


Annual Report 2020-2021

A future rich in wildlife

PLAINS-WANDERER

Maddie

- 4 years old



*Illustrations found throughout
this report are by our young
Zoos Victoria members. This report
highlights the 27 Australian animals
we're fighting to protect.*

MALLEE EMU-WREN

Rex

– 9 years old

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In accordance with the Financial Management Act 1994, I am pleased to present Zoos Victoria's Annual Report for the year ending 30 June 2021.



Rebecca McKenzie
Chair – Zoos Victoria



Dr Jenny Gray
CEO – Zoos Victoria



BAW BAW FROG
Elspeth

– 3 years old

Year in review

Every day, thousands of people pour through our gates, excited to experience animals and connect to nature. Seeing the wonder on their faces is incredibly rewarding.

On 24 March 2020, Zoos Victoria had to close to the public for the first time in our 158-year history. Our reopening in June was short-lived, as we went back to COVIDSafe Settings in July and had to keep our gates closed until October. During those difficult 111 days, our keepers continued to care for the animals in our zoos, while other staff and volunteers adapted to find new ways to continue our work.

We maintained existing relationships and established new ones with partners and sponsors. We stayed engaged with our members and millions of people around the world through live-streaming, social media and 10-part television series *Mega Zoo*, which was supported by our online campaign *Beyond Mega Zoo*.

We continued to share the conservation message with school students through digital education programs. We turned to the COVID-19 policies and processes established throughout 2020 when we were shut down in February and, again, in May 2021.

Our staff and volunteers' commitment to the animals in our care and our conservation work remained outstanding. Their focus, resilience and teamwork buffered our organisation from the impacts of numerous closures. When we were able to reopen, our members returned in their droves - 780,000 visits - showing us how much they love their zoos.

The past year has forced us all to pause, reflect and review. Zoos Victoria has created a new plan, the *2030 Strategy*. The Four Areas of Focus - Working for Wildlife, Connecting Community with Nature, Creating Special Places and Thriving, Ethical Business – reflect our moral purpose to fight extinction and create a future rich in wildlife.

We have seen the urgent need for the skills and resources of Zoos Victoria in times of emergencies, particularly where wildlife is impacted.

This was obvious throughout the significant undertaking to rescue, rehabilitate and release koalas affected by the 2019-2020 Bushfires, with the journey featured in an extended story on ABC's flagship 7.30 program in April. This testament to our specialist veterinarian care was watched by hundreds of thousands of people. Zoos Victoria will draw on this experience to increase our capacity to aid wildlife in need.

'It takes a village to raise a child' is an African proverb that tells us that a child needs an entire community to grow in a happy and healthy environment. We have adapted this message and created a proverb for Zoos Victoria, 'it takes a community to save a species'.

As a result, we are constantly seeking out partnerships with like-minded groups. In the past year, we have worked with more than 50 conservation partners on a range of projects to help save Critically Endangered Mountain Pygmy-possums, Baw Baw Frogs, Southern Corroboree Frogs and Eastern Barred Bandicoots, which have been declared extinct in the wild on mainland Australia.

We increased wild populations of threatened species through breeding and release, mitigated threats, monitored and protected wild populations and their habitats, provided insurance populations where necessary, maintained captive-breeding populations, increased knowledge and engaged communities.

Our Fighting Extinction program saw the successful breeding of hundreds of Critically Endangered animals and we were able to release some of these into the wild, including four pairs of Plains-wanderers in April – a first for Australian conservation.

Zoos Victoria acknowledges Aboriginal people as Australia's first peoples, and as the Traditional Owners and custodians of the land on which we work and live. We are committed to continued engagement with Traditional Owners.

MOUNTAIN PYGMY-POSSUM

Milla

– 11 years old

Our must-see activation – Dinosaurs – was a success with members and visitors. Each property exhibited the giant animatronic dinosaurs in different ways, with *The Lost Sanctuary* at Healesville Sanctuary, *Dino Lab* at Melbourne Zoo and *Zoorassic* at Werribee Open Range Zoo.

Supporting our staff, our volunteers donated more than 30,000 hours, to create more than 17,000 animal-enrichment items and plant more than 5,500 trees.

We continue to look forward, and expect a period of recovery followed by rapid growth and the delivery of transformational projects. The attraction of a great day out, while making a difference to Victorian wildlife, is increasingly relevant to our ever-growing community.

The coming decade will see significant investment in our three zoos, through a combination of Victorian Government investment and philanthropic support. As we invest in our special places, we will ensure we are creating spaces where visitors connect with nature and wildlife.

The Victorian Government has committed \$84 million for the expansion of Werribee Open Range Zoo over the next four years. This is the most significant investment in the history of Zoos Victoria and will change the capacity and overall experience of Werribee Open Range Zoo. We will deliver a world-class attraction, increasing our ability to connect visitors with wildlife in a meaningful way, and educating an even larger audience about the essential conservation and fighting extinction work being undertaken at Zoos Victoria.

We will significantly expand our conservation work at Healesville Sanctuary, to ensure all animals in our care thrive and have lives that are worth living. We aim to make the Australian Wildlife Health Centre a leader in wildlife care, which visitors can witness firsthand.

We will strive to deliver sufficient revenue through our operations to ensure our moral purpose is well-funded, through an ethical and thriving business.

As always, 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 their guidance and support.

We would like to thank the State and Federal Governments and sponsors 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 Change and Minister for Solar Homes, for her support for Zoos Victoria, our community and our animals in this challenging year.

Rebecca McKenzie
Chair – Zoos Victoria

Dr Jenny Gray
CEO – Zoos Victoria



Our charter

OUR PURPOSE

OUR VISION

As a world-leading zoo-based conservation organisation, we will secure 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; and
- Strong commercial approaches to secure financial sustainability.

LORD HOWE ISLAND STICK INSECT

Tom

– 8 years old



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 the Minister for Energy, Environment and Climate Change and Minister for Solar Homes, the Hon Lily D'Ambrosio, the Board is responsible for:

- 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; and
- 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; and
- 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.

GOLDEN-RAYED BLUE BUTTERFLY

Lachlan

– 7 years old



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

NORTHERN CORROBOREE FROG

Liam

– 5 years old



1 WORKING FOR WILDLIFE

*'We will protect the ecosystems and biodiversity which belongs
to us all' – Zoos Victoria Staff Member.*

FIGHTING EXTINCTION

- 1 We continued our fight against extinction, by supporting the 27 local threatened species in our Fighting Extinction program. We successfully bred hundreds of Corroboree Frogs, 35 Grassland Earless Dragons, 48 Helmeted Honeyeaters, 10 Tasmanian Devils, four Mountain Pygmy-possums, four Eastern Barred Bandicoots and one Leadbeater's Possum.
- 2 Eastern Barred Bandicoot populations appear to have stabilised on three islands and several fenced mainland enclosures. Due to this success, the mainland Eastern Barred Bandicoot captive-breeding and insurance program, which commenced in 1991, has met all triggers for completion and a wind-down strategy is now underway. This captive-breeding program was a Zoos Victoria-led program that bred more than 650 bandicoots across its 30-year history, with all mainland Eastern Barred Bandicoots able to be traced back to the program. We thank our partners – the Eastern Barred Bandicoot Recovery Team, Conservation Volunteers Australia, Department of Environment, Land, Water and Planning (the Department), Mount Rothwell Biodiversity Interpretation Centre, Parks Victoria and Phillip Island Nature Parks (PINP) the University of Melbourne and Tiverton Property Partners – for their contributions to such a significant milestone for threatened species.
- 3 In April, we released eight Critically Endangered Plains-wanderers from Werribee Open Range Zoo into the Victorian Northern Plains, in the first phase of a three-year experimental captive-to-wild translocation project. Post-release monitoring is underway via VHF transmitters fitted to the birds, and early signs are very promising with assessed birds showing weight gain. Our partners in this project are the Department, Elanus Consulting, Local Community, New South Wales Department of Planning, Industry and Environment, Parks Victoria, Plains-wanderer Recovery Team, Taronga Conservation Society Australia and Trust for Nature.
- 4 Working with the Arthur Rylah Institute for Environmental Research (ARI), the Department, Baw Baw Frog Recovery Team, Mount Baw Baw Alpine Resort, the Southern Alpine Resort Management Board and Mount Baw Baw Shire, we released 12 egg masses and 50 captive-bred Critically Endangered Baw Baw Frogs at two wild sites at Mount Baw Baw. They were radio-tracked and survival rates, weight gain and dispersal results were extremely positive. We also released more than 1,400 Critically Endangered Southern Corroboree Frogs to the wild.
- 5 We worked with the ARI, the Department and University of Melbourne to rescue Endangered Spotted Tree Frogs and Vulnerable Giant Burrowing Frog tadpoles from 2019-2020 Bushfire-impacted areas to establish new or expanded Conservation Breeding Programs for these species.
- 6 We helped Critically Endangered Mountain Pygmy-possums by developing and trialling a new shelf-stable and appropriate food and new feeder designs following a collapse in their main spring food source, the Bogong Moth. The new 'Bogong Bikkies' mimic the nutritional composition of the Bogong Moth using readily available ingredients, and were developed with experts in veterinary nutrition. Following initial results in our zoos and the wild, which showed the food and feeders to be safe and effective, we supported the New South Wales Department of Planning, Industry and Environment by providing food and the most successful feeder design to supplement New South Wales populations of possums left without food after the Black Summer Bushfires.

Monitoring showed healthy animals emerged from hibernation and successfully raised young in severely affected areas. This year we trialled further delivery techniques including new technology, and ground and aerial delivery systems, to ensure we are best prepared to help in the future. We worked with Parks Victoria, the Department, Falls Creek Alpine Resort Management Board, Mountain Pygmy-possum Recovery Team, The New South Wales Department of Planning, Industry and Environment, Saving our Species, Wombaroo, Prof Ellen Dierenfeld, Dr Michelle Shaw, Paton Air and XM2 on this successful and innovative project.

- 7 Working together with the Friends of the Helmeted Honeyeater and with support from PETstock Assist, Zoos Victoria's *Totes for Wildlife* campaign has resulted in 5,000 new shrubs being planted in Yellingbo Nature Conservation Reserve. These include prickly currant bush, paperbarks and sedges to help to restore the mid layer at a site near Ewen Road and create future nesting habitat for the Critically Endangered Helmeted Honeyeater. This year, Zoos Victoria's community bought a further 10,000 Totes for Wildlife bags which will allow us to fund a further 10,000 trees and shrubs scheduled for planting in winter 2021.
- 8 Our Detection Dog Program is growing. As one part of our Conservation Dog Program, it involves four dogs and three officers based at Healesville Sanctuary. Early trials have shown promise, with one notable project showing strong preliminary results in the detection of oestrus in our Endangered Tasmanian Devils. The aim of this trial is to train dogs to assist keepers in determining when to pair breeding animals during the females' most receptive period, and then to detect when they have successfully given birth using scents from early lactation. There has been successful detection of free-ranging platypus, and of the scats of the Broad-toothed Rat, with trials to find live animals to commence soon. We have started a research program investigating scent generalisation in frogs, in partnership with La Trobe University.

- 9 The other half of the Conservation Dog Program involves a trial of Guardian Dogs protecting Eastern Barred Bandicoots. The long-awaited release of 20 animals into the care of three Maremma Guardian Dogs at Mooramong took place in November. Subsequent monitoring has showed breeding of the bandicoots, and a noticeable reduction in fox activity within the release area. A second release of 20 Eastern Barred Bandicoots with Guardian Dogs took place at Dunkeld in June. We worked with the Department, Parks Victoria, Dunkeld Pastoral Company, the Eastern Barred Bandicoot Recovery Team, National Trust of Victoria, PINP, Tiverton Property Partners and the University of Tasmania on this program.

VOICE FOR WILDLIFE

- 10 Our research shows more than 80% of the Victorian population agree Zoos Victoria is an organisation that protects endangered species and cares for animals.
- 11 Zoos Victoria's consultancy, LEAP, hosted animal welfare workshops at the Australian Tourism Exchange, championing and shaping best ethical wildlife practices to more than 750 operators. It also delivered online masterclasses to share our expertise during the pandemic. The program received global participation and achieved an exceptional average satisfaction rate of 96%.
- 12 We extended the reach and impact of the *Safe Cat, Safe Wildlife* campaign through a partnership with Zoo and Aquarium Association and upskilling 18 zoos and aquariums to join us in engaging the community to keep cats safe at home.
- 13 We commenced a large-scale three-year research program, led by RMIT University, to examine the structural and behavioural barriers to biodiversity-friendly coffee, and to develop a framework for changing other behaviours impacting biodiversity. Partnering with Australian and international research and industry partners, and funded by an Australian Research Council Linkage Grant, this program will inform the ongoing development and implementation of our upcoming *Coffee for Wildlife* campaign.

ANIMALS IN OUR CARE

- 14 Zoos Victoria continued its commitment to animal welfare leadership by developing a novel tool to assess and design ethical animal visitor experiences. This tool was then used to modify and develop new experiences that are great for animals, people and conservation.
- 15 A new zoo-wide research program was launched to understand detailed activity budgets for 35 species across Zoos Victoria.
- 16 There were a number of new arrivals to Zoos Victoria this year. Melbourne Zoo welcomed a male Asian Elephant, Luk Chai. Baby Black-handed Spider-monkey, Izumi, required hand-rearing by keepers and was successfully reintroduced to the troop.
- 17 Werribee Open Range Zoo acquired 11 new residents – five Asian Wild Horses, one Eastern Barred Bandicoot and five Orange-bellied Parrots. Seven Nyala and two Plains Zebra were born and three Plains-wanderers were collected from the wild.
- 18 Healesville Sanctuary welcomed a number of new arrivals this year which included a male Fat-tailed Dunnart to pair up with a single female, a Greater Bilby named Gibson, a male Common Wombat name Milo (to potentially breed this species in the future), and three male Swift Parrots to pair with three females. We also returned a colony of Feathertail Gliders to display.
- 19 Animal Welfare advancements continued to be a key focus across Zoos Victoria. At Healesville Sanctuary, more than 100 targeted countermeasures were put in place in 25 habitats. This included the creation of a reptile encounter space. Heating, feeders for the giraffe and off-limits housing for the zebras were among the 85 countermeasures completed at Melbourne Zoo. At Werribee Open Range Zoo, 92 countermeasures were delivered, including the completion of additional housing for the gorillas.

- 20 Animal training initiatives continue to evolve and benefit the animals in our care. Across our three properties, we have more animals than ever before voluntarily participating in regular weighing, hand injections, X-rays and ultrasounds. At Melbourne Zoo, for the first time, a Snow Leopard and an African Lion were trained for non-anaesthetised voluntary blood draws. At Werribee Open Range Zoo, animal training initiatives included hand-injecting African Wild Dogs, training koalas to participate in regular weighing and teaching a Southern White Rhinoceros to voluntarily cooperate with lengthy allergy testing. At Healesville Sanctuary, training initiatives have seen improvements in animal welfare in mixed species aviaries while improving efficiencies for staff, and in a first for the property, a kangaroo participated in voluntary X-rays (including barium test) on exhibit.

EMERGENCY WILDLIFE RESPONSE

- 21 Zoos Victoria treated 3,661 wildlife individuals - 1,992 at Healesville Sanctuary, 949 at Melbourne Zoo and 720 at Werribee Open Range Zoo.
- 22 Specialist facilities were built to support wildlife rescue and care at Healesville Sanctuary including multi-species holding pens, koala recovery pens in the Coranderrk and special yards for Critically Endangered Brush-tailed Rock-wallaby. A Koala Hospital is under development at Werribee Open Range Zoo and a new Wildlife Hospital is being designed for Melbourne Zoo to enhance capacity to respond to wildlife in need. This work is supported by the Bushfire Emergency Wildlife Fund, RSPCA Victoria, Australia Zoo and Prague Zoo.
- 23 Zoos Victoria delivered wildlife health assessment and welfare bushfire preparedness training to general practice veterinarians, vet nurses, and experienced wildlife rescue volunteers. We are planning more programs in partnership with the Australian Veterinary Association, the Department, RSPCA Victoria, Wildlife Victoria, University of Melbourne and other organisations.

ANIMAL WELFARE PEER REVIEW COMMITTEE REPORT

The Animal Welfare Peer Review Committee has been reviewing and providing advice to the Zoos Victoria Board on matters and incidents related to animal welfare since it was established in 2008 by the Minister for Environment.

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

Committee Members

- Geoff Wescott (Chair), Zoos Victoria Board member and Chair of the Committee
- Rebecca McKenzie, Zoos Victoria Board member
- Dana Hlavacek, Zoos Victoria Board member
- Professor Paul Hemsworth, University of Melbourne
- Dr Graham Mitchell AO, Foursight Associates
- Matthew Jackson, Parks Victoria
- Tegan McPherson, RSPCA Victoria (resigned in Oct 2020)

2020-2021 WELFARE REVIEW

Instances requiring investigation included:

Melbourne Zoo

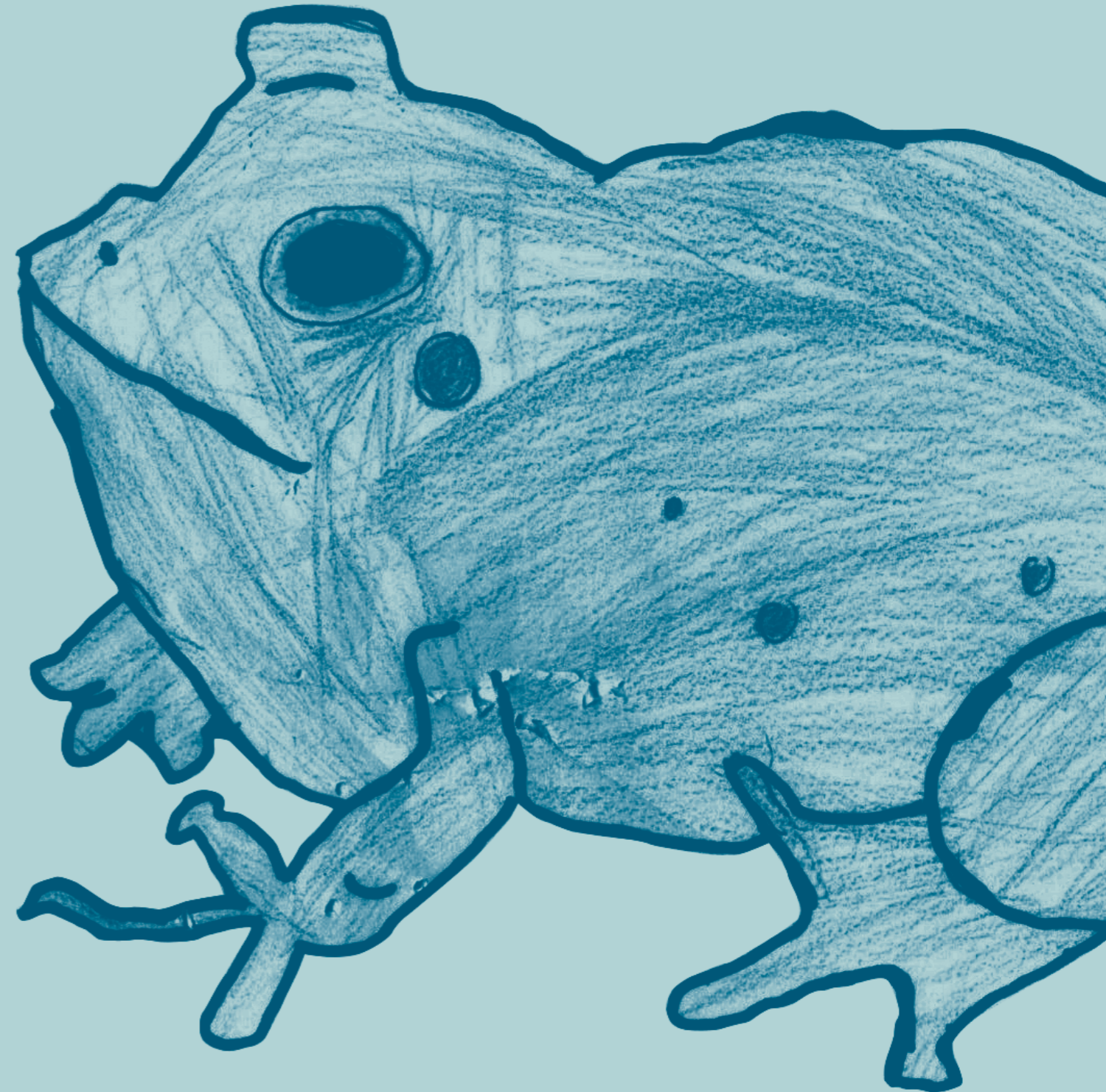
- Melbourne Zoo is the first zoo to have bred Crucifix Frogs. Following the deaths of nine of the 24 young Frogs, an investigation determined moisture levels were likely lower than required. A contributing factor was specialist keepers were waiting for COVID-19 test results and not able to work; communication occurred with the less experienced keepers who were caring for the frogs about the likely moisture levels required.

Healesville Sanctuary

- Two Mountain Pygmy-possums were housed in the same habitat. This species goes into torpor or periods of inactivity. One possum was initially thought to be in torpor, however, further assessment led to the possum undergoing veterinary assessment. The possum was found to be dehydrated and provided with intensive care. The possum's condition deteriorated, and the decision was made for euthanasia. It was later determined a water bowl had been removed from the habitat, and not replaced for several days. This was initially thought to be the primary cause of the possum's decline. Necropsy findings indicated the possum had not eaten for several days, and corneal lesions suggested trauma had occurred. The cause of the trauma was not determined; it is now thought the trauma led to the possum's weakened condition. The second possum showed no signs of dehydration and thankfully remains healthy.
- A Murray River Rainbow Fish had been diagnosed with a Mycobacterium infection, and a decision was made for its euthanasia. The fish was transported in an open container from the World of Platypus to the Animal Wildlife Health Centre. The container was placed on a bench in the Centre's Reception area. The fish escaped from the transport container and was found deceased, 10 minutes after delivery.

SPOTTED TREE FROG *Lawrence*

– 9 years old





NEW HOLLAND
MOUSE
Gilly
– 4 years old

2 CONNECTING COMMUNITY WITH NATURE

'A place that teaches us to conserve biodiversity and improves our mental health' – Zoos Victoria Staff Member.

PROFOUND EXPERIENCES

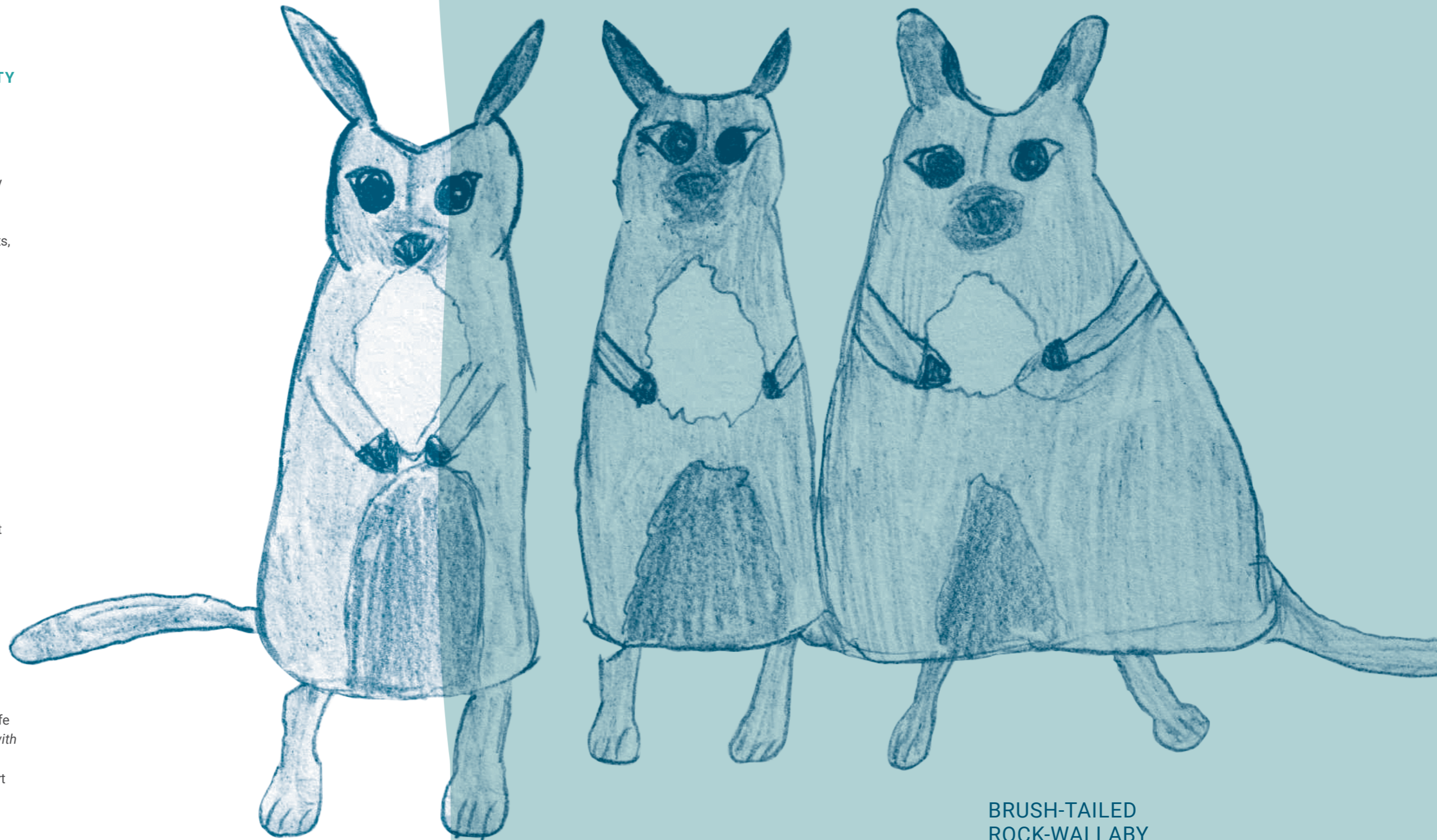
- 1 There were 1.5 million visits to our zoos in 2020-2021; more than 700,000 were member visits. When Victoria came out of the COVIDSafe Settings in October 2020, we processed a record-breaking 74,000 online tickets purchased in a 24-hour period by members and visitors who were desperate to visit one of our zoos as soon as we were able to open.
- 2 We worked with the Department of Education and Training Victoria and Catholic Education Commission of Victoria to develop 13 new digital education programs for students and teachers - 96,410 students participated in the programs.
- 3 Zoos Victoria expanded its reach and impact to support school-based Connect-Understand-Act learning, and now 43% of Victorian schools are Fighting Extinction Schools.
- 4 A new culture program, Share our Care, has been embedded at the Werribee Open Range Zoo. We showcase the elements of running the zoo and caring for the animals by sharing information about the endless tasks that go on behind the scenes. For example, the keepers share animal training enhancements with visitors on safari at the new training wall, and volunteers explain the importance of encouraging natural behaviour through enrichment items.

ENHANCE WELLBEING THROUGH CONNECTION WITH NATURE

- 5 When our community could not visit us in person, Zoos Victoria pivoted to provide engaging digital content, for the Victorian and global community, to showcase the work we do protecting wildlife and looking after animals in our care.
- 6 We achieved more than five million views of our digital content, including our 'Animals at Home' live streaming, virtual keeper talks and virtual tours. We received thousands of comments from people thanking us for sharing happy news, making the zoo accessible for people at home during a tough time. The Royal Children's Hospital played our live streams, schools were using the videos for their virtual classrooms, and many people working at home loved live streaming the animals at the same time.
- 7 Our most successful social media post featured Melbourne Zoo's Snow Leopard cubs venturing outside for the first time; it reached 7.4 million people, with 3.3 million views and 821,507 engagements.
- 8 We collaborated with production company, WTFN, to complete the filming of *Mega Zoo*, a 10-part television series which has now been broadcast in prime time on Channel 9 and overseas. It features the incredible work we do protecting wildlife and looking after animals in our care. We acknowledge the support from Films Victoria for this project.

EMPOWER AND SUPPORT COMMUNITY WILDLIFE RESPONSE

- 9 Zoos Victoria has teamed up the ARI and Bushfire Recovery Victoria to deliver a program supporting fire-affected communities to engage in nature recovery activities. Drawing on the Zoos Victoria Bushfire Emergency Wildlife Fund, this project offers funding through small grants, facilitates community access to expert biologists and provides a platform to showcase their nature recovery projects.
- 10 The *Summer with Wildlife* campaign was launched in December 2020 as an online hub for the public, to help local wildlife recover from fire and survive the summer heat. Actions include keeping cats safe at home, using wildlife-friendly fruit netting, taking part in Birdlife Australia's *Bird in Backyards* citizen science initiative and putting water out for wildlife on hot days. These actions were promoted with instructional videos and engaging content from collaborators such as *Gardening Australia*.
- 11 Zoos Victoria surveyed a sample of our social media followers and found 74% reported engaging in an action to help Australian wildlife over the 2020-2021 summer period and found a 9% increase in Zoos Victoria members reporting high levels of connection with Australian wildlife post-campaign, suggesting the *Summer with Wildlife* campaign helped foster care and connection with our local species. Support for the project was provided by the Equity Trustees' Animal Welfare Program.



BRUSH-TAILED
ROCK-WALLABY
Emily
– 8 years old



HELMETED
HONEYEATER
Katherine
-9 years old

3 CREATING SPECIAL PLACES

'We have created a beautiful, natural, inviting immersive space that is an escape from daily life that benefits emotional wellbeing' – Zoos Victoria Staff Member.

- 1 In 2020-2021, we established daily tracking of our Net Promoter Score, which tells us how likely our visitors and members are to recommend us. Our target was 60, so we were very pleased with an average score of 72 at Healesville Sanctuary, 72 at Melbourne Zoo and 68 at Werribee Open Range Zoo. This tells us that our customers love visiting and engaging with us, are likely to talk about their visit to our zoos and recommend us to their friends and family.
- 6 Staff upgraded the gardens along the main drive and labelled special plant species at Melbourne Zoo. The 'Golden Elephant' roundabout has become 'The Meeting Place' for our visitors. Our horticultural team removed the existing grassland beds around the roundabout, and opened it up with turfed areas for people to sit and eat, large rocks for elevated seating and redefined the tree and garden bed areas highlighted by raised, rustic steel garden edging. The gardeners labelled 100 plants and trees as part of Stage 1; Stage 2 will highlight some of our more iconic plantings across the site with an added touch of history and personal connection.

CAPITAL DEVELOPMENT PLAN

- 2 In November 2020, the Victorian Government funded the business case for our planned major expansion to Werribee Open Range Zoo. The schematic *Design and Cost Plan C1* was approved in January and the detailed design commenced February 2021. This project will deliver a world-class experience, increasing Zoos Victoria's ability to connect visitors with wildlife in a meaningful way and educate a larger audience about our essential conservation and fighting extinction work.

CUSTOMER FOCUS

- 7 We installed an augmented hearing system at the Spirits of the Sky show at Healesville Sanctuary to allow people using hearing aids to listen to the presentation. We also improved wheelchair access, access for carers and installed handrails.
 - 8 Zoos Victoria successfully delivered Dinosaurs, a must-see activation, which involved exhibiting giant animatronic dinosaurs in three different activations: *Lost Sanctuary* at Healesville Sanctuary, *Dino Lab* at Melbourne Zoo and *Zoosasic* at Werribee Open Range Zoo. The activations were extended from March 2020 until May 2021 and received high Net Promoter Scores at the three zoos. The success of this activation was made possible by the many teams involved in the creation, coordination, preparation and ongoing maintenance and delivery.
- 3 The capital works projects completed at Werribee Open Range Zoo in 2020-2021, include the Gorilla Quarantine, African Village, Lion Viewing upgrade, a workshop for our volunteers and a new office for our Works team.
 - 4 Melbourne Zoo completed more than 75 exhibit upgrades, including the Orang Tunnel, meerkat habitats, tiger feedline, Ibis Island clearing, deep cleaning and filter replacement at Wild Sea.
 - 5 We renovated the Reptile House at Melbourne Zoo, with a public gallery ceiling replacement, digital animal ID signage installation, re-mock rocking, pond sealing of the two crocodile habitats and upgrade of the foyer and entrance area.

9 In partnership with the Association for Children with a Disability, Melbourne Zoo hosted 'Dream Day' in December. It 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 going to the zoo together. The Bowness Family Foundation and Naomi Milgrom Foundation supported this event.

SUSTAINABLE OPERATIONS

- 10 After three years of investment in the expansion of the browse plantation at Werribee Open Range Zoo and the addition of irrigation, the tree growth has been impressive and there is a constant supply for the animals at both Werribee Open Range Zoo and Melbourne Zoo.
- 11 We continue to be certified ISO14001:2015 for our Environmental Management System. We are certified carbon neutral through the Climate Active certification. As part of this process, we procured carbon offsets with high co-benefits in habitat protection and rehabilitation, and community development. We also reduced carbon dioxide emissions by 3,729 tonnes, compared to financial year 2018-2019 to 2019-2020.
- 12 Zoos Victoria formalised and approved the Environmental Social and Governance procurement processes for the whole organisation and Melbourne Zoo joined the International Climate Change Alliance of Botanic Gardens.




- 13 We delivered 90% of waste from landfill in 2020, through our Zero Waste to Landfill initiative, significantly reducing greenhouse gas emissions and increasing the recovery of raw materials through recycling and reuse.
- 14 As part of our Single-Use Plastics Policy, we implemented a post-mix beverage system to further improve on the delivery of soft drinks and water without single-use plastic containers. This initiative reduces approximately 600,000 plastic bottles per year or 12 tonnes of plastic waste per year.
- 15 Our total on-site solar PV across our three zoos is 675W with a capacity of producing 880,000kWh of renewable energy per year.
- 16 At Melbourne Zoo, our water treatment plant processed and recycled approximately 100 mega litres of storm and grey water to Class A recycled water per year. This water was used for irrigation, washing animal exhibits and flushing toilets.
- 17 Our environmental action plans were updated in the *Zoos Victoria Environmental Sustainability Investment Prospectus 2019-2024*.

EXTENDED PLACES

- 18 Healesville Sanctuary staff completed a survey of the hydrology and vegetation of the Boggy Creek Floodplain in the Coranderrk Bushland. The new knowledge is being used to restore the natural function of the Floodplain and its vegetation to provide future habitat for lowland Leadbeater's Possums and Helmeted Honeyeaters. The Vizard Foundation provided funding for both reports.
- 19 Melbourne Zoo staff worked with partners at Parks Victoria to provide expert input into the design of an effective and sustainable sprinkler system to help manage heat stress events in Grey-Headed Flying Foxes at Yarra Bend Park. The horticulture team is also working with Parks Victoria to support revegetation works in this incredible parkland.



TASMANIAN DEVIL
Hannah
– 6 years old



EASTERN BARRED BANDICOOT

Orlando

– 7 years old

4 THRIVING, ETHICAL BUSINESS

'Thriving ecosystems in the city' – Zoos Victoria Staff Member.

COMMERCIAL FOCUS

- 1 Zoos Victoria retained its existing sponsors - PETstock, Mondelez, IXOM and Dental Health Services, and attracted four new supporters - Green Valley Grains, Insight Mobile Veterinary Diagnostics and Troy Laboratories.
- 2 We welcomed a new partner, Melbourne Water. Its sponsorship is refurbishing the platypus tanks at Healesville Sanctuary, offering a healthier habitat for these animals and an improved visitor experience.
- 3 The popularity of our animal experiences continued, albeit adapted to COVIDSafe Principles. We collaborated with our online partners - Get Your Guide, Equity Travel, Klook, Red Balloon, Ticketmates/Experience OZ and Trip Advisor/Viator - to successfully drive sales of high-yielding products, such as Slumber Safari and Sunset Safari at Werribee Open Range Zoo. The native residents – koala, echidna and kangaroos – continued to be popular encounters for visitors to Healesville Sanctuary.
- 4 We launched new zoo-based experiences informed by the *Animal Welfare and Ethics Code*. These are designed to promote positive welfare in animals, inspire conservation connection for people and also contribute funds to support us to deliver on our conservation work.
- 5 The Zoos Victoria Gifts in Wills program, the Future Hands Fellowship, now has 167 members, representing more than \$10 million in future giving*.
- 6 We continued to engage with international tourism partners and participated in more than 500 online meetings with key agents across the world.
- 7 We established new partnerships with Big 4, Holiday Inn, Mansion Hotel, Phillip Island Nature Parks, Puffing Billy, Quest Werribee, ShadowFax, Tourism Australia, Visit Victoria, Visit Werribee and Yarra Ranges Tourism, not only to drive sales, but to increase regional awareness.
- 8 We engaged with our members through online content in the new online Member VIP Zone, attracting 46,000 unique visits (compared to the budget of 15,000), and implemented *Member Acquisition and Retention COVID-19 Recovery Plans*.
- 9 At the lowest point, Zoos Victoria's membership dropped to 203,304 active members in October 2020. We are thrilled that we now have 287,370 active members. A recovery of more than 80,000 members in seven months reflects how special our zoos are to Victorians.
- 10 We managed our finances and cash flows to ensure all our animals and their welfare were continuously taken care of, with additional financial support from the State and Federal Governments.
- 11 The FinanceTeam continued to track and trace all 2019-2020 Bushfire Appeal funds and the associated expenditure on animal welfare, habitat restoration and emergency response preparedness.
- 12 Zoos Victoria completed our five-year Asset Revaluation of our land and buildings, which resulted in an increase of \$49 million in our total asset value.
- 13 Significant improvements to the way we record and report our admissions and membership income were implemented, which accounts for more than half of Zoos Victoria's income in a normal trading year.

* Based on the average bequest in Australia of \$60,000 (Social Impact Institute)

AMAZING PEOPLE

- 14 Our staff and volunteers are at the heart of our workplace. The Bushfire response work and COVID-19 have been the ultimate stress test of our organisational culture.
- 15 The way in which Zoos Victoria has responded has been truly remarkable. We are incredibly proud of the strength of our culture, characterised by engaged and compassionate leadership, organisational resilience, adaptability and innovation and incredible productivity during these challenging times.
- 16 We implemented several health and wellbeing initiatives, included live chats, webinars and online resources. We focussed on managing the range of emotions that came with working from home and increased engagement using various communication platforms. We have expanded our flexible work arrangements to allow for working-from-home on an ongoing basis, where roles allow for it.
- 17 We were challenged to maintain essential staff onsite during the closure of our zoos, but successfully implemented safety plans and procedures to keep them safe.
- 18 The implementation of the *Victorian Government's Industrial Relations Framework for Managing the Coronavirus (COVID-19) Pandemic* meant we could keep paying our casual staff who were unable to work. We developed and implemented *COVIDSafe Plans* to keep our people and visitors safe.
- 19 We attracted 147 new volunteers to our organisation resulting in a total of 880 volunteers. Of these, 50 are helping with animal releases, monitoring and repatriating koalas to fire-affected areas.
- 20 Our volunteers donated 30,000 hours of their time to a range of tasks, from planting more than 5,500 trees at Werribee Open Range Zoo to creating 17,000 animal enrichment items. The equivalent value of this work is \$1,250,000*

- 21 The Department helped us to refurbish the Volunteer Community Hub at Melbourne Zoo and have created a place for staff and volunteers to share a cuppa and chat while reading the rich history of the zoo courtesy of the volunteer library.
- 22 Our Volunteer Satisfaction Survey showed 98.36% of the people who donate their time to help us reported they are strongly or very strongly satisfied with being a volunteer at Zoos Victoria.

PROFIT FOR PURPOSE

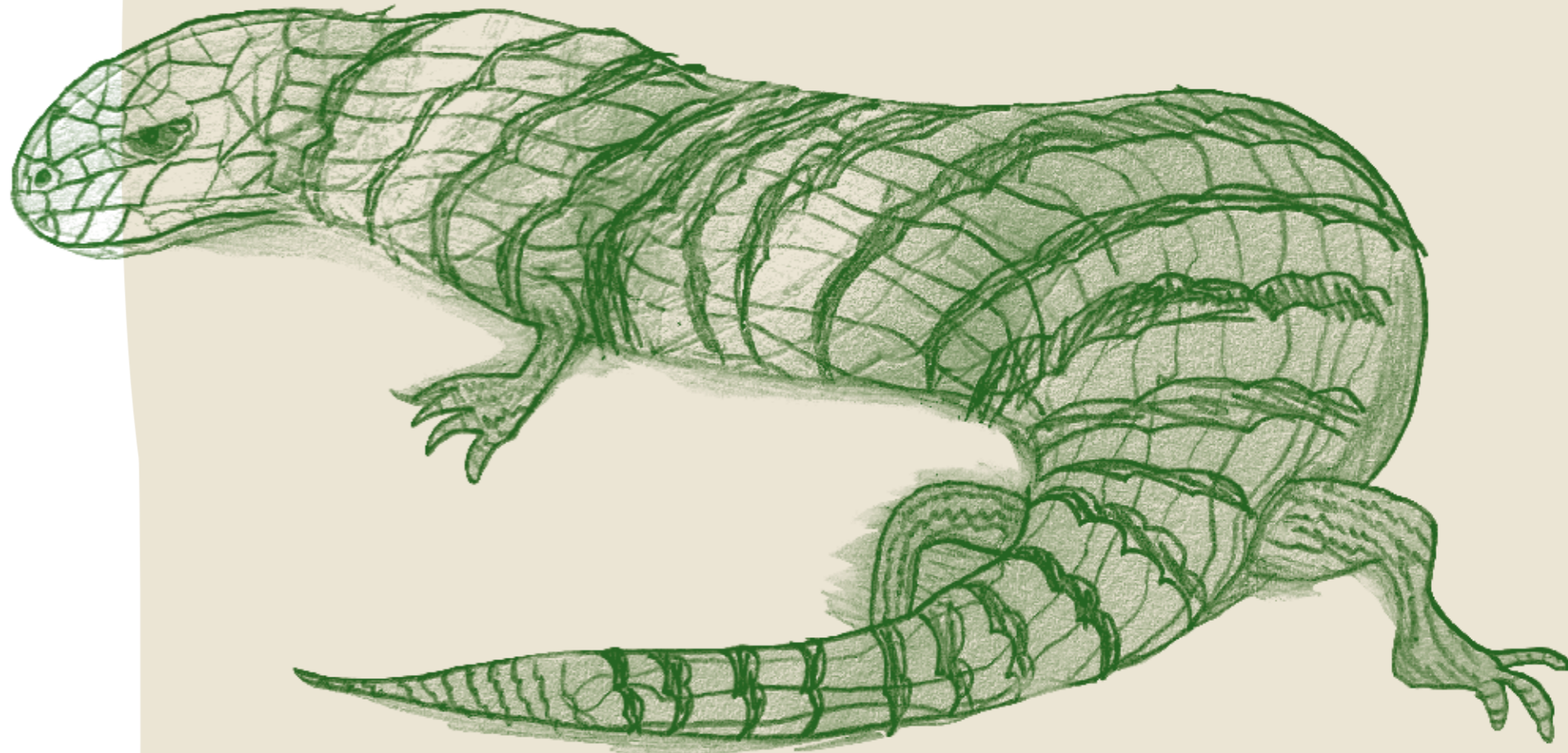
- 23 The Bushfire Emergency Wildlife Fund attracted \$1.9 million in donations to assist our work in treating, rescuing, rehabilitating and releasing impacted wildlife.
- 24 We raised \$14,400 for the Zoos Victoria Bushfire Emergency Wildlife Fund through sales of branded plush toys in Coles Express stores.
- 25 The *Totes for Wildlife* initiative focused on supporting the Helmeted Honeyeater this year. We sold nearly 10,000 bags and raised more than \$51,000 for trees to be planted in Helmeted Honeyeater habitat. Bags were sold in PETstock stores as part of a partnership to raise Zoos Victoria's profile.
- 26 The Zoos Victoria Endowment Future Fund grew to a total value of \$5.4 million.
- 27 Support for our two sister Zoos - Uganda Wildlife Education Centre and Port Moresby Nature Park - has continued during this difficult time with staff successfully shifting focus to online delivery of development and assistance programs.
- 28 Zoos Victoria staff conducted a series of fundraising activities for our international conservation programs in Africa, Vietnam, the Philippines and French Polynesia raising approximately \$45,000. These funds go to support our conservation partners Rhino Fund Uganda, Fauna Flora International, Mabuwaya Foundation, and Société d'Ornithologie de Polynésie respectively.

CONTINUOUS IMPROVEMENT

- 29 We centralised the catering management and worked with our catering partners, Restaurant Associates and Kitchen & Butcher. This new arrangement has given Zoos Victoria greater insight and control over our catering business and has allowed us to make immediate enhancements to the menu offering and operating standards.
- 30 Human Resources launched several inclusion and diversity initiatives, including a Workplace Adjustment Policy and a Disability Working group. Melbourne Zoo established culture and disability committees.

- 31 We completed our first pilot with our new workforce management system and moved to an online onboarding system, integrated with our payroll system. Zoos Victoria's online learning resource now has 60 modules; 8,967 modules were completed by staff and volunteer.
- 32 We published more than 25 peer-reviewed articles in scientific journals, highlighting our focus on evidence-based management.

ALPINE
SHE-OAK SKINK
Roger
– 8 years old



OCCUPATIONAL HEALTH AND SAFETY

Zoos Victoria's Occupational Health and Safety (OHS) vision is to ensure all staff go home healthy and safe every day. This financial year was affected by the ever-changing COVID-19 landscape, so our focus has been on managing the health, safety and wellbeing of our staff, volunteers, visitors and the precious animals in our care.

We developed and maintained Zoos Victoria and property-centric COVIDSafe Plans - guidance documents on how to manage suspected and/or confirmed cases on-site and fitted face mask protocols. We also sourced and provided more than 5,000 Zoos Victoria-branded face masks to staff and volunteers. In the early days of COVID-19, our talented volunteers hand-made hundreds of face masks that staff could wear - a true indication of the Zoos Victoria family banding together in trying times, as always.

We provided our outdoor staff with professional skin cancer screening appointments between February and April 2021. There were 214 staff involved - 71 were referred due to suspicious lesions, 5% of those required immediate action; 17% needed urgent review within one week; 11% were advised to seek review within one month due to being high risk. The skin check service was very well received and highlights the importance of reducing the associated risks of working in the outdoor environment.

We conducted an extensive desktop self-assessment audit of our policies, procedures and processes against ISO45001 International Standard Occupational Health and Safety Management Systems. The audit included assessments against more than 200 audit line items and identified a host of valuable insights that will be used to guide our strategic direction in the coming years.

Our Category 1 (CAT1) Animals Project moved to the operational arena with a CAT1 Community of Practice Committee Procedure established and approved by our Senior Executive Team. This new Committee, with representatives from all relevant stakeholder groups, will ensure the ongoing proactive and positive governance of all CAT1 enclosures.

The OHS Team led a collaborative vaccination program review, with internal and external expert stakeholders reviewing our entire vaccination program to ensure it reflects current best practice and protects our staff and animals. We also migrated our entire complex administration of this program to the Solv Health software system, vastly improving efficiency and reliability of records.

Reported Hazards

Year	2020-21	2019-20	2018-19
Hazards	585	542	469
Per 100 FTE	92	89	78

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 continues to increase over the last three years. We continue to encourage staff to report hazards and reduce the barriers that discourage reporting.

Incidents

Year	2020-10	2019-20	2018-19
Incidents	295	228	176
Per 100 FTE	46	37	29

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.

Lost-time Standard WorkCover Claims

Year	2020-21	2019-20	2018-19
LTI Standard Claims	8	11	9
Per 100 FTE	1.3	1.8	1.5

There was a significant decrease in the number of Lost Time Standard WorkCover Claims.

Average Cost per Claim

Year	2020-21	2019-20	2018-19
Average Actual Paid	\$12,099	\$14,171	\$10,244
Average Total Estimate	\$53,751	\$74,312	\$29,374

The Average Cost per Claim for both Average Actual Paid and Average Total Estimate of those claims decreased. This is due to the nature of these claims being less serious, and Zoos Victoria implementing tighter management of these claims by implementing fortnightly claims conferences with our WorkCover insurer to ensure appropriate ongoing management and best outcomes for our injured staff.

WorkCover Premium

Year	2020-21	2019-20	2018-19
Premium	\$497,460	\$343,281	\$409,465

The 2020-2021 premium increase is reflective of some more serious claims sustained in the 2019-2020 year now taking effect on our premium levels. The number and severity of WorkCover claims experienced in 2019-2020 will have a negative effect on the premium for the three years following. Despite a less than favourable premium in comparison, Zoos Victoria continues to perform extremely well relative to our industry, as per advice received from WorkSafe via our insurer.

GUTHEGA SKINK
Isobel
– 8 years old



A FUTURE RICH IN WILDLIFE

It was a challenging year for Zoos Victoria, but saving wildlife is not just what we do, it's who we are. We continued to provide world-class care for our animals, delivered conservation projects and stayed connected to our members, donors, supporters, partners and the wider community. Our commitment to fighting extinction and creating a future rich in wildlife resulted in so many achievements.

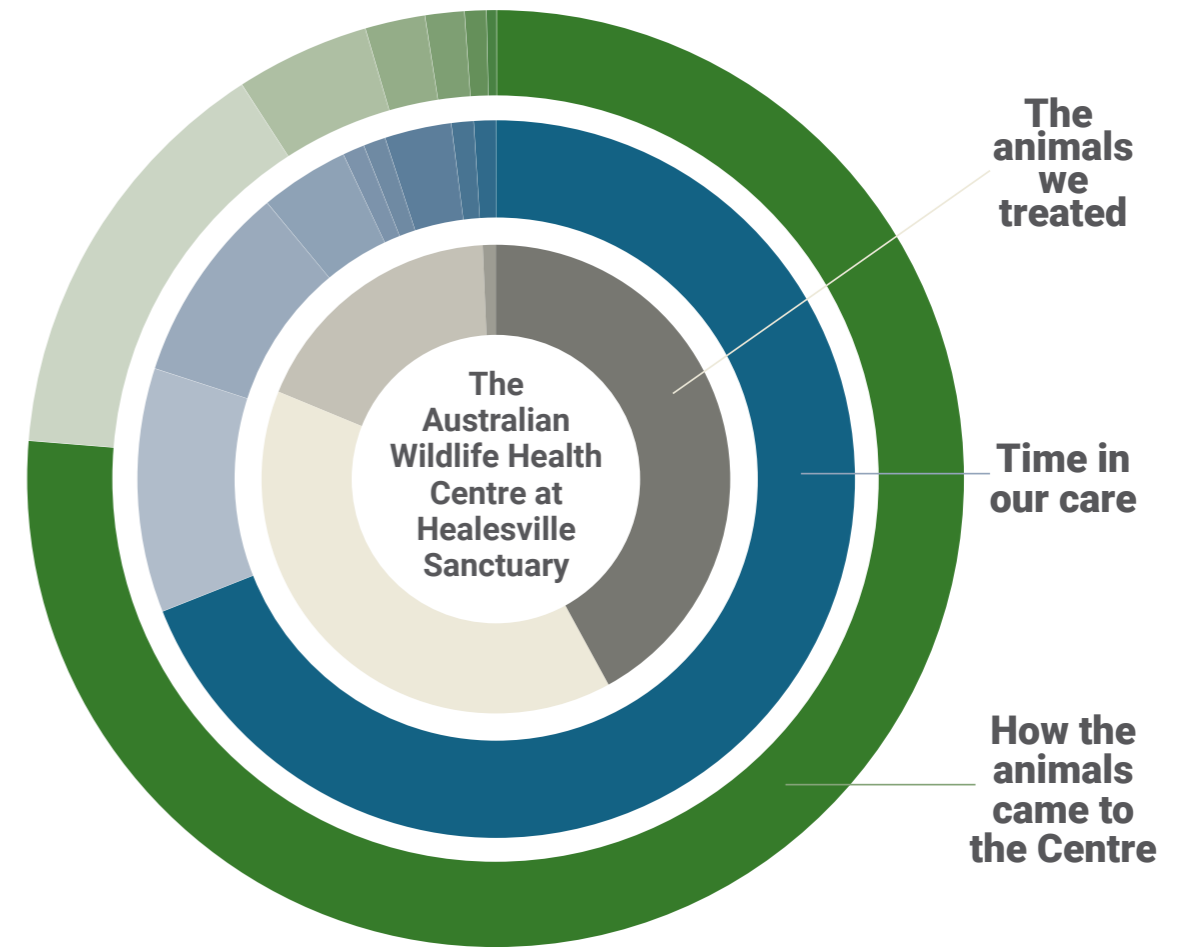
- After 30 years, the Eastern Barred Bandicoot breeding and release program has produced close to 1,000 bandicoots and seen the release of more than 650 animals, in collaboration with our amazing partners (listed on page 9).
- The total number of cases received by Melbourne Zoo's Marine Response Unit during this 12-month reporting period was 918, the most the Unit has ever received in an operating year. The Unit coordinated direct intervention to address animal welfare concerns in 68% of all cases with 623 interventions undertaken this year, compared to 388 in 2019-2020.
- The *They're Calling on You* project team recycled and re-purposed more than 1,600 mobile phones donated by individuals, schools and businesses and raised more than \$3,000 to help protect wild Critically Endangered Eastern Lowland Gorillas in Africa.
- The population of captive-bred Critically Endangered Lord Howe Island Stick Insects continues to thrive, reaching its third generation in the purpose-built breeding facility at Melbourne Zoo.
- Dasher became the fourth member of the Detection Dog team at Healesville Sanctuary, and is being trained to help save wildlife alongside Bubba, Moss and Kip.
- In 2020-2021, Melbourne Zoo's veterinarian team spent 433 hours in the field performing health and welfare assessments on bandicoots, koalas and bats.
- Zoos Victoria staff worked in regional Victoria to provide future habitat for lowland Leadbeater's Possums and Helmeted Honeyeaters.
- We re-established the online community fundraising initiative through mycause. It is great to see children asking for donations in lieu of birthday presents to help fund conservation.

Australian Wildlife Health Centre at Healesville Sanctuary

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.



LARGE BROWN TREE FROG
William
– 6 years old



The animals we treated

Classification of animal	Number of animals	% of total animals
Mammal	838	42.07%
Avian	777	39.01%
Reptile	358	17.97%
Amphibian	19	0.95%
Total	1992	100.00%

Time in our care

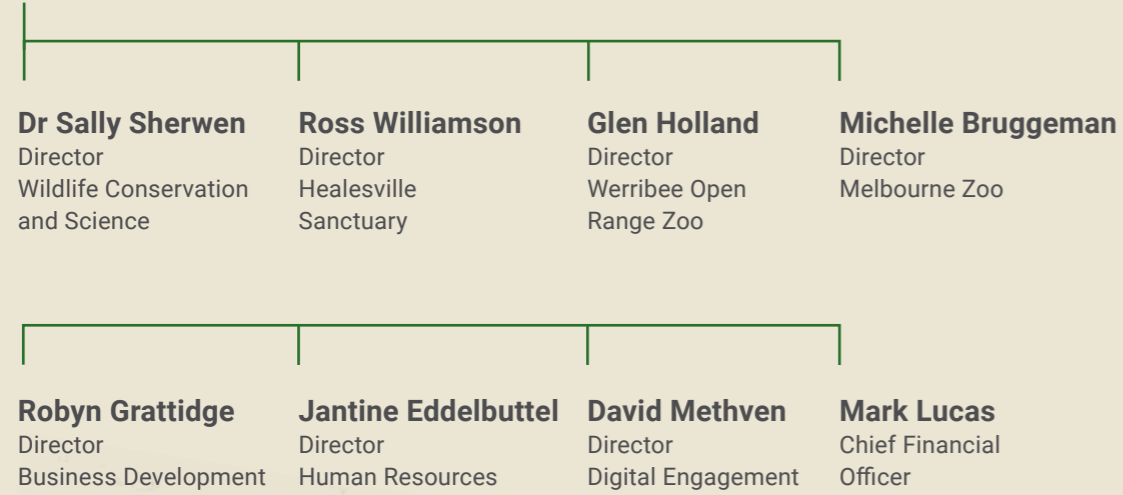
Amount of time	Number of animals	% of total animals
Same day	1378	69
Overnight	207	11
2-7 days	186	9
1-2 weeks	77	4
2-3 weeks	27	1
3-4 weeks	20	1
> 4 weeks	62	3
Still in care	13	1
Not dispositioned	22	1
Total	1992	100.00%

How animals came to the Centre

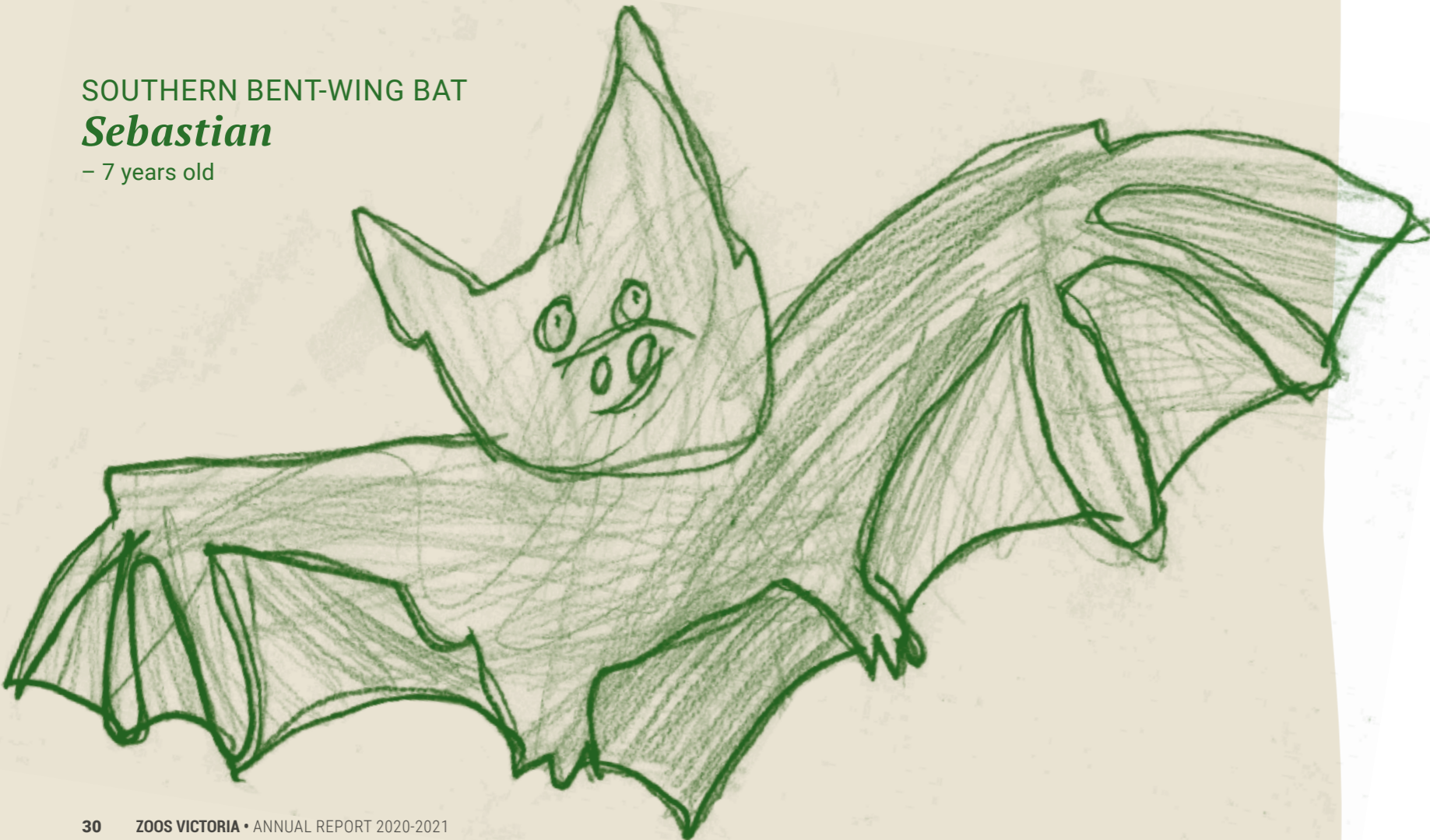
Where it came from	Number of animals	% of total animals
Rescued by a member of public or found on the grounds of Healesville Sanctuary	1520	76.31%
Seized by the Department and brought to the Centre	290	14.56%
Collected from the wild for research or species management	92	4.62%
Brought in by an animal carer for further treatment	41	2.06%
Koala rescued from 2019-2020 Bushfires – checked in the field	27	1.36%
Koala rescued from 2019-2020 Bushfires – brought in for further care	15	0.75%
Transferred from another animal sanctuary	7	0.35%
Total	1992	100.00%

ORGANISATIONAL CHART

DR JENNY GRAY
Chief Executive Officer



SOUTHERN BENT-WING BAT
Sebastian
– 7 years old



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 2021	As at 30 June 2020
Employees (total)	867	878
Male	303	296
Female	564	582
Self-described	none	none
HEAD COUNT		
Full-time and part-time	622	576
Male	238	221
Female	384	355
Casual (total)	245	302
Male	65	75
Female	180	227
Full-time Equivalents (total)	639	581
Full-time and Part-time	550	510
Casual	89	71
Indigenous Employees (total)	2	2
Executive (total)	9	9
Male	4	4
Female	5	5
Senior Managers (total)	19	18
Male	9	8
Female	10	10

KEY PERFORMANCE INDICATORS

Measure	End June	Target	Met
Working for Wildlife			
<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	1,512	3,100	X
Wildlife Conservation - FE species with a ZV captive breeding program	19	20	X
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
Connecting Community with Nature			
<i>The COVIDSafe Settings impacted visitation numbers.</i>			
Annual visitation (millions)	1,528,985	2,078,940	X
Annual paid visitations (millions)	447,281	866,512	X
Visits per member	2.4	3.2	X
Membership renewal rate (%)	50.4%	45%	✓
Percentage of Victorian schools part of the Fighting Extinction Schools	43%	40%	✓
Thriving, Ethical Business			
<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 (%)	86%	>80%	✓
Workplace Safety according to Pulse Survey (month) (%)	97%	>95%	✓
Lost time Injuries: Frequency Rate	12.27	<11.2	X
Lost time injuries: Number of incidents longer than 2 days lost	8	8	✓
Excess Annual Leave: % of staff with excess leave	10%	<5%	X
Financial Sustainability			
<i>The closure of zoos to the public and visitor cap restrictions due to COVID19 impacted Financial Sustainability measures and some project delivery.</i>			
Secure capital investment for WORZ - \$m raised	\$83.8m	\$83.8m	✓
Revenue (YTD)	\$91.9m	\$90.0m	✓
Expenditure (YTD)	\$102.9m	\$101.0m	X
Net operating (deficit) (YTD)	(\$11.0m)	(\$11.0m)	✓
Cash Holdings (millions)	\$30.7m	\$7.9m	✓
\$ operating revenue per total visitor	\$25.70pv	\$29.04pv	X
Wages as % revenue (YTD)	72%	60%	X
Conservation Master Plan % spend against budget	91%	100%	X
Annual Members	287,370	190,000	✓
Philanthropy (YTD)	\$4.8m	\$4.0	✓
Asset Management % spend on asset maintenance against budget	100%	100%	✓

ADMISSION CHARGES

Price / Category	2020-21	2019-20
Adult (16 years and over)	\$38	\$38
Child (above 4 to 15) normal day other than weekends, Victorian public holidays and Victorian school holidays.	\$19	\$19
Child (above 4 to 15) on weekends, Victorian public holidays and Victorian school holidays.	FREE	FREE
A child under 16 years with a physical or intellectual disability	\$5	\$5
Carer or Teacher's Aide (accompanying the person with a disability)	FREE	FREE
Seniors (10% discount, rounded)	\$34	\$34
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	\$29	\$29
Full-time student on presentation of proof of full-time enrolment in secondary school or post-secondary educational institution	\$29	\$29
Family (a group of 2 adults and 2 children)	\$95	\$95



REGENT HONEYEATER
Elektra
– 8 years old

FINANCIAL SUMMARY

	(\$ thousand)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Recurrent					
Revenue Zoo Activities	39,301	55,385	67,200	61,227	56,053
Parks and Reserve Trust Fund ¹	32,037	23,668	24,908	27,024	14,729
Other grants, income and sponsorship	20,621	16,910	8,252	11,604	11,224
Total Income²	91,959	95,963	100,360	99,855	82,006
Total Depreciation	(12,611)	(12,384)	(11,977)	(11,590)	(11,065)
Total Operating Expenses ²	(91,076)	(97,442)	(96,232)	(86,657)	(76,384)
Total Expenses³	(103,687)	(109,826)	(108,209)	(98,247)	(87,449)
Net Result from transactions	(11,728)	(13,863)	(7,849)	1,608	(5,443)
Other economic flows⁴	720	306	(303)	78	(884)
Net Result for the period	(11,008)	(13,557)	(8,152)	1,686	(6,327)
Assets, Liabilities and Equity					
Total Assets	445,200	396,306	399,539	385,211	373,921
Total Liabilities	(30,271)	(27,910)	(23,607)	(19,950)	(17,424)
Total Equity	414,929	368,396	375,932	365,261	356,497
Capital Contributions for⁵					
Expanding Werribee Open Range Zoo	7,676				
Big Cat Row Development					3,125

1 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.

2 Total Income and operating expenses reflects the receipts of funds or payment of expenses as they are incurred during the year.

3 Total expenses are comprised of high fixed costs linked to the care of animals and assets of Zoos Victoria.

4 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.

5 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 130 days in 2020-2021, and they operated with visitor cap restrictions at all other times. This led to a significant reduction in revenue from all zoo activities during the year. Please refer to Section 1.6 in the Zoos Victoria Financial Report for details.

SUBSEQUENT EVENTS

Subsequent to the end of the financial year, the zoos have been closed to the public for significant periods of time in July, August and September as a result of COVID-19. Refer to Section 8.1 of the Zoos Victoria Financial Report for details.

SIGNIFICANT CHANGES IN THE FINANCIAL POSITION DURING THE YEAR

During the financial year, the three zoos were closed to the public for 130 days and they operated with visitor cap restrictions at all other times. 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.

BOARD ATTENDANCE

BOARD ATTENDANCE 1 JULY 2020 TO 30 JUNE 2021

Member	No. of meetings eligible	No. of meetings attended	Date appointed
Kate Vinot (Chair)	8	8	1/7/18
Dr Geoff Wescott (Deputy Chair)	8	8	7/9/11
Prof. Kenneth Hinchcliff	8	7	21/5/08
Natasha Bowness	8	8	30/4/13
Greg Smith AM	8	7	1/7/18
Rebecca McKenzie	8	8	1/7/18
Dana Hlavacek	8	8	1/7/18
William Whitford	8	6	1/7/18

BOARD ATTENDANCE OF EXTRAORDINARY MEETINGS 1 JULY 2020 TO 30 JUNE 2021

Member	No. of meetings eligible	No. of meetings attended
Kate Vinot (Chair)	1	1
Dr Geoff Wescott (Deputy Chair)	1	1
Prof. Kenneth Hinchcliff	1	0
Natasha Bowness	1	1
Greg Smith AM	1	1
Rebecca McKenzie	1	1
Dana Hlavacek	1	1
William Whitford	1	1



SMOKY MOUSE

Isla

– 3 years old

BOARD PROFILES

AS AT 30 JUNE 2021

KATE VINOT (CHAIR)

Kate was appointed Chair of Zoos Victoria in 2018. She brings extensive Board and executive leadership experience to the role. Her particular expertise lies in strategy and risk management in organisations where excellence in environmental management and community engagement are key for business success, and where addressing the risks from climate change is paramount. Previous Board roles include Parks Victoria, Chair of the Parks Victoria Audit and Risk Committee, Chair of the Point Nepean Advisory Committee, Member of the Uniting Age Well Audit and Risk Committee, Grampians Wimmera Mallee Water and Water Stewardship Australia. In addition, Kate is the General Manager, Energy and Resources at the Bureau of Meteorology. She has held executive director roles at the City of Melbourne, Nous Group, Veolia Water, Visy and South East Water. Kate has degrees in civil engineering, economics and business administration. She is a Fellow of Engineers Australia, Fellow of the Williamson Community Leadership Program, and a graduate of the Australian Institute of Company Directors.

DR GEOFF WESCOTT (DEPUTY CHAIR)

Geoff was appointed to the Board in 2011. He retired in March 2018 from being an Associate Professor of Environment at Deakin University in Melbourne. He is now an Honorary Principal Fellow in the School of Ecosystem and Forest Sciences at the University of Melbourne and an Honorary Research Fellow at Deakin University. He is a Fellow of the Environment Institute of Australia and New Zealand, a member of the World Commission for Protected Areas of the IUCN and a Life Member of the Australian Coastal Society and Australian Marine Sciences Association. He has served on the Australian National Oceans Advisory Group, the Victorian Coastal Council and Parks Victoria. He is a Past President of the Australian Coastal Society and past Chair of the National Parks Advisory Council. Geoff is currently a member of the Victorian Environmental Assessment Council and recently published a book (*Big, Bold and Blue*) on Australia's marine protected areas. Recently he chaired the expert panel advising the State Government on the *Marine and Coastal Act 2018*.

REBECCA MCKENZIE

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 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.

WILLIAM WHITFORD

William is the Managing Director of the Treasury Corporation of Victoria, a role he has held since July 2003. In addition, he is a non-executive Director and Chairman of the Audit Committee of the Australian Financial Markets Association, and a member of the Investment Committee of Australian Unity. He has previously held non-executive Director roles with the Rural Finance Corporation of Victoria and Big Sky Building Society. He is a Fellow of the Australian Institute of Company Directors, a graduate of the Australian Institute of Superannuation Trustees and a Trustee of the Committee for Economic Development of Australia. William has more than 30 years' experience in market risk, gained through financial markets roles with Banque National de Paris and the State Bank of South Australia, and the financing of government and infrastructure with the South Australian and Victorian Governments. He holds an MBA from Adelaide University Graduate School of Management.

DANA HLAVACEK

Dana Hlavacek is an experienced corporate executive and independent director with expertise in treasury and finance, audit, risk, compliance and governance. Her executive career includes roles in the resources sector and audit and assurance. Dana is a director of the Brotherhood of St Laurence and a member of the Greater Metropolitan Cemeteries Trust. Previous director roles include RSPCA Victoria, Melbourne Water Corporation, VicWater and Trustee of the Victorian Arts Centre Trust. Dana is a Fellow of Chartered Accountants ANZ, a graduate member of the Australian Institute of Company Directors and holds a Bachelor of Commerce (Hons) and a Master of Accounting.

PROF. KENNETH HINCHCLIFF

A veterinarian, scientist and experienced academic administrator with international expertise in higher education and veterinary medicine and a world recognised expert in equine medicine and exercise physiology providing global leadership through membership of key organisations and authorship of leading veterinary textbooks and other publications. Previously a professor at Ohio State University and Dean of Veterinary Science and then of Veterinary and Agricultural Sciences at the University of Melbourne, Prof. Hinchcliff is CEO (Warden) of Trinity College. This tertiary educational institution provides foundation studies programs to international students entering the University of Melbourne, a 148-year-old Residential College, and a Theological School. Qualifications include a B.Vet. Sci (first class honours), M.Sc. PhD, Diplomate of the American College of Veterinary Internal Medicine and a graduate of the Australian Institute of Company Directors.

NATASHA BOWNESS

Natasha is an Executive Director of Wilbow Group, a private family investment business operating in Australia and the US. Its activities include property development and financing, listed and unlisted investments and private equity. Natasha is a Chartered Accountant and has extensive experience in property development, governance, strategy, risk, business management, audit, finance and philanthropy. Natasha is Chair of the Bowness Family Foundation, a member of The Australian Ballet Foundation Board, President of the Australian Ballet Annual Giving Program and Chair of the Monash Gallery of Art Committee of Management. She is a member of the Monash University Campaign Council and has been Deputy Chair of the Zoos Victoria Foundation Advisory Board.

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 a Director of Ambulance Victoria.

GRASSLAND EARLESS DRAGON

Martha

– 6 years old



BOARD COMMITTEES

Zoos Victoria Board Committees	Board Members	Zoos Victoria Management	Independent Members
People, Culture and Safety	Greg Smith AM (Chair) Kate Vinot Rebecca McKenzie	CEO; Director HR; Property Directors	Loren Murray
Remuneration Committee	Kate Vinot (Chair) Greg Smith AM Rebecca McKenzie	CEO; Director HR	-
Audit, Risk Management and Compliance Committee	William Whitford (Chair) Natasha Bowness Dana Hlavacek Kate Vinot	CEO; CFO; Senior Manager Governance and Risk	-
Science Advisory Committee	Prof. Kenneth Hinchcliff (Chair) Dr Geoff Wescott William Whitford	CEO; Director, Wildlife Conservation; Senior Research Manager; Life Sciences Manager, Conservation and Research- Healesville Sanctuary; General Manager, Community Conservation and Education; General Manager, Threatened Species; Senior Social Science Research Manager	Andrew Bennett Graeme Coulson Liam Smith Kim Lowe Michael Kearney Karen Hughes John Woinarski
Animal Welfare Peer Review Committee	Dr. Geoff Wescott (Chair) Dana Hlavacek Rebecca McKenzie	CEO; Director - Wildlife Conservation; General Managers- Life Sciences; Veterinary Department Manager; Senior Manager, Animal Welfare and Life Sciences	Graham Mitchell Matthew Jackson Paul Hemsworth Tegan McPherson (resigned Oct 2020)
Major Projects and Contracts	Dana Hlavacek (Chair) Kate Vinot Natasha Bowness Greg Smith AM	CEO; CFO; Procurement Manager	Ben Skinner
Development Committee	Natasha Bowness (Chair) Greg Smith AM Prof. Ken Hinchcliff	CEO; Director Business Development; General Manager Philanthropy	Sonia Kent

The purpose of the Major Projects and Contracts Committee is to advise the Board on policies, frameworks and strategies to improve Zoos Victoria's effectiveness in managing and delivering major projects and contracts.

The purpose of the People, Culture and Safety Committee and Remuneration is to advise the Board on executive remuneration.

The Development Committee makes recommendations to the Zoos Victoria Board in relation to the philanthropy strategy.

The Committee oversees at a strategic level the *Zoos Victoria Philanthropy Plan* and its components which include annual giving, major giving, trusts and foundation, Endowment Fund, bequests, major fundraising campaigns and major fundraising events.

The Zoos Victoria Foundation Advisory Board (ZVFAB) provides 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.

Zoos Victoria Board Committees	Board Members	Zoos Victoria Management	Independent Members
Foundation Advisory Board	Prof. Kenneth Hinchcliff Natasha Bowness Greg Smith AM	CEO; Director Business Development; General Manager Philanthropy; Relationship Manager Philanthropy	Sonia Kent (Chair) (Term ended 12/3/21) Olivia Bartolo Sunday Batters (Term ended 12/3/21) Andrew Bell Timothy Clark John Dyson Elizabeth Finkel Monica Grollo (Term ended 12/3/21) Colin Hyett Mark Newman (Term ended 12/3/21) Jane Parker (Term ended 12/3/21) Tessa Smith Andrew Vizard Elina Wilson Matt Green Jamie Mi Andrew Abercrombie (Term ended 12/3/21) David Lee
The Werribee Expansion Program Steering Committee	Dana Hlavacek (Chair) Kate Vinot Rebecca McKenzie	CEO; CFO; Werribee Open Range Zoo Director; Program Manager, Werribee Open Range Zoo Expansion	-
<p>The purpose of the Werribee Expansion Program Steering Committee (WEPSC) is to provide recommendations to the ZV 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 WESC will monitor progress to ensure the benefits, outcomes and capabilities desired from the program and individual projects are realised.</p>			

GIANT BURROWING FROG
Emily
- 10 years old



Corporate Governance AND OTHER DISCLOSURES



SWIFT PARROT
Thomas
– 3 years old

AUDIT AND RISK MANAGEMENT AND COMPLIANCE COMMITTEE

The Audit and Risk Management and Compliance Committee consists of the following members at 30 June 2021. The committee members were in office for this entire period, unless otherwise stated.

AUDIT AND RISK MANAGEMENT AND COMPLIANCE COMMITTEE ATTENDANCE

Names	Position	Period	No. of meetings attended to no. of meeting held
William Whitford	Board Member (Committee Chair)	01/07/2020 to 30/06/2021	6/6
Kate Vinot	Board Chair	01/07/2020 to 30/06/2021	6/6
Natasha Bowness	Board Member	01/07/2020 to 30/06/2021	6/6
Dana Hlavacek	Board Member	01/07/2020 to 30/06/2021	6/6

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; and
- 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 (VIIP) 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 VIIP guidelines will continue to apply to MPSG applicable and VIIP applicable projects respectively, where contracts have been entered prior to 15 August 2018.

During 2020-2021, 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:

- Further improved our infrastructure at the three zoos to enable better access for people with disabilities;
- Provided our *Community Access* program. This year we were limited with this program due to our zoo closures, however, our projects included:
 - Turning our Dream Night event into a Dream Day on 5 December and hosting a day for more than 3,000 children with severe disabilities and their families in partnership with Association for Children with a Disability and other community-based organisations;
 - Hosting Down Syndrome Victoria's Family Fun Day on 21 March at Werribee Open Range Zoo to celebrate World Down Syndrome Day;
 - Supporting charities, schools and community groups by providing passes for their community and fundraising work;

- Continued our Gold membership with the Australian Network on Disability (AND). We are partnering with the AND to become a Disability Confident Recruiter. This project involved:
 - Attending the AND National Conference – *Igniting Innovation Through Inclusion*;
 - A Recruitment Review to remove barriers for people (staff and volunteers) with a Disability. Short, medium and long-term actions were identified and are currently in progress;
 - Offering an internship through the *Stepping Into Program*, a national initiative through AND which introduces skilled and talented university students with disability to our organisation. By building relationships with skilled candidates with disability, we will discover previously untapped pipelines of talent. The program gives managers the opportunity to develop skills in managing and supporting employees with disability, and to play an integral role in developing the disability confidence of our organisation. Managers also gain first-hand experience in implementing workplace adjustments (where required), and working with the intern to develop inclusive work practices for the team;
 - Implementing our new *Workplace Adjustment* policy;
 - Establishing our Disability Champion Group, which has representatives from the three zoos, and assisted with driving local activities;
 - Delivered staff and volunteer education and training. To prepare staff and volunteers for Dream Day, Melbourne Zoo hosted an online Disability Awareness Training session and we updated our e-learning modules on Disability Awareness for all staff; and
 - Implementing *Design for Dignity Retail Guidelines*, including reviewing store layouts, visual merchandising and signage to remove barriers and improve inclusiveness for all our customers.

Zoos Victoria's *Disability Action Plan* is aligned with *Absolutely Everyone: State Disability Plan for 2017-2020*, which is the Victorian State Government's framework for enabling people with disability to participate and contribute to the social, economic and civic life.

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.

DETAILS OF CONTRACTS

Details	2020-21		2019-20	
	Number	Value (\$Million)	Number	Value (\$Million)
Contract commenced	-	-	-	-
Contract completed	-	-	-	-

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.

SOUTHERN CORROBORREE FROG

Anay

- 8 years old



FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* (the Act) 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, local councils, Ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by Zoos Victoria. This comprises documents both created by Zoos Victoria or supplied to Zoos Victoria by an external organisation or individual.

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 Sections 29, 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

When making an FOI request, applicants should ensure requests are in writing, and clearly identify what types of material/documents are being sought as detailed in Section 17 of the Act. FOI requests can be lodged with Zoos Victoria in writing or by email to foi@zoo.org.au. An application fee of \$30.10 applies. Access charges may also be payable if the document pool is large, and the search for material time consuming.

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

Freedom of Information Officer
PO Box 74,
PARKVILLE VIC 3052

FOI statistics/timeliness

Requests as detailed in Section 17 of the Act must be made in writing along with the prescribed fee	1st July 2021
Prescribed Fee from	\$30.10

An application fee as shown in the Table above must accompany the FOI Request. Access charges may also be payable if the document pool is large, and the search for material time consuming.

For more information regarding request and payment refer to our website: FOI REQUEST at <https://www.zoo.org.au/about-us/governance-and-policies/>

KEY'S MATCHSTICK GRASSHOPPER

Caspar

– 13 years old



Details of FOI requests received during the financial year are outlined below.

Details	2020-21	2019-20
Access granted in part	0	0
Access granted in full	0	1
Access denied in full	0	2
No documents	0	1
Matters not finalised	0	1
FOI withdrawn	0	0
Total	0	5

Further information

Further information regarding the operation and scope of FOI can be obtained from the Act, regulations made under the Act and www.foi.vic.gov.au.

MAJOR EXTERNAL REVIEWS

There were no major external reviews conducted in 2020-2021.

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. The 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 2020-2021 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

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 on our website: www.zoo.org.au/about-us/governance-and-policies/.

PECUNIARY INTEREST DISCLOSURES

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

STATEMENT OF AVAILABILITY OF OTHER INFORMATION

Information relevant to the headings listed in Financial Reporting Direction 221 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.



LEADBEATER'S POSSUM

Max

– 7 years old

DETAILS OF CONSULTANCIES UNDER \$10,000

In 2020-2021, there were no consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000.

DETAILS OF CONSULTANCIES IN EXCESS OF \$10,000

In 2020-2021, there was one consultancy where the total fees payable to the consultants were \$10,000 or greater. Details of individual consultancies are outlined below.

Details of consultancies in excess of \$10,000

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee (excl. GST)	Expenditure 2020-21 (excl. GST)	Future expenditure (excl. GST)
Ernst & Young	Business case	27/05/2021	31/12/2021	\$177,787	Nil	\$177,787

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

For the 2020-2021 reporting period, Zoos Victoria had a total ICT expenditure of \$3,512,000 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		
3,512	157	Nil	157	

(\$ thousand)

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, agency-wide 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

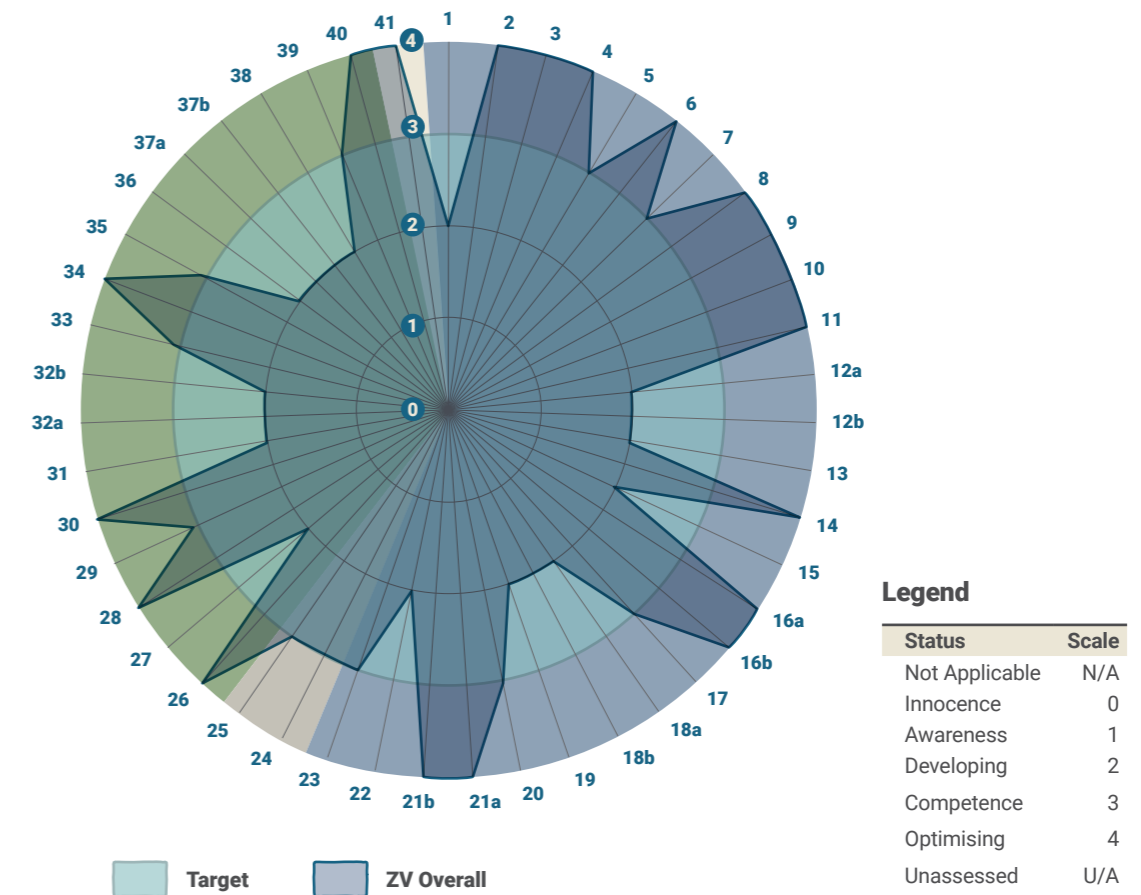
ACHIEVEMENTS

- Zoos Victoria's first Environmental Social and Governance (ESG) Procurement Framework was approved in June 2021.
- Zoos Victoria undertook capability and awareness activities to support the strategy.
- We developed a Supplier Questionnaire, which will 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 is developing its own ESG procurement framework 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 will be used to guide and work with suppliers on the most ethical and sustainable goods.
- The Procurement Team implemented a 10% criterion weighting for Social Procurement Framework objectives for all procurement evaluations as a mandatory assessment requirement.
- We revised our procurement and contract-related 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 2020–2021 fell within the 'below threshold' band of Victoria's Social Procurement Framework where social procurement approaches are encouraged but not mandatory.

ASSET MANAGEMENT ACCOUNTABILITY FRAMEWORK (AMAF) MATURITY ASSESSMENT

The following comments summarise Zoos Victoria's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the DTF website (<https://www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework>).

Zoos Victoria's target maturity rating is 'competence', meaning systems and processes are fully in place, consistently applied and systematically meeting the AMAF requirements, including a continuous improvement process to expand system performance above AMAF minimum requirements.



Leadership and Accountability (requirements 1-19)

Zoos Victoria has met or exceeded its target maturity level under most requirements within this category. There is no material non-compliance reported in this category. A plan for improvement is in place to improve the five requirements rated as Developing.

Planning (requirements 20-23)

Zoos Victoria has met or exceeded its target maturity level under most requirements within this category.

Acquisition (requirements 24 and 25)

Zoos Victoria has met its target maturity level in this category.

Operation (requirements 26-40)

Zoos Victoria has met or exceeded its target maturity level under most requirements within this category. There is no material non-compliance reported in this category. A plan for improvement is in place to improve the five requirements rated as Developing.

Disposal (requirement 41)

Zoos Victoria has exceeded its target maturity level in this category.

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

In-kind Partners

Active Air
Baby Jogger
Green Valley Grains
Gribbles Veterinary Pathology
Jetpets
Mattioli
Melbourne Veterinary Specialist Centre
Troy Laboratories
YMCA

ESTATES

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

Merle Carroll Assistance Fund
Estate of Kevin Cowell
Estate of Patrick Beaumont Forbes
Estate of David William Ford
Estate of Jean Frank
Estate of Richard Gilmour-Smith
HGK Bequest 1 – Equity Trustees Charitable Foundation
Estate of Marion Isabel Jennings
Estate of John Patrick Kennedy
Estate of Betty Claire Lynch
Estate of Norma Verna Rebecca McLeish
Estate of Clara Julia Oostergetel
Estate of Rodney Normal Opie
Estate of Shirley Edith Poole

PHILANTHROPIC PARTNERS

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

Visionary

Bowness Family Foundation
Prague Zoo

Leader

The Dyson Bequest

Influencer

Naomi Milgrom Foundation
Vizard Foundation

Hero

Animals Australia
Buffalo Zoo
Capital City of Prague
Equity Trustees Animal Welfare Program
The Fox Family
International Fund for Animal Welfare
Limb Family Foundation
Los Angeles Zoo
Sunraysia Foundation

Champion

Allen & Unwin – Albert Street Books
Aussie Ark
Mark and Carol Collins
Columbus Zoo and Aquarium
The Dyson Family
Simon and Christina Edelstein
Marc and Karyn Fookes
Monica Grollo and Nick Whitby
JMS Foundation
Allan Jones
The Lin Huddleston Charitable Foundation
Milwaukee County Zoo
Mondelez Pty Ltd
Helen Myall and Alistair Firkin
Osaka Tennoji Zoo
Stuart Webster

Fighter

Ian Barker Gardens
M. Begg
Jay Bethell and Peter Smart
Eric & Julie Bird
BM Investments Pty Ltd
Maxine Bowness
Camp Australia
Debbie Carruthers
The Cattermole Family
Cincinnati Zoo & Botanical Garden
John Cochrane
Coote Family Lawyers
Debbie Dadon AM
DODO Foundation
Fiji Aid Melbourne
Finkel Foundation
Alexander Gosling AM and Wirat Sukprem
Grey Street Primary (Traralgon)
Lesley Griffin
Kenneth and Carole Hinchcliff
The Hooper Family
Jost and Dorothee Kaiser
Sonia and Wayne Kent
Suzanne Kirkham
Melody Ku and Jian An Lim
Judith Landsberg and David Cash

Peter Lemon
Caroline Liow
In loving memory of Barbara Longmuir
The McPhee Charitable Trust
Melbourne Girls Grammar – Morris Hall
In honour of Helen Anderson Miller
The Myer Foundation
Pet.co.nz
Janice Pleydell
SALT Catalyst
Liz Sarraillhe
Shirley Sullivan
Texas State Aquarium
The Tisch Family Biblical Zoo in Jerusalem
Kate and Blaise Vinot
Virginia Zoo
ZooWorld, Panama City Beach, FL

Please visit our supporters page for further information: zoo.org.au/donate/our-supporters/

COMMUNITY PARTNERS

Cardinia Catchment Landcare
Community and Public Sector Union
Construction, Forestry, Mining and Energy Union
City West Water
Country Fire Authority
Help for Wildlife
Leukaemia Foundation
Make a Wish
Melbourne Airport
Member for Seymour, Cindy McLeish
Mission Australia
Monash Children's Hospital
RACV Healesville Country Club
Royal Children's Hospital
Starlight Foundation
United Voice
University of Melbourne
Wildlife Victoria
Worawa Aboriginal College
Wyndham Children's Week Festival
Wyndham Community and Education Centre
Yarra Trams
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

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 Primary Industry, Parks, Water and Environment (Tas)
Department of Treasury and Finance (Vic)
NSW Department of Planning, Industry and Environment
Victorian Catchment Management Authorities

Education

Aboriginal Catholic Ministry Victoria
Australian Education Union (Vic)
Doug McKenzie - Mohr and Associates
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
Jane Goodall Institute
Melbourne Archdiocese Catholic Schools
Museums Victoria
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
Woodleigh School
Worawa Aboriginal College
Wurundjeri Council
Wyndham City Council
Yarra Ranges
Shire Council
YMCA Victoria

Conservation & Research

ACT Environment and Sustainability
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
Beach Patrol 3207
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 Primary Industry, Parks, Water and Environment (Tas)
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
Lund University
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
PETstock
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
Rhino Fund Uganda
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
Tangaroa Blue Foundation
Taronga Conservation Society Australia
The Carnivore Conservancy
Threatened Mallee Birds Steering Committee

Tidbinilla 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

STUTTERING
 BARRED FROG
Thomas
 – 5 years old



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FRD 22I	Nature and range of services provided	6
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<i>Financial Management Act 1994</i>		
<i>Building Act 1993</i>		
<i>Freedom of Information Act 1982</i>		
<i>Protected Disclosures Act 2012</i>		



ORANGE-BELLIED PARROT

Xavier

- 9 years old

Annual Report 2020-2021

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 2021 and provides users with the information about the Board's stewardship of resource entrusted to it. It is presented in the following structure:

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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, presents fairly the financial transactions during the year ended 30 June 2021 and financial position of the Zoological Parks and Gardens Board at 30 June 2021.

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 29 September 2021.


Rebecca McKenzie
Chair
Melbourne


Dr. Jenny Gray
Chief Executive Officer
Melbourne


Mark Lucas
Chief Financial Officer, FCA
Melbourne

ZOOLOGICAL PARKS AND GARDENS BOARD
FINANCIAL STATEMENTS

Comprehensive operating statement for the financial year ended 30 June 2021

		(\$ thousand)	
	Notes	2021	2020
Income from transactions			
Rendering of services and sale of goods	2.2	39,301	55,385
Government and other grants	2.3	46,660	26,271
Other income	2.4	5,998	14,307
Total income from transactions		91,959	95,963
Expenses from transactions			
Employee expenses	3.2	(66,198)	(62,514)
Other expenses	3.3	(24,857)	(34,903)
Depreciation, amortisation and impairment	4.1.1	(12,611)	(12,384)
Interest expense	6.1.2	(21)	(25)
Total expenses from transactions		(103,687)	(109,826)
Net surplus/(deficit) from transactions		(11,728)	(13,863)
Other economic flows included in net result			
Net gain/(loss) on disposal of physical assets		(23)	96
Net gain/(loss) on financial assets		335	506
Net gain/(loss) arising from revaluation of long service leave liability due to change in bond rates		408	(296)
Total other economic flows included in net result		720	306
Net surplus/(deficit)		(11,008)	(13,557)
Other economic flows – other comprehensive income			
Items that will not be reclassified to net result			
Changes in physical asset revaluation surplus	7.3.3.4	49,133	14,104
Changes to the fair value of investments measured at fair value through other comprehensive income	8.7.2	732	(285)
Total other economic flows – other comprehensive income		49,865	13,819
Comprehensive result		38,857	262

The accompanying notes form part of these financial statements.

Balance sheet as at 30 June 2021

		(\$ thousand)	
	Notes	2021	2020
Assets			
Current financial assets			
Cash and cash equivalents	6.3	30,752	17,697
Receivables	5.1	1,381	2,125
Total current financial assets		32,133	19,822
Non-current financial assets			
Investments	4.3	5,519	9,637
Total financial assets		37,652	29,459
Non-financial assets			
Land, property, plant and equipment and vehicles	4.1.2	404,420	363,116
Intangible assets	4.2	2,140	2,249
Inventories	5.3	621	1,119
Other non-financial assets	5.4	367	363
Total non-financial assets		407,548	366,847
Total assets		445,200	396,306
Liabilities			
Employee benefits	3.2.2	17,599	16,800
Payables and contract liabilities	5.2	12,207	10,500
Borrowings and leases	6.1	465	610
Total liabilities		30,271	27,910
Net assets		414,929	368,396
Equity			
Accumulated surplus/(deficit)		(42,237)	(30,685)
Contribution by owners		137,299	129,623
Endowment reserve	8.7.1	5,449	4,905
Financial assets at fair value through comprehensive income revaluation reserve	8.7.2	573	(159)
Physical asset revaluation surplus	7.3.3.4	313,845	264,712
Net worth		414,929	368,396
Commitments for expenditure	6.2		
Contingent assets and contingent liabilities	7.2		

The accompanying notes form part of these financial statements.

ZOOLOGICAL PARKS AND GARDENS BOARD
FINANCIAL STATEMENTS

Statement of changes in equity for the financial year ended 30 June 2021

(\$ 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
Opening balance at 1 July 2019		(15,263)	129,623	3,040	126	250,608	368,134
Net result for the year		(13,557)	-	-	-	-	(13,557)
Transfer/ movement to Endowment reserve	8.7.1	(1,865)	-	1,865	-	-	-
Contributed capital by owners	8.8.2	-	-	-	-	-	-
Other comprehensive income for the year	7.3.3.4, 8.7.2	-	-	-	(285)	14,104	13,819
Balance at 30 June 2020		(30,685)	129,623	4,905	(159)	264,712	368,396
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
Balance at 30 June 2021		(42,237)	137,299	5,449	573	313,845	414,929

The accompanying notes form part of these financial statements.

Cash flow statement for the financial year ended 30 June 2021

(\$ thousand)			
	Notes	2021	2020
Cash flows from operating activities			
Receipts			
Receipts from sales of goods and services		43,089	56,214
Receipts from government and other grants		46,660	26,271
Sponsorship, grants and donations received		5,303	13,066
GST net refunded from/(payable to) the ATO ^①		870	2,520
Receipts from other sources		628	889
Interest received		107	598
Total receipts		96,657	99,558
Payments			
Payments to employees		(64,212)	(61,619)
Payments to suppliers		(27,277)	(41,455)
Interest and other costs of finance paid		(21)	(25)
Total payments		(91,510)	(103,099)
Net cash flows from/(used in) operating activities	6.3.2	5,147	(3,541)
Cash flows from investing activities			
Payments for property, plant and equipment and vehicles		(4,288)	(6,238)
Payments for intangible assets	4.2.1	(203)	(642)
Proceeds from sale of VFMC investment		5,500	-
Payments for VFMC investments		(650)	(1,636)
Proceeds from sale of plant and equipment and vehicles		18	144
Net cash flows from/(used in) investing activities		377	(8,372)
Cash flows from financing activities			
Owner contributions by State Government		7,676	-
Repayment of finance lease liabilities		(145)	(219)
Net cash flows from/(used in) financing activities		7,531	(219)
Net increase/(decrease) in cash and cash equivalents		13,055	(12,132)
Cash and cash equivalents at the beginning of the financial year		17,697	29,829
Cash and cash equivalents at the end of the financial year	6.3	30,752	17,697

^① 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 the 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 29 September 2021.

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 which 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. This led to a number of operating restrictions that had a significant impact on the operating and economic environment that impacted the ability of the Board to trade in the 2019/2020 financial year. The COVID-19 pandemic has continued in 2020/21, and this has again affected the operations of the Board throughout the 2020/21 financial year.

All three zoos were closed to the public from the period of 8 July till 27 October 2020, 12 February till 17 February 2021, and 27 May till 10 June 2021, a total of 130 days. When the zoos were open, they were subject to visitor cap restrictions. These closures and restrictions resulted in a significant loss of trading revenue from rendering goods and services such as admissions, zoo activities and retail and catering sales, with only limited membership sales and renewals taking place. 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 this period, the Board has also reduced 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 \$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 2022.

The Federal Government has also provided COVID-19 financial support of \$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.

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.

NOTES TO THE FINANCIAL STATEMENTS

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 material 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 2022. On that basis, it has been determined that the going concern assumption remains to be the appropriate basis for the preparation of the 2020/21 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 in the six months to June 2020 raised approximately \$8.9m, and a further \$2.2m in 2020/21. 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 will 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, interest earned and other contributions.

Structure

2.1	Summary of income that funds the delivery of our services	65
2.2	Rendering of services and sale of goods	65
2.3	Government and other grants	67
2.4	Other income	69

2.1 Summary of income that funds the delivery of our services

		(\$ thousand)	
	Notes	2021	2020
Rendering of services and sale of goods	2.2	39,301	55,385
Government and other grants	2.3	46,660	26,271
Other income	2.4	5,998	14,307
Total income from transactions		91,959	95,963

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	2021	2020
Rendering of services	2.2.1	34,451	49,582
Sale of goods		4,850	5,803
Total income from rendering of services and sale of goods		39,301	55,385

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 commissions 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 is significantly lower in the 2021 year due to reduced trading activity in July to October, February and June as a result of the closure of the three zoos to the public during this time and ongoing 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.

- 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 is 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 - PRTA ⁽ⁱ⁾ for current year	2.3.1	33,544	19,144
Within portfolio department - PRTA grants received in advance	2.3.1	-	5,900
Other state government departments	2.3.2	612	401
Others	2.3.3	12,504	826
Total government and other grants		46,660	26,271

(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 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 2020/21 includes an additional grant income of \$13.9m from DELWP to assist in offsetting the loss of revenue from rendering goods and services due to COVID-19.

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. The Board met this grant funding requirement, and as a result, the Board received \$11m from this program.

2. FUNDING THE DELIVERY OF OUR SERVICES (CONTINUED)

2.4 Other income

		(\$ thousand)	
	Notes	2021	2020
Interest income	2.4.1	67	230
Sponsorship, grants and donations	2.4.2	3,140	4,307
Bushfire Appeal grants and donations	2.4.2	2,163	8,881
Sundry income	2.4.3	628	889
Total other income		5,998	14,307

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. Income in 2020/21 is reduced due to the Board using its available funds to support operational costs.

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 2020 amount included \$8.9m grants and donations 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. A further \$2.2m was received during 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 2021, the balance of the Bushfire Emergency Wildlife Fund was \$8.3m.

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	70
3.2	Employee expenses	70
3.3	Other expenses	74

3.1 Summary of expenses in the delivery of services

(\$ thousand)			
	Notes	2021	2020
Employee expenses	3.2	66,198	62,514
Other expenses	3.3	24,857	34,903
Total expenses incurred in the delivery of services		91,055	97,417

3.2 Employee expenses

(\$ thousand)			
	Notes	2021	2020
Salary and wages, annual leave and long service leave		56,415	52,982
Payroll tax		2,898	2,705
Workcover		459	362
Movement in provisions – annual leave and long service leave		1,207	1,557
Sub-total		60,979	57,606
Superannuation	3.2.1	5,219	4,908
Total employee expenses		66,198	62,514

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, the Board has followed the Victorian Public Service guidance note requirements to retain the employment of existing full time, part time and designated casual staff.

ZOOLOGICAL PARKS AND GARDENS BOARD

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	
	2021	2020	2021	2020	2021	2020
ESSSuper defined benefit plan	241	233	-	-	241	233
Vicsuper	2,621	2,594	225	211	2,846	2,805
Others	1,928	1,693	204	177	2,132	1,870
Total	4,790	4,520	429	388	5,219	4,908

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)	
	2021	2020
Provisions		
Current		
Annual Leave		
– Unconditional and expect to settle wholly within 12 months	3,507	3,230
– Unconditional and expect to settle wholly after 12 months	2,130	1,791
	5,637	5,021
Long Service Leave		
– Unconditional and expect to settle wholly within 12 months	778	704
– Unconditional and expect to settle wholly after 12 months	7,162	7,237
	7,940	7,941
Provisions related to employee benefit on-costs		
– Unconditional and expect to settle wholly within 12 months	678	623
– Unconditional and expect to settle wholly after 12 months	1,460	1,348
	2,138	1,971
Total current provisions	15,715	14,933
Non-current		
Long Service Leave benefits	1,625	1,617
Provisions related to employee benefit on-costs	259	250
Total non-current provisions	1,884	1,867
Total provisions	17,599	16,800
Reconciliation of movement in Provisions		
Movement in provisions of on-costs		
Balance at start	2,221	2,034
Additional provision recognised	896	735
Reductions arising from payments/other sacrifices of future economic benefits	(663)	(589)
Unwind of discount and effect of changes in the discount rate	(57)	41
Closing balance	2,397	2,221
Current	2,138	1,971
Non-Current	259	250

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 present value. Any gain or loss following 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)	
	2021	2020
Operating costs		
Supply and services	8,685	12,245
Maintenance	6,764	8,840
Cost of goods sold	2,900	5,378
Marketing and promotion	2,877	4,430
Utilities	2,199	2,393
Information technology	1,432	1,617
Total other expenses	24,857	34,903

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 are significantly lower than in the prior year due to the 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 is lower than the prior-year as a result of lower retail sales during the closure of the zoos 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	75
4.2	Intangible assets	80
4.3	Investments	81

4.1 Land, property, plant and equipment and vehicles

	(\$ thousand)					
Details	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021	2020	2021	2020	2021	2020
Land at fair value	175,489	163,806	-	-	175,489	163,806
Property at fair value	210,697	218,848	(2)	(37,701)	210,695	181,147
Plant & equipment and vehicles at fair value	29,237	28,177	(15,113)	(12,488)	14,124	15,689
	415,423	410,831	(15,115)	(50,189)	400,308	360,642
Work-in-progress	4,112	2,474	-	-	4,112	2,474
Total	419,535	413,305	(15,115)	(50,189)	404,420	363,116

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

	(\$ thousand)					
Details	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021	2020	2021	2020	2021	2020
Plant & Equipment and vehicles	1,023	1,023	(790)	(646)	233	377
Total	1,023	1,023	(790)	(646)	233	377

	(\$ thousand)	
	2021	2020
Plant, Equipment and vehicles at fair value		
Opening balance	377	440
Additions	-	176
Disposals	-	(38)
Depreciation	(144)	(201)
Closing balance	233	377

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; plus
- 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.

During 2020/21, the Board undertook its five-year external asset revaluation process. This required the Valuer-General Victoria revaluing all the Board's land, buildings and exhibits and infrastructure services. This resulted in a net increase in the asset values for the Board of \$49.133m. (Table 4.1.2)

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)	
	2021	2020
Property	9,634	9,598
Plant and equipment and vehicles	2,696	2,560
Total	12,330	12,158
Intangible assets	281	226
Total depreciation, amortisation and impairment	12,611	12,384

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)	
	2021	2020
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

The carrying amounts of non-current assets, with the exception of available-for-sale assets, are assessed annually for indications of impairment. If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge as an 'other economic flow 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	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Opening balance	163,806	149,702	181,147	187,972	15,689	13,829	2,474	3,345	363,116	354,848
Revaluation	11,683	14,104	37,450	-	-	-	-	-	49,133	14,104
Transfer in/(out)	-	-	627	1,193	-	1,465	(627)	(2,214)	-	444
Additions	-	-	1,105	1,580	1,141	3,002	2,265	1,343	4,511	5,925
Disposal	-	-	-	-	(10)	(47)	-	-	(10)	(47)
Depreciation	-	-	(9,634)	(9,598)	(2,696)	(2,560)	-	-	(12,330)	(12,158)
Net carrying amount	175,489	163,806	210,695	181,147	14,124	15,689	4,112	2,474	404,420	363,116

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	
	2021	2020	2021	2020	2021	2020
Intangible assets	2,875	2,784	(1,101)	(851)	1,774	1,933
	2,875	2,784	(1,101)	(851)	1,774	1,933
Work-in-progress	366	316	-	-	366	316
Total	3,241	2,784	(1,101)	(851)	2,140	2,249

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.

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	2021	2020
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	
	2021	2020	2021	2020	2021	2020
Opening balance	1,933	1,517	316	-	2,249	1,517
Transfer in/(out)	-	-	-	-	-	-
Additions	152	641	50	316	202	957
Disposal	(61)	-	-	-	(61)	-
Amortisation	(250)	(225)	-	-	(250)	(225)
Net carrying amount	1,774	1,933	366	316	2,140	2,249

4.3 Investments

	(\$ thousand)	
	2021	2020
Managed investment with VFMC – Endowment	5,416	4,513
Managed investment with VFMC – General Account	103	5,124
Total Investments	5,519	9,637

Ageing analysis of investments and other financial assets

All investment and financial assets are not past due and not impaired for 2021. The reduction in the VFMC General Account is due to funds being drawn down to support operating expenses during COVID-19.

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	82
5.2	Payables and contract liabilities	84
5.3	Inventories	85
5.4	Other non-financial assets	85

5.1 Receivables

	(\$ thousand)	
	2021	2020
Current		
Contractual		
Sale of goods and services	772	720
Other receivables	256	1,310
	1,028	2,030
Statutory		
GST input tax credit recoverable	353	95
Total receivables	1,381	2,125

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); and
- Statutory receivables are mainly for Goods and Services Tax (GST) input tax credits recoverable. Statutory receivables are recognised and measured similarly to contractual receivables 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-20	Current	Total
Expected loss rate	0%	
Gross carrying amount of contractual receivables	2,030	2,030
Loss allowance	-	-
30-Jun-21	Current	Total
Expected loss rate	0%	
Gross carrying amount of contractual receivables	1,028	1,028
Loss allowance	-	-

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)	
	2021	2020
Current		
Contractual		
Trade payables	2,471	2,392
Unearned revenue	30	1,100
Contract liabilities ^①	7,643	5,653
Other payables	1,309	705
	11,453	9,850
Statutory		
Fringe Benefit Tax, Payroll Tax, Superannuation payments	754	650
Total payables and contract liabilities	12,207	10,500

^① The movement of contract liabilities is shown in table 5.2.1.

5.2.1 Movement in contract liabilities

	(\$ Thousand)	
	2021	2020
Carrying amounts as at 1 July	5,653	6,329
Add: Payments received for performance obligations yet to be completed during the period	6,331	4,737
Less: Revenue recognised for the completion of performance obligation	(4,341)	(5,413)
Carrying amounts as at 30 June	7,643	5,653

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 2021; and

NOTES TO THE FINANCIAL STATEMENTS

5. OTHER ASSETS AND LIABILITIES (CONTINUED)

- 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.

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	85
6.2	Commitments for expenditure	89
6.3	Cash flow information and balances	89

6.1 Borrowings and leases

	(\$ thousand)	
	2021	2020
Current		
Lease liabilities	276	324
	276	324
Non-current		
Lease liabilities	188	286
Total borrowings	464	610

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	2021	2020	2021	2020
Lease liabilities payable				
– Not longer than one year	285	339	276	324
– Longer than one year and not longer than five years	195	301	188	286
Minimum future lease payments	480	640	464	610
Less future finance charges	(15)	(30)	-	-
Present value of minimum lease payments	465	610	464	610
Included in the financial statements as:				
Current borrowings			276	324
Non-current borrowings			188	286
			464	610

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

6.1.2 Interest expense

	(\$ thousand)	
	2021	2020
Interest on lease liabilities	21	25
Total interest expense	21	25

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 photocopiers. 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 photocopiers 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)	
	2021	2020
Interest expense on lease liabilities	21	25
Expenses relating to leases of low-value assets	36	54
Total amount recognised in the Comprehensive Operating Statement	57	79

The following amounts are recognised in the Statement of Cashflows for the year ending 30 June 2021 relating to leases:

	(\$ thousand)	
	2021	2020
Total cash outflow for leases	145	219

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; and
- 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; and
- 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)	
	2021	2020
The following commitments have not been recognised as liabilities in the financial statements.		
(a) Capital expenditure commitments		
– Payable within one year	5,317	1,698
Total capital expenditure commitments	5,317	1,698
(b) Operating lease commitments		
– Payable within one year	42	42
– Payable longer than one year and not longer than five years	35	76
Total operating lease commitments	77	118
Total commitments (inclusive of GST)	5,394	1,816
Less: GST recoverable	(490)	(165)
Total commitments (exclusive of GST)	4,904	1,651

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)	
	2021	2020
Total cash and cash equivalents	30,752	17,697
Balance per cash flow statement	30,752	17,697

NOTES TO THE FINANCIAL STATEMENTS

6. HOW WE FINANCE OUR OPERATIONS (CONTINUED)

6.3.1 Composition of cash and cash equivalents

	(\$ thousand)	
	2021	2020
Current		
Cash invested with approved institutions	30,188	16,809
	30,188	16,809
Cash on hand and at bank	564	888
Total cash and cash equivalents	30,752	17,697

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

	(\$ thousand)	
	2021	2020
Net surplus/(deficit)	(11,008)	(13,557)
Non-cash movements:		
– Depreciation and amortisation of noncurrent assets	12,611	12,384
– Goods in kind donations	-	(122)
– (Gain)/loss on sale or disposal of non-financial assets	23	(96)
Movements in assets and liabilities:		
– (Increase)/decrease in inventories	498	(161)
– (Increase)/decrease in receivables	744	1,172
– (Increase)/decrease in non-financial assets	(4)	(2)
– (Decrease)/increase in payables	1,484	(4,994)
– (Decrease)/increase in employee benefits	799	1,835
Net cash flows from/(used in) operating activities	5,147	(3,541)

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)	
	2021	2020
Additions to vehicles under finance lease	-	176
Total additions to vehicles under finance lease	-	176

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

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7.3	Fair value determination	98

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, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

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)

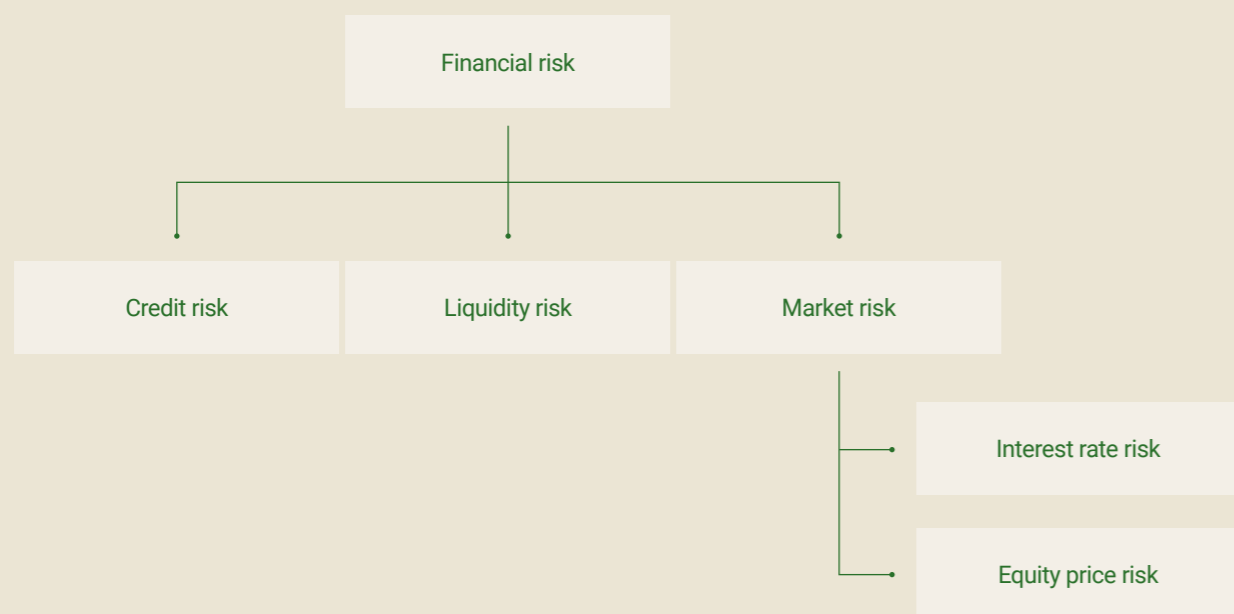
7.1.1 Financial instruments: Categorisation

2021	Financial assets designated at fair value through other comprehensive income	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Contractual financial assets:				
- Cash and deposits	-	30,752	-	30,752
Receivables:				
- Sale of goods and services	-	772	-	772
- Other receivables	-	256	-	256
Investments and other contractual financial assets:				
- Managed investment schemes	5,519	-	-	5,519
Total contractual financial assets	5,519	31,780	-	37,299
Contractual financial liabilities				
Payables:				
- Supplies and services	-	-	11,453	11,453
Borrowings:				
- Lease liabilities	-	-	465	465
Total contractual financial liabilities	-	-	11,918	11,918
2020				
Contractual financial assets:				
- Cash and deposits	-	17,697	-	17,697
Receivables:				
- Sale of goods and services	-	720	-	720
- Other receivables	-	1,310	-	1,310
Investments and other contractual financial assets:				
- Managed investment schemes	9,637	-	-	9,637
Total contractual financial assets	9,637	19,727	-	29,364
Contractual financial liabilities				
Payables:				
- Supplies and services	-	-	9,850	9,850
Borrowings:				
- Lease liabilities	-	-	610	610
Total contractual financial liabilities	-	-	10,460	10,460

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. Tour 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 2020-21.

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 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Board's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed 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 Victorian Funds Management 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 and Victorian Funds Management 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					
	2021	2020	Less than 1 year		Greater than 1 but less than 3 years		Greater than 3 but less than 5 years	
	2021	2020	2021	2020	2021	2020	2021	2020
Cash and deposits								
– Cash and cash equivalents	30,752	17,697	30,752	17,697	-	-	-	-
Receivables								
– Receivables at amortised cost excluding statutory amounts	1,028	2,030	1,028	2,030	-	-	-	-
	31,780	19,727	31,780	19,727	-	-	-	-
Borrowings								
– Finance lease liabilities	465	610	276	324	189	286	-	-
Payables								
– Payables at amortised cost excluding statutory amounts	11,453	9,850	11,453	9,850	-	-	-	-
	11,918	10,460	11,729	10,174	189	286	-	-

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			
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Cash and deposits										
– Cash and cash equivalents	0.32	1.03	30,752	17,697	-	-	30,187	16,810	565	887
Receivables										
– Receivables at amortised cost excluding statutory amounts			1,028	2,030	-	-	-	-	1,028	2,030
			31,780	19,727	-	-	30,187	16,810	1,593	2,917
Borrowings										
– Finance lease liabilities	3.93	3.93	465	610	465	610	-	-	-	-
Payables										
– Payables at amortised cost excluding statutory amounts			11,453	9,850	-	-	-	-	11,453	9,850
			11,918	10,460	465	610	-	-	11,453	9,850

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			
	2021	2020	-100 basis points		+100 basis points	
	2021	2020	2021	2020	2021	2020
Financial assets						
– Cash and cash equivalents - does not include non-interest bearing amounts held for daily use such as change and petty cash.	30,187	16,810	(302)	(168)	302	168
Sensitivity impact on net result due to a +/-100 basis points movement in market interest rate.			(302)	(168)	302	168

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	(\$ thousand)				
	Carrying amount	Net result	-5% Fair value through operating comprehensive income revaluation reserves	+5% Fair value through operating comprehensive income revaluation reserve	Net result
	2021	2021	2021	2021	2021
2021					
Managed investment with VFMC	5,519	-	(276)	-	276
Total impact	5,519	-	(276)	-	276
2020					
Managed investment with VFMC	9,637	-	(482)	-	482
Total impact	9,637	-	(482)	-	482

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

The Board currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full in accordance with the agreed terms and conditions of the financial instruments. 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:					
	2021	2020	Level 1		Level 2		Level 3	
	2021	2020	2021	2020	2021	2020	2021	2020
Managed investment schemes	5,519	9,637	-	-	5,519	9,637	-	-
Net carrying amount	5,519	9,637	-	-	5,519	9,637	-	-

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:					
	2021	2020	Level 1		Level 2		Level 3	
	2021	2020	2021	2020	2021	2020	2021	2020
Specialised Land	175,489	163,806	-	-	-	-	175,489	163,806
Specialised Property	210,695	181,147	-	-	-	-	210,695	181,147
Plant and equipment and vehicles	14,124	15,689	-	-	-	-	14,124	15,689
Net carrying amount	400,308	360,642	-	-	-	-	400,308	360,642

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 depreciated 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 1031 (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 carried out by the Valuer-General Victoria (VGV) for 2020-21. PP&E Valuations Pty Ltd was appointed to assist VGV to determine the fair value of the specialised property. The basis of valuation is based on the depreciated replacement cost of each asset's remaining future service life and thus approximates its fair value. 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 full revaluation of land was conducted by Valuer-General Victoria in 2020-21. The net financial impact of the valuation was an increase in the land of \$11.683m and property \$ 37.450m.

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)	
	2021	2020
Physical asset revaluation surplus		
Balance at the beginning of the year	264,712	250,608
Revaluation land - increments	11,683	14,104
Revaluation property - increments	37,450	-
Total physical asset revaluation surplus	313,845	264,712

7.3.3.5 Reconciliation of Level 3 fair value movements

	(\$ thousand)							
	Specialised land		Specialised property		Plant, equipment and vehicles		Total	
Details	2021	2020	2021	2020	2021	2020	2021	2020
Opening balance	163,806	149,702	181,147	187,972	15,689	13,829	360,642	351,503
Additions and transfers from work-in-progress	-	-	1,732	2,773	1,141	4,467	2,873	7,240
Disposals	-	-	-	-	(10)	(47)	(10)	(47)
Depreciation	-	-	(9,634)	(9,598)	(2,696)	(2,560)	(12,330)	(12,158)
Sub-total	163,806	149,702	173,245	181,147	14,124	15,689	351,175	346,538
Gains or losses recognised in other economic flows – other comprehensive income								
Revaluation	11,683	14,104	37,450	-	-	-	49,133	14,104
Closing balance	175,489	163,806	210,695	181,147	14,124	15,689	400,308	360,642

7.3.3.6 Description of significant unobservable inputs to Level 3 valuation

2021 and 2020	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	Depreciated replacement cost	Cost per metre square and useful life of specialised buildings
Plant and equipment and vehicles	Depreciated 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

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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.

The ongoing uncertainty and challenges caused by COVID-19, including the likelihood of unplanned events, ongoing reduction in revenue earnings and the uncertain duration of the current environment, have resulted in managerial assessment and forecasts as to future business expectations. In July 2021, the State Government introduced Lockdown 5, a 12-day lockdown, and then from 5 August, Lockdown 6 was introduced. This has resulted in the continued closure of the three zoos to the public, and when reopened, visitor cap restrictions continue to apply. Management have determined that these visitor number restrictions and conditions will continue to result in the loss of external revenue to the Board.

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 be significantly lower in 2021/22 due to travel restrictions, economic climate and decreasing consumer confidence and sentiment. The impact of COVID-19 is expected to have a significant impact on the Board's revenue.

NOTES TO THE FINANCIAL STATEMENTS

8. OTHER DISCLOSURES (CONTINUED)

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 reducing non-essential operating and capital expenditure.

However, due to the continuing nature of this event and the material 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 2022 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:

- 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; and
- 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 2022, the financial statements have been prepared on a going concern basis.

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; and
- Termination benefits include termination of employment payments, such as severance packages

	(\$ thousand)	
Details	2021	2020
Remuneration		
Short-term employee benefits	1,625	1,617
Post-employment benefits	154	154
Other long-term benefits	41	40
Termination benefits	-	-
Total remuneration	1,820	1,811
Total number of executives	8	8
Total annualised employee equivalent – based on the time fraction worked over the reporting period	8	8

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. Lilians (Lily) D'Ambrosio, MP	Minister for Energy, Environment and Climate Change Minister for Solar Homes	1 July 2020 to 30 June 2021
Governing board members		
Kate Vinot	Chair	1 July 2020 to 30 June 2021
Dr Geoff Wescott	Deputy Chair	1 July 2020 to 30 June 2021
Prof Kenneth Hinchcliff		1 July 2020 to 30 June 2021
Natasha Bowness		1 July 2020 to 30 June 2021
Greg Smith, AM		1 July 2020 to 30 June 2021
Rebecca McKenzie		1 July 2020 to 30 June 2021
Dana Hlavacek		1 July 2020 to 30 June 2021
William Whitford		1 July 2020 to 30 June 2021
Chief Executive Officer		
Dr Jennifer Gray	Accountable Officer	1 July 2020 to 30 June 2021

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.

	(number)	
Details	2021	2020
\$0 - \$9,999	-	1
\$10,000 to \$19,999	8	8
\$330,000 to \$339,999	-	-
\$340,000 - \$360,000	-	-
\$350,000 - \$359,999	1	1
Total number of responsible persons	9	10
Total Remuneration (\$ thousands)	450	437

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; and
- 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. Liana (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 is reported within the Department of Parliamentary Services' Financial Report and not included here.

	(\$ thousand)	
Details	2021	2020
Remuneration		
Short-term employee benefits	412	400
Post-employment benefits	30	29
Other long-term benefits	8	8
Termination benefits	-	-
Total remuneration	450	437
Total number of KMP	9	10

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)	
	2021	2020
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.	41,144	25,044
Amounts recognised as expenditure, in relation to various conservation programs.	(189)	(135)
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.	740	362
c) Victorian Funds Managed Corporation (VFMC)		
Amounts invested with VFMC as at 30 June (refer note 4.3)	5,519	9,637
Amounts recognised as other economic flow in the Comprehensive operating statement. This is the investment distribution income earned from VFMC investments.	335	506
d) Parks Victoria		
Amounts recognised as expenditure in the Comprehensive operating statement. This payment relates to transfer of LSL provision.	-	(16)

8.5 Remuneration of auditors

	(\$ thousand)	
Details	2021	2020
Victorian Auditor-General's Office		
Audit and review of the financial statements	52	39
Total remuneration of auditors	52	39

NOTES TO THE FINANCIAL STATEMENTS

8. OTHER DISCLOSURES (CONTINUED)

8.6 Ex-gratia expenses

	(\$ thousand)	
Details	2021	2020
Forgiveness or waiver of debt (for both individual items and in aggregate that are greater than or equal to \$5,000)	-	-
Property damage	-	-
Others	-	-
Total ex-gratia expenses	-	-

8.7 Reserves

8.7.1 Endowment reserve

	(\$ thousand)	
Details	2021	2020
Balance at beginning of financial year	4,905	3,040
Transfer of accumulated surplus comprising:		
Endowment funds received in current year	490	1,762
Endowment funds recognised in prior year	-	-
Investment distribution income reinvested	291	217
Endowment distribution for the year	(117)	(110)
Unrealised Endowment movement	(120)	(4)
Balance at end of financial year	5,449	4,905

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)	
	2021	2020
Balance at the beginning of financial year	(159)	126
Opening balance adjustment on adoption of AASB 9	-	-
Valuation gain/(loss) recognised	732	(285)
Balance at end of financial year	573	(159)

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)	
	2021	2020
Opening balance	129,623	129,623
Contributed capital by owners ⁽ⁱ⁾	7,676	-
Closing balance	137,299	129,623

⁽ⁱ⁾ Capital contribution received for Expanding Werribee Open Range Zoo.

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 2020 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 2020-21 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

8.9 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

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'.

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.

NOTES TO THE FINANCIAL STATEMENTS

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

Opinion I have audited the financial report of the Zoological Parks and Gardens Board (the authority) which comprises the:

- balance sheet as at 30 June 2021
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- declaration.

In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. 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 *Code of Ethics for Professional Accountants* (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.

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

Board's responsibilities for the financial report 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 *Financial Management Act 1994*, 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.

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.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, 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.

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:

- 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.
- 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
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- 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.
- 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.

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.



Paul Martin

as delegate for the Auditor-General of Victoria

MELBOURNE
30 September 2021

ZOOS

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