OTHER DISCLOSURES (CONTINUED)

- all necessary steps must be taken to minimise expenditure while maintaining core activities as required
- complying with current and future workforce management policies as determined by government
- drawing down on existing fund sources, unless their use is restricted, tied or committed to ZV activities, projects or capital expenditure
- providing cash flow forecasts and other information to support the application of these conditions and any funding requests to the Department of Land, Environment, Water and Planning (DELWP) and the Department of Treasury and Finance

Zoos Victoria has met and continues to meet all conditions associated with the provision of the letter of financial support.

On the basis that the Board continues to work closely with DELWP to ensure that appropriate funding is available to continue its operations until the zoos can resume normal trading activities, and with the confirmation of financial support from DELWP to meet its current and future obligations as and when they fall due for a period up to November 2023, the financial statements have been prepared on a going concern basis.

#### Kyabram Fauna Park

ZV has agreed with DELWP and the Campaspe Shire Council to assume full responsibility for the operations of the Kyabram Fauna Park in Central Victoria from October 2022. This is not expected to have a material financial effect on the ongoing financial position of ZV.

#### Foot and Mouth disease

The Board is currently working with the various Federal and State Government authorities to monitor and respond to any possible risks associated with foot and mouth disease, noting that at the date of this report there are no known cases of foot and mouth disease in the country.

#### 8.2 Remuneration of executives

The number of executive officers, other than the minister and accountable officer, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full-time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories:

- Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services
- Other long-term benefits include long service leave, other long-service benefits or deferred compensation
- Termination benefits include termination of employment payments, such as severance packages

	(\$ thousand)	
Details	2022	2021
<b>Remuneration</b>		
Short-term employee benefits	1,679	1,625
Post-employment benefits	171	154
Other long-term benefits	41	41
Termination benefits	-	-
<b>Total remuneration</b>	<b>1,891</b>	<b>1,820</b>
<b>Total number of executives</b>	<b>10</b>	<b>8</b>
<b>Total annualised employee equivalent – based on the time fraction worked over the reporting period</b>	<b>8</b>	<b>8</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 8. OTHER DISCLOSURES (CONTINUED)

#### 8.3 Responsible persons

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

Responsible Minister		
The Hon. Liliana (Lily) D'Ambrosio, MP	Minister for Energy, Environment and Climate Action	1 July 2021 to 30 June 2022
Governing board members		
Rebecca McKenzie	Chair	1 July 2021 to 30 June 2022
Tony Hallam	Deputy Chair	1 July 2021 to 30 June 2022
Dr Jennifer Beer		1 July 2021 to 30 June 2022
Dr Teresa De Fazio		1 July 2021 to 30 June 2022
Greg Smith, AM		1 July 2021 to 30 June 2022
Vijaya Vaidyanath		1 July 2021 to 30 June 2022
Hon Marsha Thomson		1 July 2021 to 30 June 2022
Professor Brendan Wintle		10 August 2021 to 30 June 2022
Professor Anna Meredith		1 July 2021 to 11 February 2022
Chief Executive Officer		
Dr Jennifer Gray	Accountable Officer	1 July 2021 to 30 June 2022

#### 8.3.1 Remuneration bands of responsible persons

The number of responsible persons and their relevant remuneration bands during the reporting period are shown in the table below.

Details	(number)	
	2022	2021
\$0 - \$9,999	1	-
\$10,000 - \$19,999	7	8
\$20,000 - \$29,999	1	-
\$350,000 - \$359,999	-	1
\$360,000 - \$369,999	1	-
<b>Total number of responsible persons</b>	<b>10</b>	<b>9</b>
<b>Total Remuneration (\$ thousands)</b>	<b>481</b>	<b>450</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 8. OTHER DISCLOSURES (CONTINUED)

#### 8.4 Related parties

The Board is a wholly owned and controlled entity of the State of Victoria. Related parties of the Board include:

- all key management personnel (KMP) and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over)
- all cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements

All related party transactions have been entered into on an arm's length basis.

#### 8.4.1 Key management personnel (KMP)

Key management personnel of the Board includes the Portfolio Ministers, the Hon. Liliانا (Lily) D'Ambrosio, MP, governing board members and the Chief Executive Officer as detailed in section 8.3.

#### 8.4.2 Compensation of KMP

The responsible persons and KMP for the Board are one and the same group of people. The remuneration for the KMP for the reporting period is outlined below. This excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Salaries and Superannuation Act 1968* and are reported within the States Annual Financial Report and not included here.

	(\$ thousand)	
Details	2022	2021
<b>Remuneration</b>		
Short-term employee benefits	439	412
Post-employment benefits	34	30
Other long-term benefits	8	8
Termination benefits	-	-
<b>Total remuneration</b>	<b>481</b>	<b>450</b>
<b>Total number of KMP</b>	<b>10</b>	<b>9</b>

#### 8.4.3 Transactions with KMP and other related parties

During the year, outside of normal citizen type transactions, there were no related party transactions that involved KMP, their close family members and their personal business interest with Zoos Victoria.

## NOTES TO THE FINANCIAL STATEMENTS

### 8. OTHER DISCLOSURES (CONTINUED)

#### 8.4.4 Significant transactions with government-related entities

	(\$ thousand)	
	2022	2021
a) Department of Environment, Land, Water and Planning		
Amounts recognised as income in the Comprehensive operating statement. These grants are for the operations of the Board's activities.	67,683	41,144
Amounts recognised as expenditure, in relation to various conservation programs.	(202)	(189)
b) Department of Education and Training (DET)		
Amounts recognised as income in the Comprehensive operating statement. This grant is for strategic partnership program with DET.	724	740
c) Victorian Funds Managed Corporation (VFMC)		
Amounts invested with VFMC as at 30 June (refer note 4.3)	5,220	5,519
Amounts recognised as other economic flow in the Comprehensive operating statement. This is the investment distribution income earned from VFMC investments.	262	335
d) Parks Victoria		
Amounts recognised as income in the Comprehensive operating statement. These grants relates to various conservation partnering programs.	62	-
Amounts recognised as expenditure in the Comprehensive operating statement. These payment relates to various conservation programs.	(70)	-

#### 8.5 Remuneration of auditors

	(\$ thousand)	
Details	2022	2021
Victorian Auditor-General's Office		
Audit and review of the financial statements	65	52
<b>Total remuneration of auditors</b>	<b>65</b>	<b>52</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 8. OTHER DISCLOSURES (CONTINUED)

#### 8.6 Ex-gratia expenses

	(\$ thousand)	
	2022	2021
Forgiveness or waiver of debt (for both individual items and in aggregate that are greater than or equal to \$5,000)	-	-
Property damage	-	-
Others	-	-
<b>Total ex-gratia expenses</b>	<b>-</b>	<b>-</b>

#### 8.7 Reserves

##### 8.7.1 Endowment reserve

	(\$ thousand)	
Details	2022	2021
Balance at beginning of financial year	5,449	4,905
Transfer of accumulated surplus comprising:		
Endowment funds received in current year	150	490
Endowment funds recognised in prior year	-	-
Investment distribution income reinvested	257	291
Endowment distribution for the year	(280)	(117)
Unrealised Endowment movement	(451)	(120)
<b>Balance at end of financial year</b>	<b>5,125</b>	<b>5,449</b>

The Board's Endowment Reserve is a long-term commitment that builds a capital base and will secure the future sustainability of the organisation. The capital is invested with VFMC's Balanced fund, with the distributions earned being used to fund projects that will further enhance the goals of the Board, including staff development, conservation, animal welfare and education.

##### 8.7.2 Financial assets through other comprehensive income revaluation surplus

	(\$ thousand)	
	2022	2021
Balance at the beginning of financial year	573	(159)
Opening balance adjustment on adoption of AASB 9	-	-
Valuation gain/(loss) recognised	(690)	732
<b>Balance at end of financial year</b>	<b>(117)</b>	<b>573</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 8. OTHER DISCLOSURES (CONTINUED)

#### 8.8 Other accounting policies

##### 8.8.1 Value of animal collections

The zoo animal collection managed by the Board is reflected in the Board's accounting records at 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.

##### 8.8.2 Contributions by owners

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayments) are treated as equity transactions and, therefore, do not form part of the income and expense of the Board. Additions to net assets that have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions to or disruptions by owners have also been designated as contributions by owners.

	(\$ thousand)	
	2022	2021
Opening balance	137,299	129,623
Contributed capital by owners <sup>(i)</sup>	20,595	7,676
<b>Closing balance</b>	<b>157,894</b>	<b>137,299</b>

<sup>(i)</sup> Capital contribution received for Expanding Werribee Open Range Zoo and Kyabram Fauna Park.

##### 8.8.3 Australian Accounting Standards issued that are not yet effective

Certain new Australian Accounting Standards (AAS) have been published that are not mandatory for the 30 June 2022 reporting period. The Department of Treasury and Finance assesses the impact of all these new standards and will advise the Board of their applicability and early adoption where applicable.

Topic	Key requirements	Applicable for reporting period beginning on	Impact on reporting entity
AASB 17 <i>Insurance Contracts</i>	The new Australian standard seeks to eliminate inconsistencies and weaknesses in existing practices by providing a single principle-based framework to account for all types of insurance contracts, including the reinsurance contract that an insurer holds. It also provides requirements for presentation and disclosure to enhance comparability between entities.  This standard currently does not apply to the not-for-profit public sector entities.	1 Jan 2023	The standard is not expected to have a significant impact on the Board.
AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current	This Standard amends AASB 101 to defer clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. A liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. The meaning of settlement of liability is also clarified.	1 Jan 2023	The standard is not expected to have a significant impact on the Board.

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2021-22 reporting period. In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting. For the current financial period, there are no amending standards that would impact Zoos Victoria.

## NOTES TO THE FINANCIAL STATEMENTS

### 8. OTHER DISCLOSURES (CONTINUED)

#### 8.8.4 Changes in Accounting Policies

**Initial application of the International Financial Reporting Standards Interpretations Committee (IFRS IC) Agenda decisions.**

#### Software-as-a-Service (SaaS) arrangements

The International Financial Reporting Standards Interpretations Committee (IFRIC) has issued two final agenda decision which impact SaaS arrangements:

- Customer's right to receive access to the supplier's software hosted on the cloud (March 2019) – this decision considers whether a customer receives a software asset at the contract commencement date or a service over the contract term
- Configuration or customisation costs in a cloud computing arrangement (April 2021) – this decision discusses whether configuration or customisation expenditure relating to SaaS arrangements can be recognised as an intangible asset and if not, over what time period the expenditure is expensed.

The Board's accounting policy has historically been to capitalise all costs related to SaaS arrangements as intangible assets in the Statement of Financial Position. The Board currently have no Software-as-a-Service arrangements; therefore, the adoption of the above agenda decision has not resulted in a reclassification of intangible assets to either a prepaid asset in the Statement of Financial Position and/or recognition as an expense in the Statement of Comprehensive Income.

#### 8.9 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 non cancellable 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 transactions'.

**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 non derivative 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.

## NOTES TO THE FINANCIAL STATEMENTS

**Financial liability** – A financial liability is any liability that is:

- (a) a contractual or statutory obligation:
  - to deliver cash or another financial asset to another entity; or
  - 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:
    - 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
    - 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.

**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 balance sheet at the end of the period;
- (b) a comprehensive operating statement 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.

#### 8.9 Glossary of terms

**Grants expenses** – 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 non monetary assets without physical substance.

**Interest expense** – Costs incurred in connection with the borrowing of funds interest expenses include interest on bank overdrafts and short term and long term 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 non employee 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.

**Leases** – Leases are rights conveyed in a contract, or part of a contract, the right to use an asset (underlying asset) for a period of time in exchange for consideration.

**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 write offs, impairment write downs 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 non owner changes in equity'.

## NOTES TO THE FINANCIAL STATEMENTS

**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.

**Non-reciprocal grants** – Grants to the Board may result in the provision of some goods and services to the transferor but they do not give the transferor a claim to receive directly benefits of approximately equal value. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfer. Receipts and sacrifice of approximately equal value may occur, but only by coincidence.

**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.

### 8.9 Glossary of terms

**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, net 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 and 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 non produced 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 day to day 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 a 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.

## Independent Auditor's Report

### To the Board of the Zoological Parks and Gardens Board

<b>Opinion</b>	<p>I have audited the financial report of the Zoological Parks and Gardens Board (the authority) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2022</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• declaration.</li> </ul> <p>In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2022 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

<b>Auditor's responsibilities for the audit of the financial report</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> <li>• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li> <li>• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control</li> <li>• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board</li> <li>• conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern.</li> <li>• evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.</li> </ul> <p>I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
---	---

MELBOURNE  
14 October 2022



Paul Martin  
as delegate for the Auditor-General of Victoria

# ZOOS

**VICTORIA**  
*Fighting Extinction*

---

PO Box 74  
Parkville, Vic. 3052  
Elliot Avenue  
Parkville Victoria

[www.zoo.org.au](http://www.zoo.org.au)

## MELBOURNE ZOO

---

Elliott Avenue  
Parkville, Vic. 3052  
Tel: 1300 966 784  
Fax: 61-3-9285 9350

## HEALESVILLE SANCTUARY

---

Badger Creek Road  
Healesville, Vic. 3777  
Tel: 1300 966 784  
Fax: 61-3-5957 2870

## WERRIBEE OPEN RANGE ZOO

---

K Road  
Werribee, Vic. 3030  
Tel: 1300 966 784  
Fax: 61-3-9731 9606

