



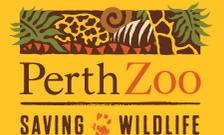
2018

**Annual
Report**

Zoological Parks Authority



Department of Biodiversity,
Conservation and Attractions



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In line with State Government requirements, Perth Zoo's annual report – the Zoological Parks Authority Annual Report 2017-18 – is published in an electronic format. Perth Zoo encourages people to use recycled paper if printing a copy of the report. For the convenience of readers and to minimise download times and print outs, the annual report has been presented in individual chapters, as well as an entire document. The annual report is presented in PDF format. All sections, except the financial statements, are also presented in Word format.

Zoological Parks Authority Annual Report
2017-18

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Front cover: Kmaili the giraffe.

Statement of Compliance

For the Year Ended 30 June 2018

To the Hon Stephen Dawson MLC
Minister for Environment

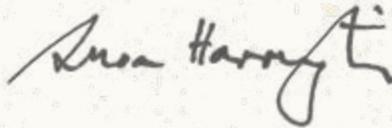
In accordance with Section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the annual report of the Zoological Parks Authority for the reporting period ended 30 June 2018.

The annual report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.



Brian Easton
Chairperson

Date: 28 August 2018



Sue Harrington
Deputy Chairperson

Date: 28 August 2018

Contents

Statement of Compliance	3	Disclosures and Legal Compliance	49
Overview of Agency	5	Auditor's Opinion	50
Executive Summary	6	Financial Statements	52
Chairman's Report	6	Key Performance Indicators	123
Executive Director Report	8	Other Financial Disclosures	129
Our Purpose and Mission	10	Zoological Parks Authority Board and Committee Fees	129
Financial Overview	11	Pricing policies	134
Operational Structure	15	Capital Works	134
Responsible Minister	15	Facilities and Infrastructure	136
Machinery of Government and Creation of the Department of Biodiversity, Conservation and Attractions (DBCA)	16	Animal Exhibit Upgrades	136
Agency Structure	17	Employment and Industrial Relations	137
Organisational Chart	18	Governance Disclosures	139
Zoological Parks Authority Board	19	Ministerial Directives	139
Formal Committees of the Board	22	Risk	139
Partners in Conservation	23	Indemnity Insurance Premium	139
Outcome Based Management Framework	25	Contracts with Senior Officers	139
Changes to Outcome Based Management Framework	25	Unauthorised use credit cards	139
Shared Responsibilities with other Agencies	26	Other Legal Requirements	140
Agency Performance	27	Electoral Act 1907	140
Performance Summary	28	Financial Estimates 2018-19	140
Perth Zoo Animal Collection	31	Disability Access and Inclusions Plan Outcomes	141
Native Species Breeding Program	37	Compliance with Public Sector Standards and Ethical Codes	142
Conservation Medicine and Research	39	Record Keeping Plan	142
Sustainability	40	Freedom of Information	142
Public Engagement	41	Government Policy Requirements	143
Significant Issues Affecting the Agency	48	Occupational Safety, Health and Injury Management	143

Perth Zoo Highlights



Executive Summary

Chairman's Report

This year was one of significant change for Perth Zoo with the creation of the Department of Biodiversity, Conservation and Attractions (DBCA) on 1 July, 2017.

The creation of DBCA as part of the wider machinery of government reforms brought the Zoological Parks Authority together with colleagues from the Botanic Gardens and Parks Authority, Rottnest Island Authority and the former Department of Parks and Wildlife under the one Department.

This resulted in some structural changes for Perth Zoo, including the appointment of a new Chief Executive Officer, Mr Mark Webb, and in May 2018, Ms Wendy Attenborough commenced employment as Executive Director to manage the daily operations of the Zoo.

With the commencement of a new chapter in our history, we took the opportunity to assess all aspects of our business to analyse how the Zoo can best meet the goals of the new Department.

For Perth Zoo, the new Department offers a unique opportunity to strengthen and share our notable expertise in conservation, research, animal husbandry, community engagement and education, and enhance our role as a commercial conservation agency.

Reflective of our expertise and efforts, I am pleased to note we reached some conservation milestones this year, with the 4000th Perth Zoo-bred or reared animal released to the wild, and the 500th wild black cockatoo treated by Perth Zoo vets returned to the open skies. We continued to maintain visitation figures and be valued by locals. Almost 80 per cent of Zoo visitors are from Western Australia, indicating the strong connection the community has with the Zoo.

As we enter our 120th year of operation, Perth Zoo is at a pivotal point, poised to build on its reputation as a world-leading conservation Zoo while consolidating its place as a key Perth tourism attraction.



Brian Easton, Chairman

Executive Summary

Chairman's Report continued

An important issue for the Zoo is the need to develop a plan to guide future operations. This plan will ensure the Zoo continues to grow, as well as respond to animal welfare and visitor requirements. Internationally renowned zoo designer Mr Jon Coe was engaged by the Zoo in April 2018 to assist in initial concept development.

Finally, the Board wishes to thank Ms Maria Finnigan for acting in the position of Executive Director for 11 months during the reporting year. Her sound and committed leadership, along with the outstanding efforts of the Corporate Executive, indeed all of the staff, during a period of organisational change, was instrumental in Perth Zoo delivering another year of stellar results.

I take great pleasure in presenting the 2017-18 Annual Report, representing a significant year in Perth Zoo's history.



Brian Easton AO
Chairperson



Meerkat

Executive Summary

Executive Director Report

As the new Executive Director of Perth Zoo I am delighted to join such a unique government agency consistently delivers a solid set of results across all business areas.

Despite being a year of organisational change, it was a year of considerable achievement. Highlights included:

- Opening the first half of a new \$3.4 million African Lion Exhibit;
- Treating over 300 sick or injured wild black cockatoos, 62 marine turtles and 90 confiscated reptiles on behalf of Parks and Wildlife and Australian Customs;
- Welcoming 658,325 visitors;
- Engaging more than 58,000 young people in Discovery and Learning activities;
- Conducting more than 9,000 Eye to Eye animal encounters; and
- Achieving the highest ever Net Promoter Score in the Zoo's history, meaning more people are recommending us to others.

At the same time,

- Media awareness of the Zoo doubled;
- We welcomed a record number of corporate partners and sponsors (27 across the portfolio); and
- We raised \$294,000 for conservation projects happening outside the Zoo's gates.

Congratulations to all Zoo staff and our supporters, who together contributed to these impressive results.

The next year will be busy as we prepare for the Zoo's 120th birthday in October 2018, see the return of animatronic dinosaurs and introduce a robotic megafauna exhibit (a world first). The new African Lion exhibit will be completed and works should commence on a new café and function centre.



Thousands of children partook in educational activities at the Zoo

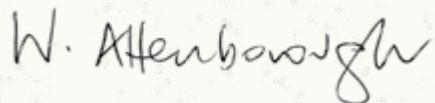


Perth Zoo's new Executive Director, Wendy Attenborough
Credit: Alex Asbury

Executive Summary

Executive Director Report (continued)

Greater integration with the Department of Biodiversity, Attractions and Conservation will continue, with a focus on improving efficiencies and identifying closer collaborative opportunities across the agencies. Our collaborative efforts to breed Western Australian native species and provide rehabilitation medicine for injured wildlife will continue to be something we can all be proud of.



Wendy Attenborough
Executive Director



Perth Zoo's new Executive Director, Wendy Attenborough.
Credit: Alex Asbury

Executive Summary

Our Purpose and Mission

Perth Zoo Vision

A world where diversity of species and habitats is secure.

Perth Zoo Purpose

To inspire and act for wildlife conservation



Komodo Dragon

Executive Summary

Financial Overview

In 2017-18, Perth Zoo:

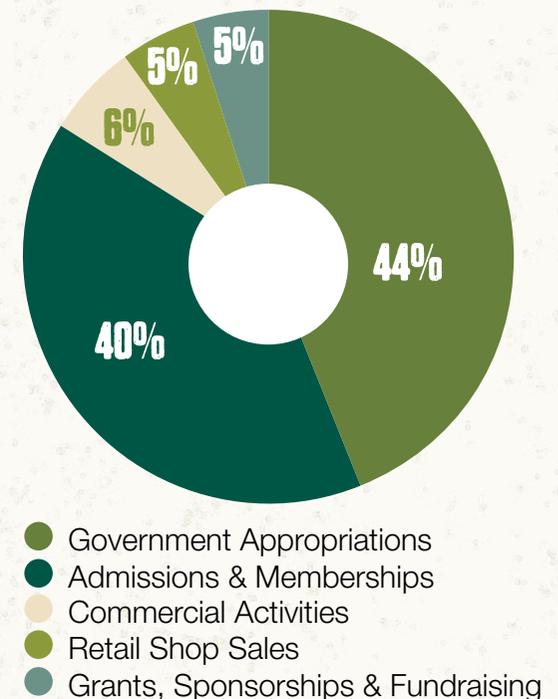
- Achieved attendance of 658,325 a small increase over the 657,353 visitors in the previous year;
- Generated \$9.03 million revenue from admissions; a 2% increase over the previous year;
- Increased Friends of Perth Zoo membership revenue by 4% from last year (up to \$1,532,140);
- Reached over 23,000 members for the first time during the period, and ended the year with 23,192 members;
- Raised \$294,556 through the Zoo's community fundraising program, Wildlife Conservation Action, to support threatened species in the wild. A total of \$242,000 raised previously was allocated to wildlife conservation projects in 2017-18;
- Achieved a 4% increase in revenue from wagon hire over the previous year (up to \$126,628);
- Achieved a 27% increase in revenue from functions including weddings over the previous year (up to \$200,845);

- Experienced declines in some areas of commercial revenue including catering dividends and retail shop sales, which both declined by 4%. This likely indicates the impacts of economic conditions on consumer spending.

Revenue

The Zoological Parks Authority receives revenue from the State Government as an appropriation to fund its services. The Authority also generates its own revenue from the operations of Perth Zoo, including from visitor admissions, membership subscriptions, commercial activities and education programs. In addition, the Zoo receives grants, sponsorships and bequests for activities such as animal breeding, research and exhibit/facility development. Total revenue of \$26.3 million was received in 2017-18, and this figure included \$11.6 million (44%) in Government appropriations to fund services.

Sources of Revenue



Executive Summary

Financial Overview (continued)

A total of 658,325 people visited Perth Zoo during the year, contributing gate revenue of \$9.03 million; an increase of 2% in admissions revenue over the previous year. There was an admission price increase in 2017-18 of \$1 for adults and \$0.50 for children, and the admission yield per visitor increased by 1.7% over the previous year, up to \$13.72. Revenue from membership sales increased by 4% over the previous year, to \$1,532,140. The combined total of admissions and membership revenue increased by \$0.2 million (2%) from the previous year, to \$10.6 million.

Car parking revenue increased by 25% over the previous year, up to \$231,651. This reflects the reduced availability of parking (including unpaid parking) in the vicinity of Perth Zoo. Other areas of commercial activity increased by 8% or nearly \$50,000 over the previous year (venue hire, tours and activities). Some areas of commercial revenue experienced declines over the previous year. Catering dividends from the café and functions decreased by 4% over the previous year to \$434,681.

Similarly, the retail shop experienced a 4% decrease in sales over the previous year, with total sales declining by \$54,249 to \$1.29 million. Management continues to monitor and review these declines and develop future strategies and initiatives in support of commercial revenue generating activities.

Grants, donations, sponsorships, bequests and fundraising generated \$1.18 million in 2017-18, which is a 38% increase over the previous year total of \$0.85 million. This figure includes bequests of \$121,954, donated assets of \$60,664, and over \$330,000 from fundraising activities and cash donations. The level of corporate sponsorship revenue increased by 32% during the period to \$560,156 following the securing of new partnership opportunities. A Commonwealth Government grant of \$80,000 to support vital research work for the Western Ground Parrot increased grant revenue from \$22,000 in the previous year up to \$102,000. Bequests and unrestricted corporate sponsorships will be directed to support future capital development priorities.

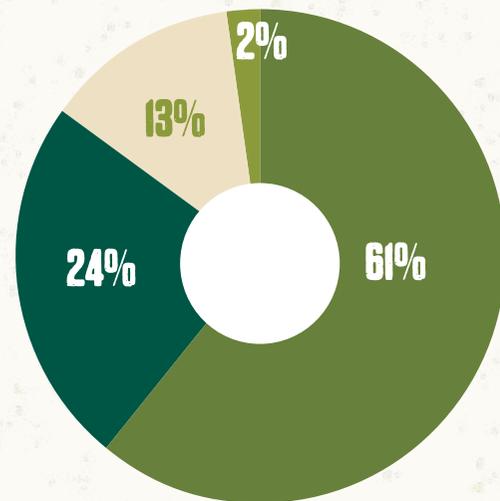
Perth Zoo's community fundraising campaign, Wildlife Conservation Action, raised \$294,556 in 2017-18. This included over \$85,000 from the sale of the Zoo's conservation calendar, more than \$65,000 in donations, and over \$43,000 from Elephant Art sales, with the balance from a range of fundraising activities. The funds will be distributed in 2018-19 to projects supporting the conservation of threatened species in the wild. Over \$242,000 previously raised was allocated to wildlife conservation projects in 2017-18.

State Government funding provided 44% of the Zoo's revenue base in 2017-18. This Government support enables visitor admission prices to remain relatively low in comparison with other zoos around Australia and competing attractions within Western Australia. This assists the Zoo in remaining accessible to the wider community, and in delivering its two services of 'Visitor services and public programs provided at Perth Zoo' and 'Research and conservation partnerships'.

Executive Summary

Financial Overview (continued)

Expenditure



- Salaries, Wages & Staffing Costs
- Supplies and Services
- Depreciation & Asset Disposal
- Cost of Retail Shop Sales

Total operating expenditure for 2017-18 was \$25.9 million, representing a 2.7% increase over the previous year. Salaries, wages and staffing costs were similar to the previous year and accounted for 61% (\$15.9 million) of total expenditure. This included direct costs of employee salaries and wages, costs of providing for leave liabilities, and indirect payroll costs such as superannuation and workers' compensation. While direct salary and wages costs were well contained during the period there was a significant increase in the annual workers' compensation insurance premium. The annual premium increased by over \$400,000, or 141% over the previous year, to \$711,413. This increase was due to historical workers' compensation claims (from the 2013-14 year) that are still having an impact on premiums. Significant work has been done to reduce the number of workplace injuries and the premium will reduce in future years as a consequence.

Operating and administration costs were lower than the previous year due to a number of factors. These included non-recurring costs in the previous year linked to insurance claim expenditure and events.

The current year included implementation of budget savings measures, and reduced expenditure in areas linked to lower than expected commercial revenue generation such as cost of goods sold.

Depreciation and asset disposals made up 13% of expenses, reflecting the fact that the majority of the Zoo's assets are high value, non-current, depreciable assets. Depreciation costs were at a similar level to the previous year. Maintenance and operational costs represent 14% of expenses and included preventative maintenance programs, animal food and veterinary care, energy management initiatives, water management strategies, restorative works, tree pruning, cleaning and waste disposal.

Administration – which includes professional support/advisory services, information technology and communications, grants provided to conservation projects and property insurance – accounted for 10% of expenditure. The costs of retail shop sales accounted for 2% of total expenses.

Executive Summary

Financial Overview (continued)

Assets and Liabilities

Total assets at the end of the period were \$70.3 million, including \$10.5 million in cash resources held for future capital works and other expenditure commitments. Cash resources include sponsorships, bequests and fundraising that will be spent on future capital developments and wildlife conservation initiatives.

Receivables at the end of year were \$532,516, of which \$257,573 is GST claimable from the tax office. Retail shop inventory decreased by 7% from the previous year, to \$146,482. Fixed asset acquisitions in 2017-18 were \$3.1 million, of which over \$1 million relates to works in progress at year end, with the majority being the final stage of a major upgrade to the African Lion exhibit. Other major additions included water and electrical infrastructure upgrades, a new transportable building, upgrades to the rainforest retreat and a new front entry shade structure. Animal exhibits including the Red Panda, Western Ground Parrot and Lesser Primates exhibits were upgraded. The 2017-18 capital expenditure includes planning in progress for future exhibit and facility upgrades.

There were also purchases of computer equipment, a replacement truck, a veterinary van, and general plant and equipment.

Total liabilities at the end of the reporting period were \$4.7 million, which was slightly higher than the previous year. Liabilities for provisions relating to annual and long service leave increased from \$2.7 million in the previous year to \$2.9 million, with values impacted by the significant increase in the workers' compensation on-costs. Payables of \$0.47 million were similar to the previous year, and unearned income increased from \$1.1 million to \$1.3 million due to the increased level of membership subscriptions.



The Red Panda exhibit was upgraded during the year

Operational Structure

Responsible Minister

Hon Stephen Dawson MLC Minister
for Environment

Enabling Legislation

Zoological Parks Authority Act, 2001;
Zoological Parks Authority Regulations, 2002

Accountable Authority

Zoological Parks Authority

Governing Body

Zoological Parks Authority Board



Stephen Dawson, Minister for Environment

Operational Structure

Machinery of Government and Creation of the Department of Biodiversity, Conservation and Attractions (DBCA).

The Department of Biodiversity, Conservation and Attractions (DBCA) was created on 1 July 2017, following the State Government's decision to bring together the Botanic Gardens and Parks Authority, Rottnest Island Authority, Zoological Parks Authority and the former Department of Parks and Wildlife.

The DBCA's goals are to enhance Western Australia's natural attractions as key tourism assets, create opportunities for private sector investment and partnerships, and consolidate conservation science to build and share knowledge of the State's biodiversity.

The DBCA is led by Director General Mark Webb, who is also the Chief Executive Officer of the Zoological Parks Authority.

Within this context, the purpose of the Zoological Parks Authority – Perth Zoo – is to inspire and act for wildlife conservation. We are committed to upholding world leading standards of husbandry and welfare for the

animals in our care; to providing the best possible experiences for visitors, colleagues and partners; to minimising Perth Zoo's impact on the environment; to building knowledge and enabling social improvement through connection, education, research and raising awareness about wildlife and biodiversity and enhancing our role as an iconic Western Australian conservation tourism attraction, showcasing unique native fauna to locals and visitors alike.

Operational responsibility for Perth Zoo rests with Executive Director Wendy Attenborough.



Former Department of Parks and Wildlife
Hammersley Gorge. Credit Rick Dawson



Rottnest Island



Perth Zoo
Credit: Alex Cearns



Kings Park Credit: Jason Thomas

Operational Structure

Agency Structure

Perth Zoo has 256 employees led onsite by the Executive Director, who is responsible for the daily operations of the Zoo. The Executive Director reports to the Chief Executive Officer and Zoological Parks Authority Board. In the 2017-18 year she was supported by the Zoo's Corporate Executive team, comprised of three Directors and the Chief Finance Officer.

The Zoo's operations in 2017-18 were delivered through four business areas:

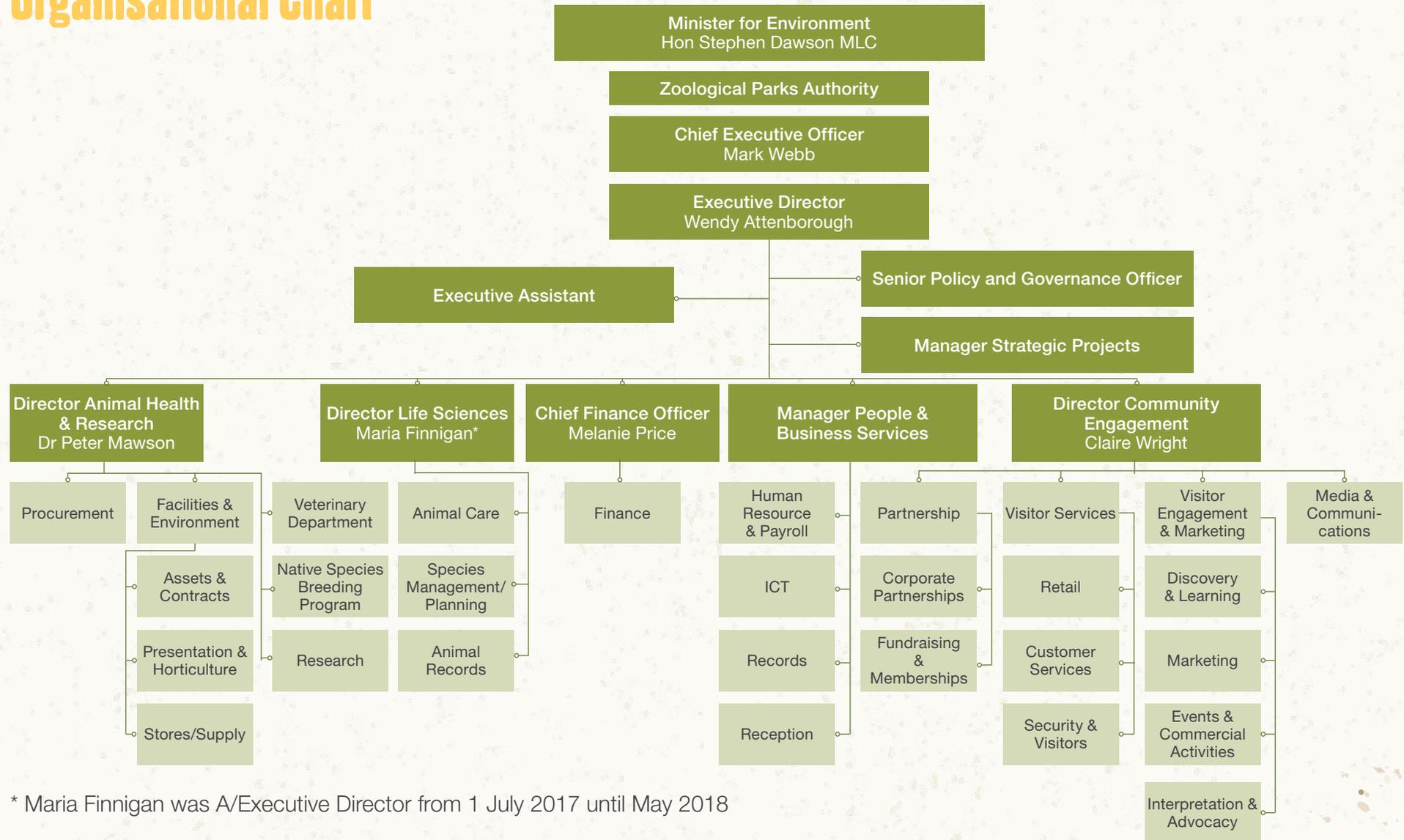
- 1) Life Sciences: responsible for the care of animal species on the Zoo site, and species management plans undertaken in partnership with other zoos and wildlife agencies as part of regional and global conservation efforts;
- 2) Animal Health and Research: responsible for the Zoo's veterinary department, research programs and Native Species Breeding Program;
- 3) Community Engagement: responsible for discovery and learning (education), events, partnerships, media and communications, interpretation, marketing and visitor services; and
- 4) Corporate Services: responsible for information technology, facilities management and environmental services, finance and capital project management, records management, governance and risk management, human resources and procurement services.



Perth Zoo's Corporate Executive team: Wendy Attenborough, Maria Finnigan, Dr Peter Mawson, Melanie Price, Claire Wright

Operational Structure

Organisational Chart



* Maria Finnigan was A/Executive Director from 1 July 2017 until May 2018

Operational Structure

Zoological Parks Authority Board

The Zoological Parks Authority Board is the governing arm of the Authority and is comprised of eight members appointed by the Minister for Environment. The Board met eight times in 2017-18. The number of meetings attended by each member is shown below in parentheses.

The Board carried out its responsibilities consistent with the provisions of the *Zoological Parks Authority Act 2001*, and in line with the Zoo's Code of Conduct.



Mr Brian Easton
AO Chairperson
(7 out of 8)

Appointed Chairperson of the Zoological Parks Authority Board initially on 1 August 2011, Mr Easton has had a distinguished career spanning three decades in the Public Service. He served as CEO at Perth Zoo from 1999–2003. In 2003, Mr Easton became a Director at Melbourne Zoo. He has served as Chair of the Conservation Commission of Western Australia, and Chair of the Animal Welfare Review Panel. In the 2016 Australia Day honours list, Mr Easton was made an Officer of the Order of Australia for his distinguished service to conservation and the environment, public administration and aged care.



Ms Susan Harrington
Deputy Chair
(7 out of 8)

Ms Harrington, a highly experienced biologist and researcher, was the WA Health Department's Medical Entomologist. She has worked in a range of ecosystems in Australia, Christmas Island, the Cocos (Keeling) Islands, the Sahara and the Antarctic. The recipient of several community service awards, Ms Harrington also received the Prime Minister's Centenary Medal for services to the community. Ms Harrington was re-appointed to the Board as Deputy Chairperson on 2 December 2016, for a three-year term.



Ms Nicole Moody
(2 out of 8)

Ms Moody is a communications professional with more than 25 years' experience in public relations and marketing, crisis management, government relations and corporate social responsibility. She is the Managing Director of Hunter Communications consulting agency. Ms Moody's term ceased on 29 August 2017.



Mr John Knowles
(1 out of 8)

Mr Knowles is the Chief Executive Officer of Good Samaritan Industries. Previously the Chief Executive Officer of the Cerebral Palsy Association, he has served in senior commercial development and financial management positions with the Disability Services Commission, Sir Charles Gairdner Hospital and Princess Margaret Hospital. Mr Knowles' term ceased on 14 November 2017.

Operational Structure

Zoological Parks Authority Board (continued)



Mr Alex Lamond
(8 out of 8)

Mr Lamond has an MBA and Graduate Diplomas in Applied Finance and Investment and Business (Marketing). He has extensive senior executive and leadership experience and is currently an Executive Director at ERGT Australia. Mr Lamond is a graduate of the Australian Institute of Company Directors and has served on a number of public, private and government boards. Mr Lamond was re-appointed to the Board on 7 September 2015 for a three-year term.



Dr Kellie Pendoley
(7 out of 8)

Dr Pendoley has over 30 years' experience as an environmental practitioner within extractive industries in Western Australia. With extensive knowledge of marine turtle biology and ecology, she has designed and implemented marine turtle research and monitoring programs within industrial settings for a range of companies operating in Australia and overseas. Dr Pendoley is the IUCN Marine Turtle Specialist Group – Australasian Regional Vice-Co Chair. Dr Pendoley was appointed to the Board on 2 December 2016 for a three-year term.



Ms Nicole McAlinden
(7 out of 8)

Ms McAlinden is a Senior Environmental Consultant with more than 16 years' experience in environmental impact assessment and environmental health. In her role as an Environmental Consultant, Ms McAlinden's focus is the environmental impact of mining, major infrastructure and land development projects. She has previously worked with the national enHealth Council and Department of Health. Ms McAlinden was re-appointed to the Board on 16 December 2016 for a three-year term.

Operational Structure

Zoological Parks Authority Board (continued)



Mr Ian Cowie
PSM
(7 out of 8)

Mr Cowie is the CEO of the City of Gosnells. Prior to this appointment, he worked in the public service for 18 years in regional development, housing and local government. Mr Cowie has an Honours degree in Geography and a Master of Science degree in Economics. In 2013, Mr Cowie was announced Leader of the Year in Local Government by IPAA WA, and in 2014, he was awarded the Public Service Medal in the Queen's Birthday Honours for Service to the City of Gosnells. Mr Cowie was appointed to the Board on 30 October 2015 for a three-year term.



Ms Rebecca Tomkinson
(5 out of 8)

Ms Tomkinson's experience includes government relations, strategic policy development, social advocacy and stakeholder management in both the government and non-government sectors. Ms Tomkinson is the CEO of the Royal Flying Doctor Service (WA). Previous positions have included Executive Director Aged Care Services, MercyCare; Director Government Relations, UnitingCare Australia; and Policy Advisor and Whips Clerk, Parliament House Canberra. Ms Tomkinson was appointed to the Board on 30 August 2017 for a one-year term.



Dr Harriet Mills
(5 out of 8)

Dr Harriet Mills is a wildlife ecologist with over 20 years' experience in terrestrial vertebrate research. She has worked as a Lecturer in Conservation Biology at Edith Cowan University and was an academic at UWA for over 15 years, teaching units in Zoology, Conservation Biology, Agriculture and Science Communication. Dr Mills' PhD was on the reproductive biology, ecology and genetics of the Dibbler, and much of that work was done during the establishment of the Dibbler breeding program at Perth Zoo. Dr Mills was appointed to the Board on 15 November 2017 for a one-year term.

Operational Structure

Formal Committees of the Board

The Board establishes committees to assist it in the performance of its functions. Three of these committees (Animal Ethics, Research and Audit) include external representation. The formal committees of the Board, their role and membership (as at 30 June 2018) are listed below.

Finance Committee

Role: To assist the Authority to discharge its responsibilities in relation to financial delegations, management and reporting. The Committee is responsible for the monitoring and review of all aspects of financial management of Perth Zoo. During the 2017-18 reporting period, the Finance Committee met nine times.

Membership: Brian Easton (Chair); John Knowles; Susan Harrington; Alex Lamond; Mark Webb; Maria Finnigan; Wendy Attenborough; Melanie Price; Amanda Turner.

Audit Committee

Role: To assist the Authority in ensuring corporate compliance and the effectiveness and relevance of internal and external audit processes. During the 2017-18 reporting period, the Audit Committee met four times.

Membership: Brian Easton (Chair); John Knowles; Alex Lamond; Ian Cowie; Mark Webb; Maria Finnigan; Wendy Attenborough; Melanie Price; Amanda Turner.

Animal Ethics Committee (AEC)

Role: To ensure that all scientific research use of animals within the institution is conducted in compliance with the National Health and Medical Research Council's *Australian Code for the Care and Use of Animals for Scientific Purposes* 8th edition. During the 2017-18 reporting period, the AEC met four times. The AEC considered eight new research proposals and one amended proposal. Projects involved native and exotic species, and related to conservation, husbandry and/or welfare.

Membership: Maria Finnigan (Chair 11 months); Wendy Attenborough (Chair 1 month); Mark Webb; Dr Simone Vitali; Susan Harrington; Dr Harriet Mills; Dr Peter Mawson; John Lemon; Rebecca Tomkinson.

Please note, there are additional Category C and D members not identified by name for privacy reasons.

Research Committee

Role: To advise the Board on strategic research matters including priorities, guidelines, partnership opportunities and the implementation of research findings in the wider community. During the 2017-18 reporting period, the Research Committee met four times.

Membership: Susan Harrington (Chair); Dr Peter Mawson (Deputy Chair); John Lemon; Maria Finnigan; Claire Wright; Dr Katja Geschke; Dr Julian Partridge; Dr Ric Howe; Dr Rob Davis; Dr Bill Bateman; Dr Allan Burbidge; Dr Trish Fleming; Dr Renee Firman.

Information about fees paid to Board and Committee Members can be found in the *Other Financial Disclosures* section at the end of this report.

Operational Structure

Partners in Conservation

Docent Association

The Perth Zoo Docent Association (PZDA) is an independent incorporated volunteer organisation that has operated continuously for 36 years. The PZDA has around 291 active members who volunteer a minimum of two days per month. In addition, many Docents give their time in a range of areas providing operational support.

In the Life Sciences area, PZDA members assist the animal behavioural enrichment programs, harvest termites for the Native Species Breeding Program and facilitate the Giraffe Tower experience for visitors. Under the animal care program, among other things, PZDA members document live and recorded animal behaviours. The information collected has been used to inform animal husbandry and welfare decisions, and provide insight into enrichment use, interspecies interactions, nocturnal activity and the influence of capital works on animal welfare.

Members of the PZDA also provide tours of the Zoo and volunteer at functions and weddings.

Once again, the PZDA membership received a 100% satisfaction rating from visitors in the annual market research survey.

PZDA members documented the behaviours of a number of Zoo animals.



Docent volunteers contribute help in various areas of the Zoo.



Taronga Training Institute

Perth Zoo, in partnership with the Taronga Training Institute delivers Certificate III in Captive Animal Management. Now in the third year of operation, the program is the only place in WA where students can gain a qualification that includes a practical placement alongside zoo keepers. The program is helping build the next generation of professionals wanting to work in aquariums, wildlife parks and theme parks.

TTI in Perth trains the next generation of zoo conservationists

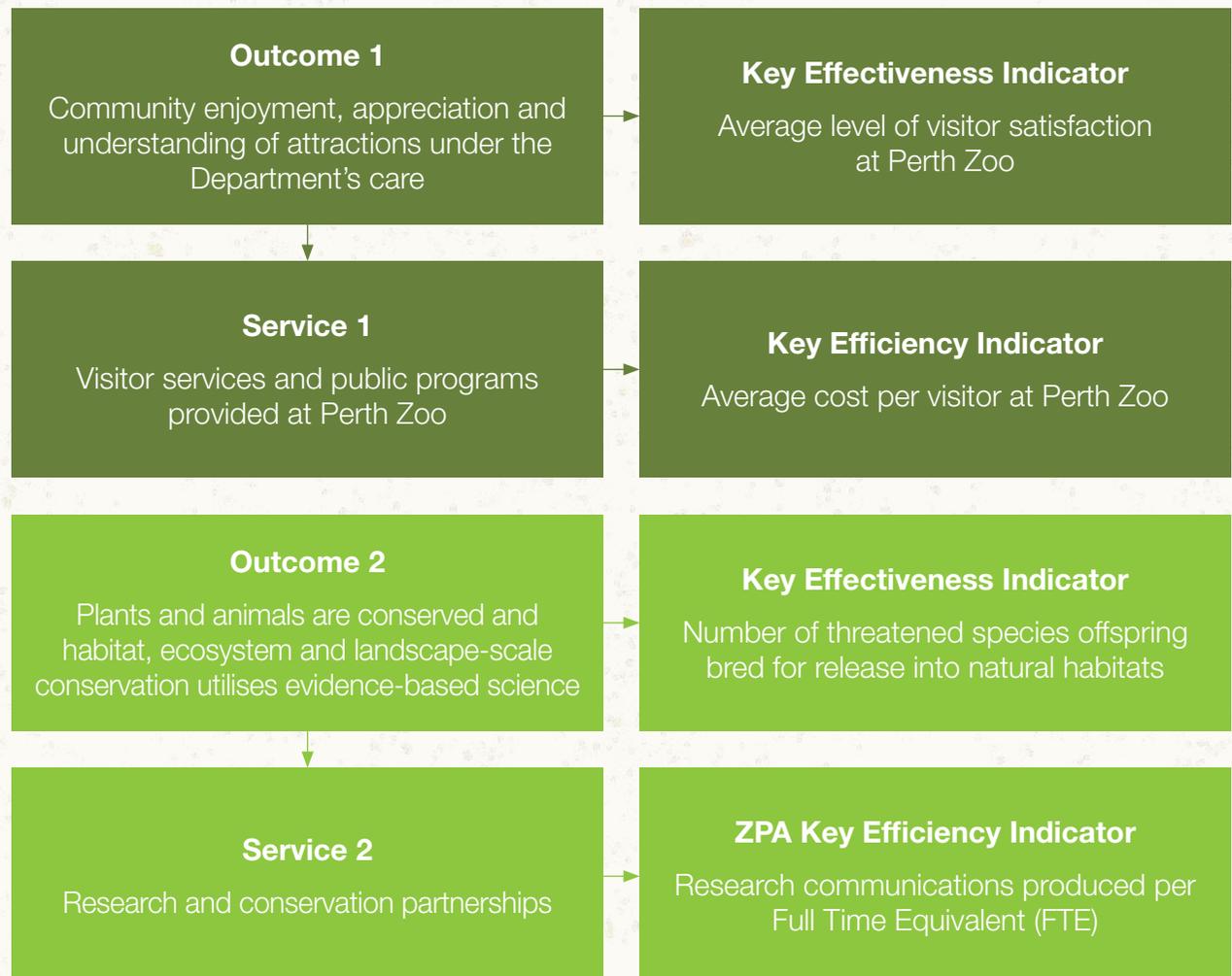
Performance Management Framework

Outcome Based Management Framework

Changes to Outcome Based Management Framework

As a result of Machinery of Government announcements, effective from 1 July 2017, the Zoological Parks Authority (ZPA) amalgamated with a number of other Government agencies to form the new Department of Biodiversity, Conservation and Attractions. While the ZPA continues to operate as separate legal entity it is no longer a separately identifiable Division of the Consolidation Account Expenditure Estimates but forms part of the DBCA Division of the Consolidated Account Expenditure Estimates.

The ZPA contributes to two of the four DBCA Outcomes (DBCA Outcomes 1 and 2) and two of the ten DBCA Services (DBCA Services 3 and 7) within the approved OBM structure for the DBCA. The ZPA key effectiveness and efficiency indicators include those ZPA specific indicators forming part of the DBCA Budget Statements along with additional approved audited indicators.



Performance Management Framework

Shared Responsibilities with other Agencies

Perth Zoo partners with a range of agencies in order to achieve its objectives, particularly in relation to conservation of wildlife. Memoranda of Understanding (MOUs), administrative agreements and the development of joint projects are all mechanisms to achieve collaboration across Government.

Agreements are currently in place with partners such as species recovery teams, tertiary research institutions and Australian Customs to:

- Support species recovery programs by breeding native animals for release to natural areas;
- Provide conservation medicine expertise to assist with investigations of specific wildlife health issues, clinical assessment and treatment of wild black cockatoos, marine turtles and other injured and confiscated wildlife; and
- Provide wildlife educational training opportunities.



Western Ground Parrot Nest
Credit: Alan Danks



**“Perth Zoo is
the custodian
of more than
1300 individual
animals from
171 species.”**

Agency Performance

Performance Summary

Actual Results versus Budget Targets

Financial Targets

	2017-18 Target ⁽¹⁾ \$000s	2017-18 Actual \$000s	Variation ⁽²⁾ \$000s
Total cost of services	25,335	25,894	559 ^(a)
Net cost of services	9,162	11,200	2,038 ^(b)
Total equity	67,664	65,612	(2,052) ^(c)
Net increase/(decrease) in cash held	(770)	(664)	106 ^(d)
Approved salary expense level	12,750	13,559	809 ^(e)

(1) The ZPA component of the figures specified in DBCA Budget Statements.

(2) Further details and explanations are contained in Notes to the financial statements including Note 9.8 'Explanatory statement'.

(a) Depreciation costs were higher than the target due to the earlier than expected commissioning of the main element of the major water infrastructure project. The ZPA budget was subsequently increased as part of the 2017-18 mid-year budget review process.

(b) Due to the impact of the lower than expected revenue during the period and the original budget including CPI and demand growth projections that were unable to be achieved.

(c) Due to a combination of lower than expected revenue and surplus for the period along with lower than expected asset investment expenditure as planning work continued for future capital development projects.

(d) This is mainly due to lower than originally targeted asset investment expenditure during the period as a result of planned changes to construction schedules.

(e) Payroll costs were impacted by severance payments during the period to support the delivery of longer term savings in this area of expenditure. The lead time for realising savings linked to implementing workforce renewal policy budget savings has also impacted payroll costs.

Agency Performance

Performance Summary (continued)

Summary of key performance indicators

Outcome 1: Community enjoyment, appreciation and understanding of attractions under the Department's care

	2017-18 Target ⁽¹⁾	2017-18 Actual	Variation ⁽²⁾
Key effectiveness indicator:			
Average level of visitor satisfaction at Perth Zoo	97%	97%	–
Service 1: Visitor services and public programs provided at Perth Zoo			
Key efficiency indicator:			
Average cost per visitor at Perth Zoo	\$34.42	\$35.28	\$0.86 ^(a)

(1) As specified in DBCA Budget Statements (DBCA Outcome 1 and DBCA Service 3).

(2) For further details and explanation refer to the Key Performance Indicators in the Disclosure and Legal Compliance section.

(a) While admission numbers of 658,325 were higher than the target of 655,000 the total costs for service 1 were 3% higher than the target. The cost pressures were mainly from voluntary targeted severances along with a significant \$400,000 increase to the Authority's annual workers' compensation insurance premium.

Agency Performance

Performance Summary (continued)

Summary of key performance indicators (continued)

Outcome 2: Research and conservation partnerships

	2017-18 Target ⁽¹⁾	2017-18 Actual	Variation ⁽²⁾
Key effectiveness indicator:			
Number of threatened species offspring bred for release into natural habitats			
Western Swamp Tortoise	30	47	17 ^(a)
Numbat	12	19	7 ^(b)
Dibbler	50	–	(50) ^(c)

Note: The figures include animals which survived more than 30 days after birth.

Service 2: Research and conservation partnerships

Key efficiency indicator:

Research communications produced per Full Time Equivalent (FTE)	1.45	1.45	–
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(1) As approved for key audited indicators for the ZPA that are not specified in the DBCA Budget Statements.

(2) For further details and explanation refer to the Key Performance Indicators in the Disclosure and Legal Compliance section.

(a) Higher number of eggs produced along with good hatching success.

(b) The number of breeding age female Numbats within the breeding colony at Perth Zoo supported good breeding success.

(c) At the direction of the Dibbler Recovery Team the entire mainland breeding stock at Perth Zoo was released into Peniup Nature Reserve in October 2017. This release was to make space for the arrival at Perth Zoo of ten Dibbler breeding pairs planned for collection from Boullanger, Whitlock and Escape Islands. Following an assessment of the Dibbler populations on Boullanger and Whitlock islands a decision was made not to relocate animals to Perth Zoo and poor weather conditions precluded access to collect animals from Escape Island. As a consequence no Dibbler breeding occurred at Perth Zoo during the period. A further attempt to source new breeding stock from the islands will be made in October 2018.

Agency Performance

Report on Operations

Perth Zoo Animal Collection

Perth Zoo is the custodian of more than 1300 individual animals from 171 species.

Forty eight (48) species at Perth Zoo are part of formal species management programs at a regional or state level. Sixteen species programs are coordinated by Perth Zoo staff, including the Western Swamp Tortoise, Numbat, Quokka, African Painted Dog, Malaysian Sun Bear, Ring-tailed Lemur and White-cheeked Gibbon programs. These scientific management programs help maintain genetically diverse animals in captive zoological populations. A strong focus on native wildlife conservation remains core to Perth Zoo operations and is reflected in the composition of the current collection.

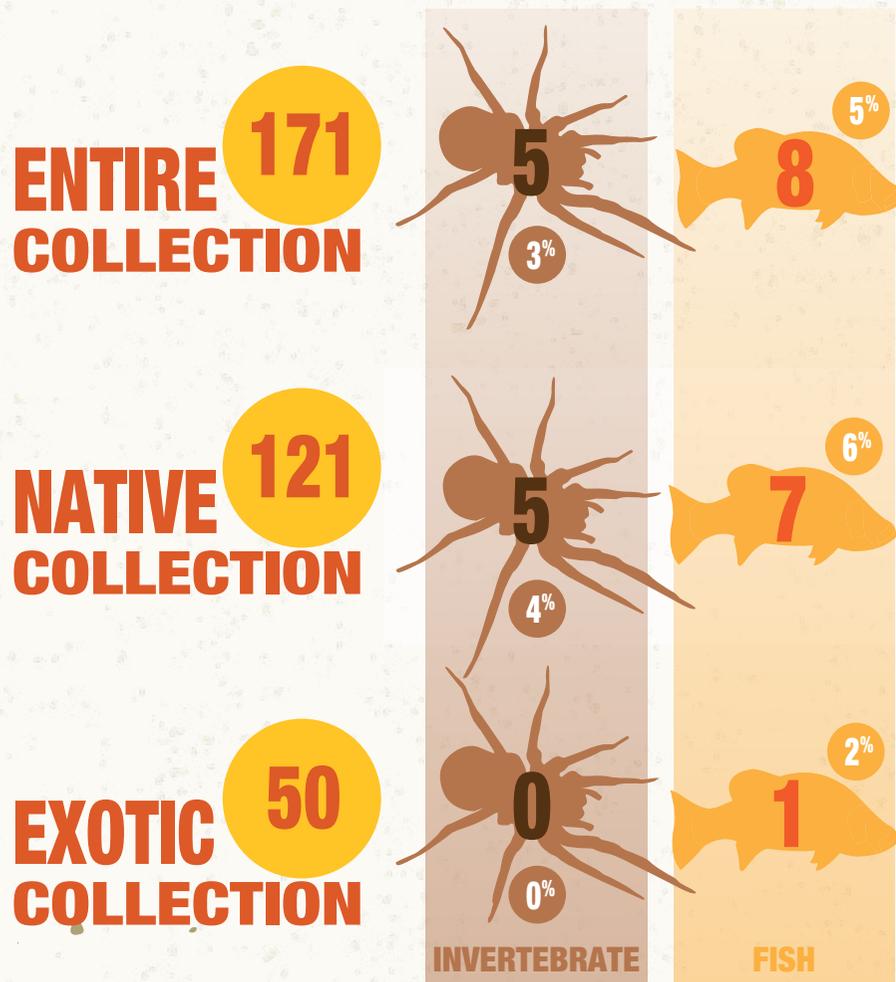
Perth Zoo Collection on 30 June 2018



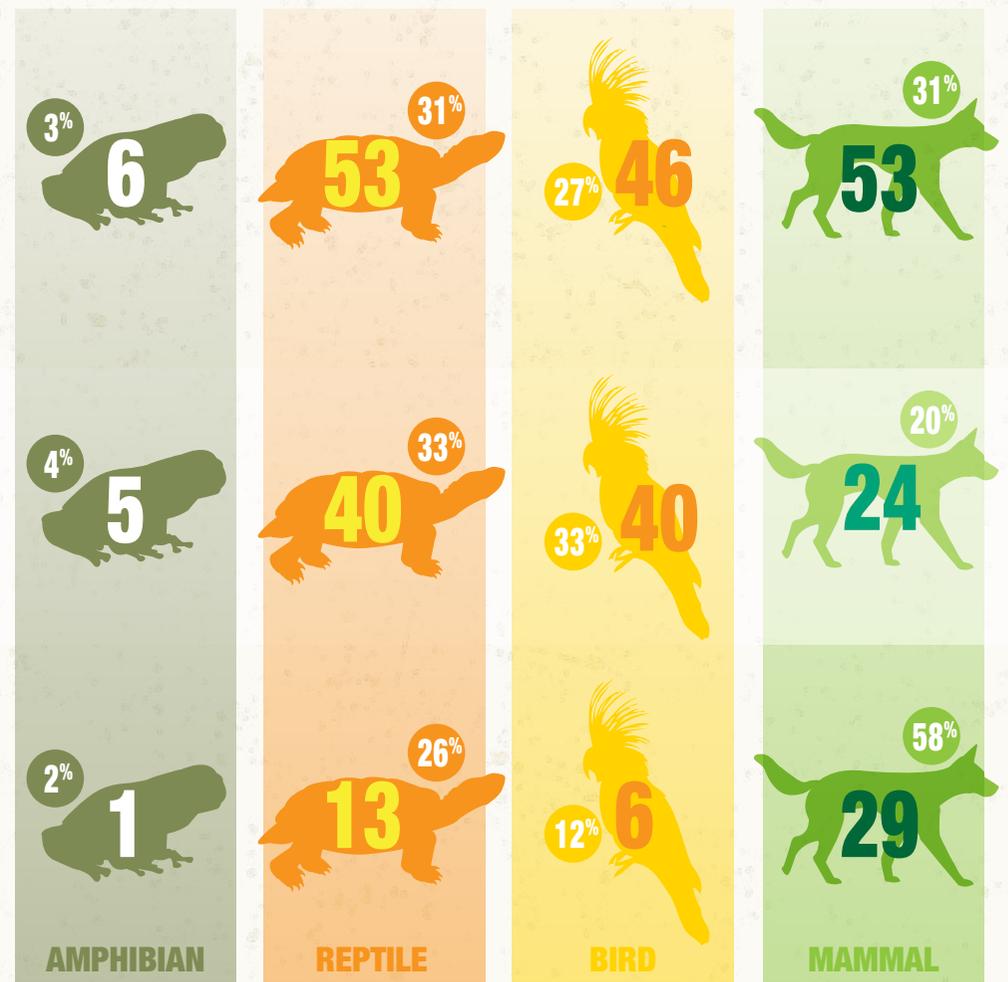
Agency Performance

Report on Operations (continued)

Perth Zoo Animal Collection



Perth Zoo Taxonomic Groups Collection on 30 June 2018



Agency Performance

Report on Operations (continued)

Perth Zoo Animal Collection

Arrivals

Significant Births/Hatchings

Fifty eight new animals were added to Perth Zoo this year, including the first giraffe calf to be born at the Zoo since 2012. The Zoo's newly established pairs of Asian Small-clawed Otter and Binturong both successfully birthed young, and an Asian Elephant calf was born in NSW, sired by Perth Zoo bull, 'Putra Mas', via artificial insemination, creating a new bloodline in the Australasian Breeding Program.



Giraffe (Kamili)



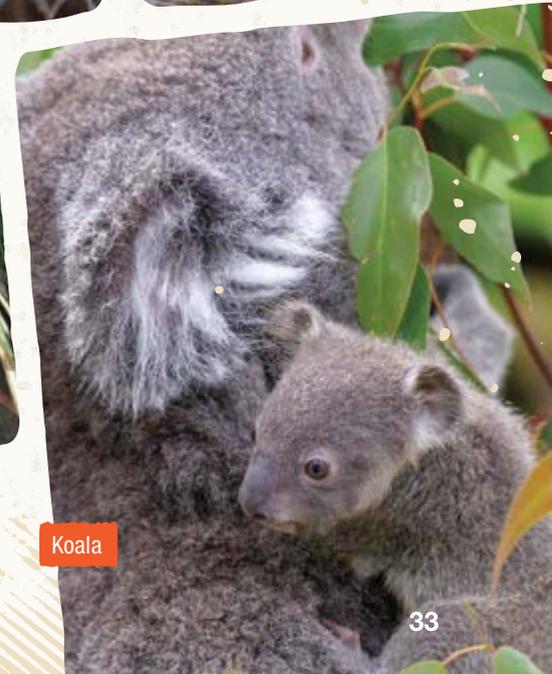
Goodfellow's Tree Kangaroo



Binturong



Asian small-clawed otters



Koala

Agency Performance

Report on Operations (continued)

Perth Zoo Animal Collection

Significant Transfers In

'Ellie', a young female giraffe arrived at the Zoo this year after a 4200km journey from Australia Zoo in Queensland. The Zoo also provided refuge to eight Spiny-tailed Geckos following their seizure from wildlife traffickers.



Slow Loris



Western ring-tailed possum



Giraffe (Ellie)

Credit: Alex Asbury

Agency Performance

Report on Operations (continued)

Perth Zoo Animal Collection

Departures

Significant Deaths

The Zoo sadly farewelled 62 year old Sumatran Orangutan 'Puan' this year. Puan had been cared for by Perth Zoo since 1968, and produced 11 offspring in her lifetime, leaving 54 descendants spread across the United States, Europe, Australasia and the jungles of Sumatra. Her great grandson 'Nyaru' was the latest individual to be released into the wild.



Puan



Hsing Hsing



Cherub

Agency Performance

Report on Operations (continued)

Perth Zoo Animal Collection

Significant Transfers Out

The Zoo continued to contribute to the global breeding program for Goodfellow's Tree Kangaroo with two male offspring transferred to zoos in Australia and the United Kingdom. Previous reproductive success with the meerkats saw six individuals transferred to three Australian zoos to support the regional breeding program. Perth Zoo transferred Western Swamp Tortoise to Monarto Zoo, South Australia, as part of the strategy to increase the number of tortoise bred in captivity and to maintain a second insurance population.



Koala



Cassowary



Meerkat



Goodfellow's Tree Kangaroo

Agency Performance

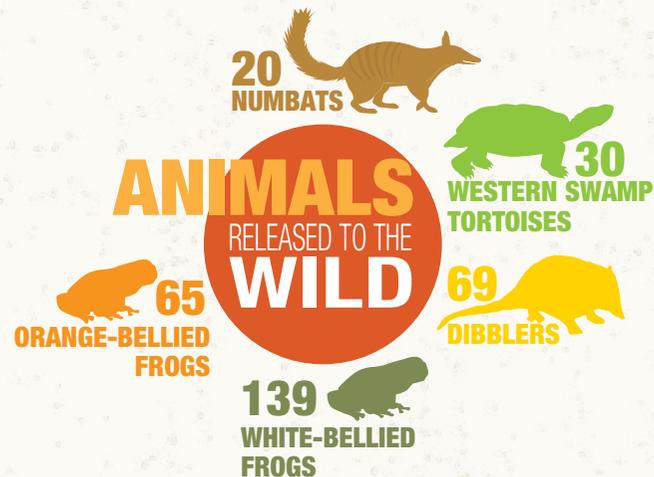
Report on Operations (continued)

Native Species Breeding Program

Perth Zoo's Native Species Breeding Program bred and released animals to the wild in accordance with species Recovery Plans. This year the following animals were released:

- Numbats to Mount Gibson Sanctuary and Dryandra Woodland Reserve;
- Dibblers into Peniup Nature Reserve;
- Western Swamp Tortoises into Moore River Nature Reserve and,
- White-bellied Frogs and Orange-bellied Frogs were released to sites near Margaret River.

This year, the program achieved a milestone with the 4000th animal bred or reared at the Zoo released to the wild.



White-bellied Frog
Credit: Alex Cearns



Orange-bellied Frog
Credit: Alex Cearns



Numbat
Credit: Alex Asbury



Western Swamp Tortoise



Dabbler
Credit: Alex Asbury

Agency Performance

Report on Operations (continued)

Western Ground Parrots

The conservation program for Western Ground Parrots seeks to protect the wild population and optimise the breeding of the birds at Perth Zoo. Working with our colleagues in DBCA, we have learnt much about the species' behaviour, dietary needs and other fundamental husbandry requirements from the four birds at the Zoo. Successful mating and egg laying occurred in 2017, but it is unknown why the eggs laid were not fertile or didn't hatch. Younger wild birds may be added to the Perth Zoo population in 2018, if it is confirmed that the removal of birds will not have a detrimental impact on the wild population.



Western Ground Parrot: Much has been learned about this cryptic parrot species
Credit: Alan Danks

Agency Performance

Report on Operations (continued)

Conservation Medicine and Research

Three hundred and two (302) wild black cockatoos of three different species were admitted for treatment to Perth Zoo's Veterinary Department (238 new admissions and 64 re-admissions). The 500th wild black cockatoo treated by the Zoo was released to the wild in May 2018.

The Veterinary Department attended to 62 marine turtles (of five different species) that had washed up on WA beaches. Forty-five were able to be treated and sent to rehabilitation centres to regain strength and condition in preparation for a return to the open oceans.

Three hundred and ninety (390) reptiles and 16 native mammals confiscated by Parks and Wildlife were assessed and treated by the Zoo's Veterinary Department.

Perth Zoo produced 19 research communications during the year.



Black Cockatoo

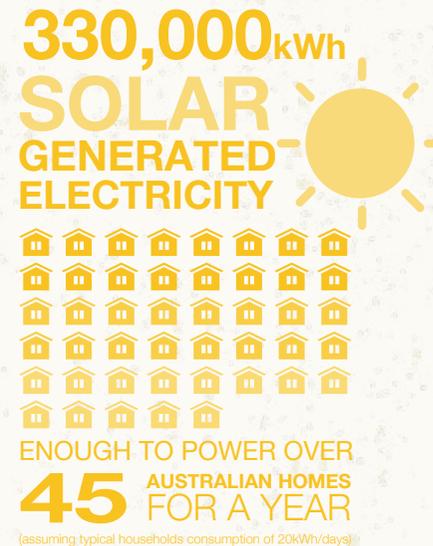
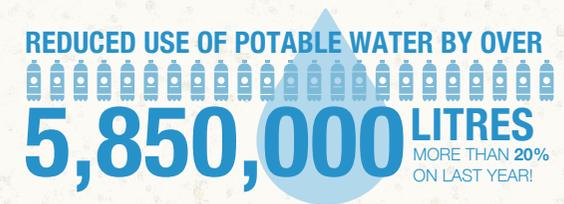
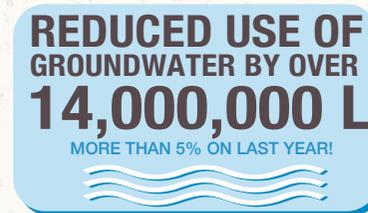
Agency Performance

Report on Operations (continued)

Sustainability

As a conservation organisation, Perth Zoo continued to reduce its environmental footprint.

2018 Sustainability Achievements



Agency Performance

Report on Operations (continued)

Public Engagement

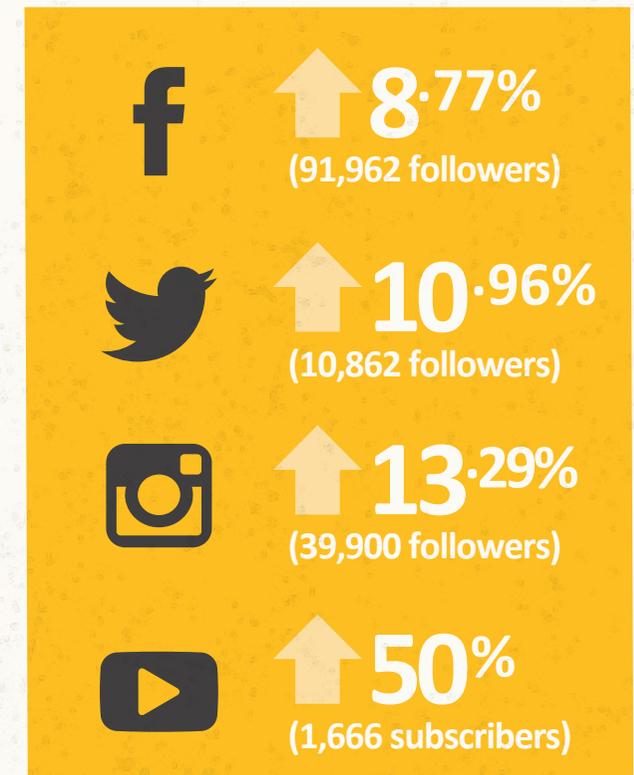
This past financial year, 658,325 individuals visited Perth Zoo and the number of Zoo members increased to 23,192. Young families remain more likely to visit Perth Zoo than those without children in their household, with almost 80% of visitors coming from within Western Australia, indicating a locally engaged community.

Visitor Attendance							
2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
611,793	640,642	665,242	627,991	642,352	695,091	657,353	658,325

This year, more than \$13 million worth of free media coverage was achieved. This included TV, print and radio coverage, and some online articles. All social media channels recorded significant increases in followers:

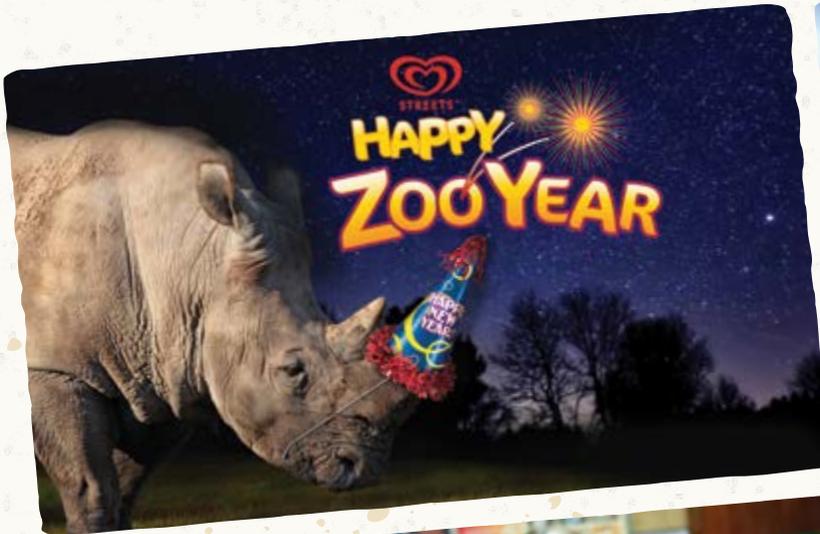
Media awareness of the Zoo doubled this year due to the promotion of numerous Zoo events, notably the birth of a giraffe calf, and a partnership with Channel Nine that enabled Perth Zoo to do TV advertising for the first time in many years. The increased profile assisted the Zoo and our conservation partners. We welcomed a record number of corporate partners and sponsors and also secured sponsorship for all Zoo-hosted public events. This meant we could deliver bigger and better events for visitors. This year's onsite events included Dreamnight, Teddy Bears' Picnic, Boo at the Zoo and Happy Zoo Year. Significantly, 9,252 individuals enjoyed Eye to Eye animal encounters, helping Perth Zoo further engage and educate the public about wildlife conservation.

2018 Social Media



Agency Performance

Report on Operations (continued)



Media awareness of the Zoo doubled



More than 9000 people enjoyed Eye to Eye animal encounters



Sponsorship was secured for all Zoo-hosted events

Agency Performance

Report on Operations (continued)

Perth Zoo acknowledges the support of the following partners:

GOLD						
						
SILVER						
BRONZE						
						
CORPORATE MEMBERS AND SUPPORTERS						

Agency Performance

Report on Operations (continued)

This year, the Zoo opened the Wild Art Gallery, which houses beautiful animal photography and art works created by Perth Zoo animals. The proceeds from sales of the pieces goes to Perth Zoo's Wildlife Conservation Action (WCA) grants program, which this year distributed \$240,000 to support in-situ conservation projects in WA and globally. The organisations supported by the WCA grants program are:

Outside the grants program, in-kind support, venue hire and promotion was provided for the following WCA partners:

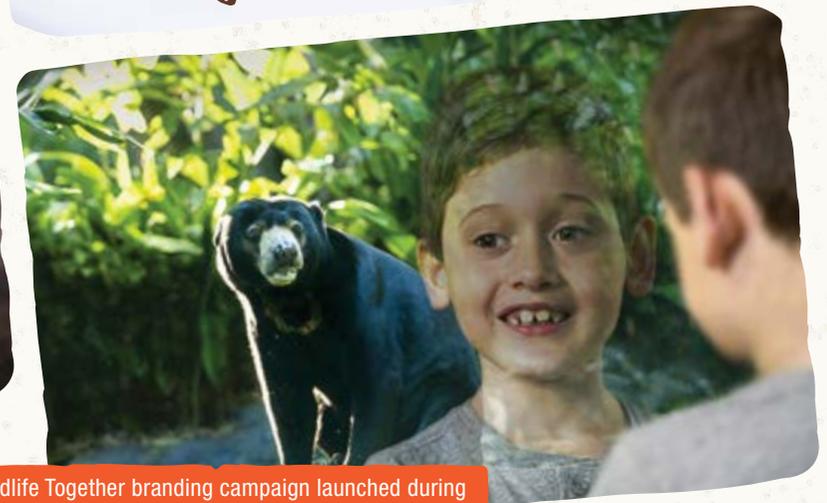


Proceeds from Wild Art helps fund conservation projects in the wild

Agency Performance

Report on Operations (continued)

The 2018 market research showed a statistically significant increase across six of the nine performance indicator statements for visitor and general population awareness of the Zoo's conservation role and the activities it undertakes. This was boosted by the new "Saving Wildlife Together" branding campaign launched during the year.



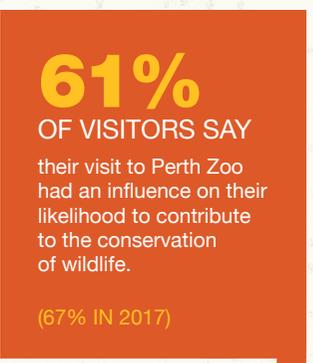
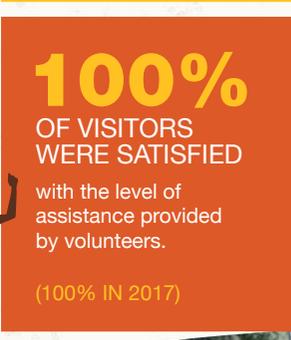
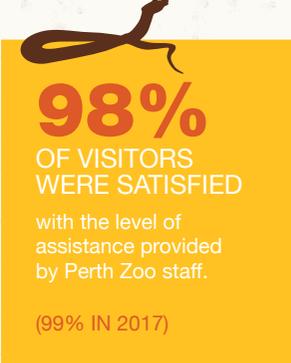
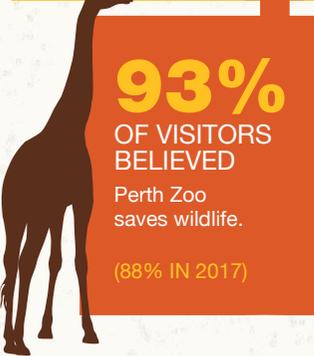
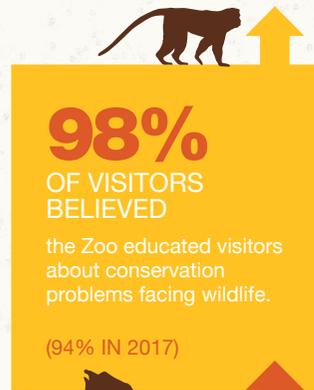
The Saving Wildlife Together branding campaign launched during the year to raise further awareness about the role of Perth Zoo.

Agency Performance

Report on Operations (continued)

In addition, the market research showed an increase in visitor satisfaction, up from 95% to 98%, giving us our highest ever net promoter score. However, the research did indicate that satisfaction continued to decline in regard to parking options around the Zoo.

Perth Zoo's objective is to inspire and raise awareness about wildlife conservation. This year, a new school holiday program was introduced for children aged five to seven years. The *Keeper Kids* program complements the range of programs that exist for other age groups, such as A to Zoo, Zoo Crew and Wild Vets. All sessions of Keeper Kids were fully booked. 58,722 individuals took part in Discovery and Learning activities throughout the year, an annual increase of more than 2000 participants.



More than 58,000 children participated in Discovery and Learning activities throughout the year

Agency Performance

Report on Operations (continued)

Feedback

In addition to annual market research, Perth Zoo actively and regularly canvasses visitors for feedback, which is categorised, collated into a monthly report and then distributed to management for review. The reports assist with forward planning, maintenance programs, minor works and service improvements.

Comments of appreciation received from visitors have included the following:

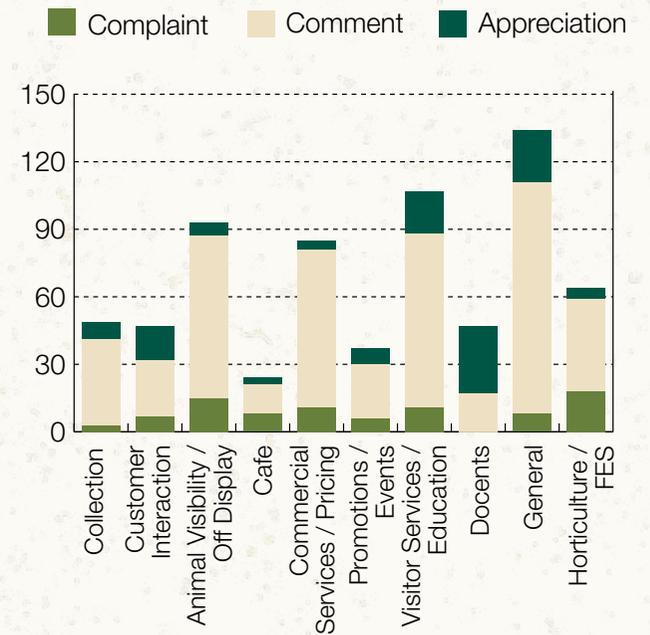
“Nice people answering our questions and helping us find things. We liked it very much and will come again next time we visit Perth. You are very lucky to have such a nice zoo in the city so close.”

“We come as often as we can as the kids love it here. Animals are very well treated with homes specific to their needs. And your gardens are fantastic!”

“I am a member and I have come over 100 times this year with my little girl. It is the nicest place in Perth.”

Responses to customer feedback received this year have included the following:

- Implementation of an interactive Perth Zoo map that visitors can access via mobile technology.
- Trial of a keep-cup program to reduce use of single use paper cups.
- Recording giraffe behaviour to identify ways to improve visitor viewing experience.
- Revision of processes for the presence of Assistance Animals in the Zoo.



Significant Issues Affecting the Agency

Current and emerging Issues and Trends

Given the existing constrained economic climate, a significant challenge for Perth Zoo is securing funds to update and upgrade its facilities. Capital funds are currently expended on maintaining exhibits and facilities, many of which are more than 30 years old. Zoos around the world are constantly improving their facilities to meet advancing animal welfare and husbandry standards, and to keep pace with visitor expectations. Perth Zoo must remain competitive in an increasingly crowded market for visitor experiences, as well as retaining its status as a leading zoo in conservation efforts and animal welfare. Capital investment is central to this.

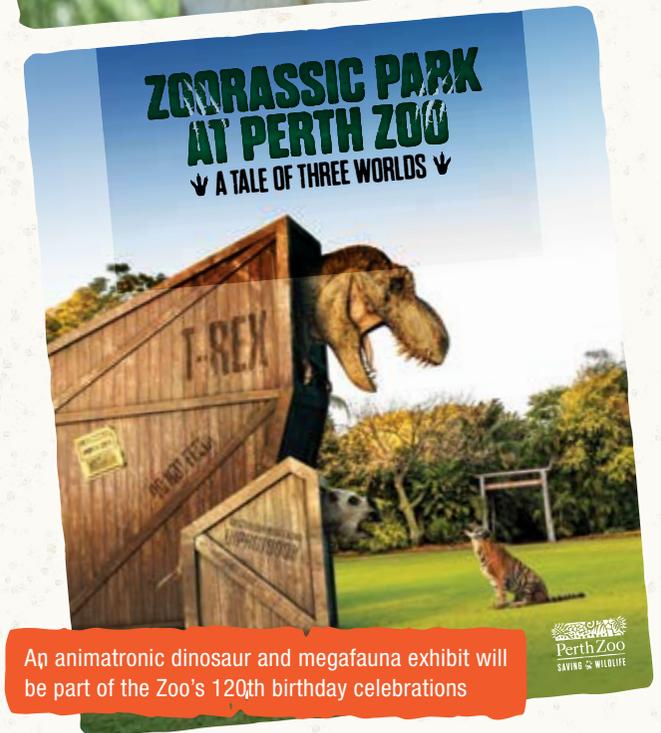
Perth Zoo experienced significant change over 2017-18. The transition from a stand-alone agency to one that sits within a broader department was implemented. The challenge over 2018-19, is to consolidate this transition and seek opportunities to better deliver on government priorities in collaborative science, improved tourism and efficient government operations. Considerable resources have been occupied with the transition effort, and next year will see a returned focus to core activities.

Stage two of a new lion exhibit project is nearing completion and it is anticipated that two new African lionesses will soon be obtained. When available, additional African lions will be acquired to create a breeding pride, to add to the numbers of this endangered species.

Dinosaurs will return to the Zoo grounds, along with an assortment of Prehistoric Australian Megafauna, in celebration of Perth Zoo's 120th birthday. The animatronic exhibition will run from September 2018 to January 2019, and be included in the regular price of admission to the Zoo.



New African Lions will arrive at Perth Zoo to raise awareness about this species
Credit Alex Asbury



An animatronic dinosaur and megafauna exhibit will be part of the Zoo's 120th birthday celebrations

**“...our commitment
to promote a
workplace that
encourages
learning and
development...”**

*Workforce Planning and
Staff Development*



Auditor's Opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

ZOOLOGICAL PARKS AUTHORITY

Report on the Financial Statements

Opinion

I have audited the financial statements of the Zoological Parks Authority which comprise the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Zoological Parks Authority for the year ended 30 June 2018 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the Financial Management Act 2006 and the Treasurer's Instructions.

Basis for Opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Authority in accordance with the Auditor General Act 2006 and the relevant 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 statements. I have also fulfilled my 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.

Responsibility of the Board for the Financial Statements

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the Financial Management Act 2006 and the Treasurer's Instructions, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the agency'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 the Western Australian Government has made policy or funding decisions affecting the continued existence of the Authority.

Auditor's Responsibility for the Audit of the Financial Statements

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 the financial statements.

Page 1 of 4

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

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

I communicate with the 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.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Zoological Parks Authority. The controls exercised by the Authority are those policies and procedures established by the Board to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by the Zoological Parks Authority are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2018.

The Board's Responsibilities

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities are in accordance with the Financial Management Act 2006, the Treasurer's Instructions and other relevant written law.

Auditor General's Responsibilities

As required by the Auditor General Act 2006, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed.

Page 2 of 4

Auditor's Opinion

I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 Assurance Engagements on Controls issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the Key Performance Indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Zoological Parks Authority for the year ended 30 June 2018. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Zoological Parks Authority are relevant and appropriate to assist users to assess the Authority's performance and fairly represent indicated performance for the year ended 30 June 2018.

The Board's Responsibility for the Key Performance Indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Board determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Board is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

Auditor General's Responsibility

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Zoological Parks Authority for the year ended 30 June 2018 included on the Authority's website. The Authority's management is responsible for the integrity of the Authority's website. This audit does not provide assurance on the integrity of the Authority's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



SANDRA LABUSCHAGNE
ACTING DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
29 August 2018

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

CERTIFICATION OF FINANCIAL STATEMENTS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

The accompanying financial statements of the Zoological Parks Authority have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2018 and the financial position as at 30 June 2018.

At the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



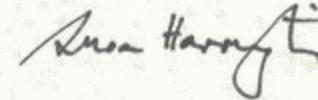
Melanie Price
Chief Finance Officer

Date: 28 August 2018



Brian Easton
Chair

Date: 28 August 2018



Susan Harrington
Deputy Chair

Date: 28 August 2018

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 \$	2017 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	3.1(a)	14,865,486	14,586,997
Supplies and services	3.2	7,185,499	7,013,957
Depreciation expense	5.1.1	3,207,926	3,214,929
Cost of retail shop sales	4.4	551,899	597,628
Loss on disposal of non-current assets	3.3	83,388	21,757
Total cost of services		25,894,198	25,435,268
Income			
Revenue			
Admissions	4.2	9,031,739	8,872,063
Memberships	4.3	1,532,140	1,478,396
Retail shop sales	4.4	1,289,892	1,344,141
Grants, sponsorships & fundraising	4.5	1,175,726	848,970
Commercial activities	4.6	1,463,200	1,389,257
Interest revenue	4.7	63,377	50,752
Other revenue	4.8	137,879	93,104
Total revenue		14,693,953	14,076,683
Total income other than income from State Government		14,693,953	14,076,683
NET COST OF SERVICES		11,200,245	11,358,585

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	Notes	2018 \$	2017 \$
Income from State Government			
Service appropriation	4.1	11,630,000	11,543,000
Total Income from State Government		11,630,000	11,543,000
SURPLUS FOR THE PERIOD		429,755	184,415
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus	9.6	174,404	156,435
Total other comprehensive income		174,404	156,435
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		604,159	340,850

Refer to note 2.2 'Schedule of Income and Expenses by Service'.

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018

	Notes	2018 \$	2017 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7.1	10,288,301	11,030,212
Restricted cash and cash equivalents	7.1	8,287	–
Inventories	4.4	146,482	158,183
Receivables	6.1	532,516	534,196
Amounts receivable for services	6.2	1,020,000	1,020,000
Other current assets	6.3	317,977	85,386
Total Current Assets		12,313,563	12,827,977
Non-Current Assets			
Restricted cash and cash equivalents	7.1	210,000	140,000
Amounts receivable for services	6.2	6,594,000	4,314,000
Infrastructure, property, plant and equipment	5.1	51,198,382	51,248,284
Other non-current assets	6.3	–	72,920
Total Non-Current Assets		58,002,382	55,775,204
TOTAL ASSETS		70,315,945	68,603,181

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2018 (continued)

	Notes	2018 \$	2017 \$
LIABILITIES			
Current Liabilities			
Payables	6.4	469,298	495,087
Employee related provisions	3.1(b)	2,243,344	2,044,606
Unearned income	6.5	1,315,907	1,124,482
Total Current Liabilities		4,028,549	3,664,175
Non-Current Liabilities			
Employee related provisions	3.1(b)	674,979	665,748
Total Non-Current Liabilities		674,979	665,748
TOTAL LIABILITIES		4,703,528	4,329,923
NET ASSETS		65,612,417	64,273,258
EQUITY			
Contributed equity	9.6	30,415,220	29,680,220
Reserves	9.6	10,681,623	10,507,219
Accumulated surplus		24,515,574	24,085,819
TOTAL EQUITY		65,612,417	64,273,258

The Statement of Financial Position should be read in conjunction with the accompanying notes.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Contributed equity \$	Reserves \$	Accumulated surplus \$	Total equity \$
Balance at 1 July 2016		28,945,220	10,350,784	23,901,404	63,197,408
Surplus/(deficit)		–	–	184,415	184,415
Other comprehensive income	9.6	–	156,435	–	156,435
Total comprehensive income for the period		–	156,435	184,415	340,850
Transactions with owners in their capacity as owners:	9.6				
Capital appropriation		735,000	–	–	735,000
Total		735,000	–	–	735,000
Balance at 30 June 2017		29,680,220	10,507,219	24,085,819	64,273,258
Balance at 1 July 2017		29,680,220	10,507,219	24,085,819	64,273,258
Surplus/(deficit)		–	–	429,755	429,755
Other comprehensive income	9.6	–	174,404	–	174,404
Total comprehensive income for the period		–	174,404	429,755	604,159
Transactions with owners in their capacity as owners:					
Capital appropriation	9.6	735,000	–	–	735,000
Total		735,000	–	–	735,000
Balance at 30 June 2018		30,415,220	10,681,623	24,515,574	65,612,417

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 \$	2017 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		8,330,000	8,743,000
Capital appropriation		735,000	735,000
Holding account drawdown		1,020,000	1,620,000
Net cash provided by State Government		10,085,000	11,098,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(14,632,842)	(14,463,301)
Supplies and services		(7,293,817)	(7,158,119)
GST payments on purchases		(1,003,106)	(918,134)
Other payments		(583,567)	(519,430)
Receipts			
Sale of goods and services		14,626,950	13,845,826
Interest received		59,001	53,011
GST receipts from ATO		465,312	583,457
GST receipts on sales		587,467	545,067
Other receipts		137,879	93,104
Net cash provided by/(used in) operating activities	7.1	(7,636,723)	(7,938,519)

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	Notes	2018 \$	2017 \$
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(3,135,818)	(2,438,984)
Receipts			
Proceeds from sale of non-current assets		23,917	1,587
Net cash provided by/(used in) investing activities		(3,111,901)	(2,437,397)
Net (decrease)/increase in cash and cash equivalents		(663,624)	722,084
Cash and cash equivalents at the beginning of the period		11,170,212	10,448,128
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7.1	10,506,588	11,170,212

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. Basis of preparation

The Authority is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The Authority is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority of the agency on 28 August 2018.

Statement of compliance

These general purpose financial statements have been prepared in accordance with:

- 1) The *Financial Management Act 2006* (FMA)
- 2) The Treasurer's Instructions (**the Treasurer's Instructions or TI**)
- 3) Australian Accounting Standards (AAS) including applicable Interpretations
- 4) Where applicable, those AAS paragraphs applicable for not-for-profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions (the Instructions) take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure, format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention.

Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest dollar unless otherwise indicated.

Judgements and estimates

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

Contributed equity

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly-Owned Public Sector Entities* and have been credited directly to Contributed Equity.

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

2. Authority outputs

How the Authority operates

This section includes information regarding the nature of funding the Authority receives and how this funding is utilised to achieve the Authority's objectives.

	Notes
Authority objectives	2.1
Schedule of Income and Expenses by Service	2.2

2.1. Authority objectives

Mission

The Authority's mission is to inspire and act for wildlife conservation.

Services

The Authority provides the following services:

Service 1: Visitor services and public programs provided at Perth Zoo
Perth Zoo promotes conservation messages to the community. This is achieved by providing educational programs, experiences, publications, interpretation and information services that encourage positive behavioural changes and community participation in conservation.

Service 2: Research and conservation partnerships
The conservation of wildlife will be optimised by effective species management, application of science, high standards of animal welfare and animal husbandry, breeding programs including breeding for release into natural habitats and the provision of research and partnership opportunities.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

2.2. Schedule of income and expenses by service

	Visitor services and public programs provided at Perth Zoo		Research and conservation partnerships		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
COST OF SERVICES						
Expenses						
Employee benefits expense	12,953,010	12,659,828	1,912,476	1,927,169	14,865,486	14,586,997
Supplies and services	6,518,738	6,211,290	666,761	802,667	7,185,499	7,013,957
Depreciation expense	3,120,508	3,127,039	87,418	87,890	3,207,926	3,214,929
Cost of retail shop sales	551,899	597,628	–	–	551,899	597,628
Loss on disposal of non-current assets	81,101	21,158	2,287	599	83,388	21,757
Total cost of services	23,225,256	22,616,943	2,668,942	2,818,325	25,894,198	25,435,268
Income						
Admissions	9,031,739	8,872,063	–	–	9,031,739	8,872,063
Memberships	1,532,140	1,478,396	–	–	1,532,140	1,478,396
Retail shop sales	1,289,892	1,344,141	–	–	1,289,892	1,344,141
Grants, sponsorships & fundraising	181,850	57,333	993,876	791,637	1,175,726	848,970
Commercial activities	1,397,877	1,333,440	65,323	55,817	1,463,200	1,389,257
Interest revenue	–	–	63,377	50,752	63,377	50,752
Other revenue	137,879	93,104	–	–	137,879	93,104
Total income other than income from State Government	13,571,377	13,178,477	1,122,576	898,206	14,693,953	14,076,683
NET COST OF SERVICES	9,653,879	9,438,466	1,546,366	1,920,119	11,200,245	11,358,585

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	Visitor services and public programs provided at Perth Zoo		Research and conservation partnerships		Total	
	2018 \$	2017 \$	2018 \$	2017 \$	2018 \$	2017 \$
INCOME FROM STATE GOVERNMENT						
Service appropriation	10,223,723	10,162,259	1,406,277	1,380,741	11,630,000	11,543,000
Total Income from State Government	10,223,723	10,162,259	1,406,277	1,380,741	11,630,000	11,543,000
SURPLUS/(DEFICIT) FOR THE PERIOD	569,844	723,793	(140,089)	(539,378)	429,755	184,415

The Schedule of Income and Expenses by Service should be read in conjunction with the accompanying notes.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

3. Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the Authority's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the Authority in achieving its objectives and the relevant notes are:

	Notes	2018 \$	2017 \$
Employee benefits expense	3.1(a)	14,865,486	14,586,997
Employee related provisions	3.1(b)	2,918,323	2,710,354
Supplies and services	3.2	7,185,499	7,013,957
Net loss on disposal of non-current assets	3.3	83,388	21,757

3.1(a) Employee benefits expense

Wages and salaries	13,383,231	13,222,727
Termination benefits	195,667	75,676
Superannuation – defined contribution plans (a)	1,286,588	1,288,594
Total employee benefits expense	14,865,486	14,586,997

(a) Defined contribution plans include West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS), Government Employees Superannuation Scheme (GESBs) and other eligible funds.

Wages and Salaries

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, and leave entitlements.

Termination benefits

Payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the Authority is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Superannuation

The amount recognised in profit or loss of the Statement of Comprehensive Income and comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBS, or other superannuation funds. The employer contribution paid to the Government Employees Superannuation Board (GESB) in respect of the GSS is paid back in the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Authority to GESB extinguishes the Authority's obligations to the related superannuation liability.

The Authority does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Authority to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

3.1(b) Employee related provisions

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

	2018 \$	2017 \$
Current		
<u>Employee benefits provisions</u>		
Annual leave (a)	1,095,341	1,070,158
Purchased leave (a)	40,459	26,813
Long service leave (b)	1,005,190	907,365
	2,140,990	2,004,336
<u>Other provisions</u>		
Employment on-costs (c)	102,354	40,270
Total current employee related provisions	2,243,344	2,044,606
Non-current		
<u>Employee benefits provisions</u>		
Long service leave (b)	644,183	652,636
<u>Other provisions</u>		
Employment on-costs (c)	30,796	13,112
Total non-current employee related provisions	674,979	665,748
Total employee related provisions	2,918,323	2,710,354

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

(a) **Annual and purchased leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

	2018 \$	2017 \$
Within 12 months of the end of the reporting period	1,003,951	995,570
More than 12 months after the end of the reporting period	131,849	101,401
	1,135,800	1,096,971

The provision of annual and purchased leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

(b) **Long service leave liabilities:** Unconditional long service leave provisions are classified as current liabilities as the Authority does not have the right to defer settlement for at least 12 months after the end of the reporting period.

Pre-conditional and conditional long service leave provisions are calculated as non-current liabilities because the Authority has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	2018 \$	2017 \$
Within 12 months of the end of the reporting period	351,817	375,594
More than 12 months after the end of the reporting period	1,297,557	1,184,407
	1,649,373	1,560,001

The provision for long service leave liabilities are calculated at present value as the Authority does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rates expected to apply at the time of settlement, and discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

(c) **Employment on-costs:** The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other employee related expenses, note 3.2 (apart from the unwinding of the discount (finance cost))' and are not included as part of the Authority's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

	2018 \$	2017 \$
<u>Employment on-costs provision</u>		
Carrying amount at start of period	53,382	28,835
Additional/(reversals of) provisions recognised	13,161	(5,453)
Payments/other sacrifices of economic benefits	66,607	30,000
Carrying amount at end of period	133,150	53,382

Key sources of estimation uncertainty

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Annual leave and long service leave

Several estimates and assumptions are used in calculating the Authority's annual leave and long service leave provisions. These include:

- Expected future salary rates;
- Discount rates;
- Employee retention rates (for long service leave); and
- Expected future payments

Changes in these estimations and assumptions may impact on the carrying amount of the annual leave and long service leave provisions.

Any gain or loss following revaluation of the present value of annual leave liabilities is recognised as employee benefits expense.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
3.2 Supplies and services		
Maintenance and operational expenses		
Maintenance of equipment, facilities and grounds	860,383	1,132,286
Service contractors	818,872	875,723
Animal food, veterinary care and transportation	616,150	615,958
Cleaning and waste disposal	507,015	427,872
Electricity, water, gas and fuel	433,562	411,827
Minor equipment purchases	212,967	211,315
Plant and equipment hire	115,218	126,840
Total maintenance and operational expenses	3,564,167	3,801,821
Other employee related expenses		
Workers' compensation premium	711,413	295,003
Staff training/development	54,267	56,873
Uniforms	51,584	46,513
Travel	44,921	40,081
Other	208,432	108,404
Total other employee related expenses	1,070,617	546,874

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
Administration		
Professional services	1,035,415	1,102,092
Information technology and communications	758,713	668,457
Advertising and promotion	358,524	319,286
Grants and subsidies (a)	250,937	387,211
Other	147,126	188,216
Total administration	2,550,715	2,665,262
Total supplies and services	7,185,499	7,013,957
<p>(a) Grants and subsidies are paid to external organisations to support wildlife conservation, species management, community education, animal breeding, research initiatives and projects. The major contributions relate to wildlife conservation projects and these are mainly funded from the proceeds of the Authority's fundraising campaign, Wildlife Conservation Action.</p>		
Wildlife conservation	249,937	385,211
Animal breeding and research	1,000	2,000
	250,937	387,211

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

3.3 Net loss on disposal of non-current assets

During the period, the Authority disposed and approved the write-off of a number of fixed assets. The plant, equipment and infrastructure assets consisted of various computing, communications and general equipment and infrastructure which were unserviceable, obsolete or damaged. Proceeds from disposal related to vehicles traded in during the period and insurance claim proceeds for a damaged infrastructure asset. Demolition works for animal exhibit upgrades involved the disposal of related building and infrastructure assets. (Refer note 9.7 'Supplementary financial information' for further details).

	2018 \$	2017 \$
<u>Net proceeds from disposal of non-current assets</u>		
Plant, equipment and vehicles	23,917	1,587
Infrastructure	59,000	–
<u>Carrying amount of non-current assets disposed</u>		
Plant, equipment and vehicles	(11,842)	(2,749)
Buildings and improvements	(61,507)	(14,451)
Infrastructure	(92,956)	(6,144)
Net loss on disposal of non-current assets	(83,388)	(21,757)

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

4. Our funding sources

How we obtain our funding

This section provides additional information about how the Authority obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the Authority and relevant notes are:

	Notes	2018 \$	2017 \$
Income from State Government	4.1	11,630,000	11,543,000
Admissions	4.2	9,031,739	8,872,063
Memberships	4.3	1,532,140	1,478,396
Retail shop sales	4.4	1,289,892	1,344,141
Grants, sponsorships & fundraising	4.5	1,175,726	848,970
Commercial activities	4.6	1,463,200	1,389,257
Interest revenue	4.7	63,377	50,752
Other revenue	4.8	137,879	93,104

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
4.1 Income from State Government		
Appropriation received during the period:		
Service appropriation ^(a)	11,630,000	11,543,000
Total income from State Government	11,630,000	11,543,000

(a) **Service Appropriations** are recognised as revenues at fair value in the period in which the Authority gains control of the appropriated funds. The Authority gains control of appropriated funds at the time those funds are deposited in the bank account or credited to the 'Amounts receivable for services' (holding account) held at Treasury.

Service appropriations fund the net cost of services delivered (as set out in note 2.2). Appropriation revenue comprised the following:

- Cash component; and
- A receivable (asset).

The receivable (holding account – note 6.2) comprises the following:

- The budgeted depreciation expense for the year; and
- Any agreed increase in leave liabilities during the year.

(b) **Transfer of assets:** Discretionary transfer of assets (including grants) and liabilities between State government agencies are reported under Income from State Government. Transfers of assets and liabilities in relation to a restructure of administrative arrangements are recognised as a distribution to owners by the transferor and contribution by owners by the transferee under AASB 1004. Other non-discretionary non-reciprocal transfers of assets and liabilities designated as contributions by owners under TI 955 are also recognised directly to equity.

4.2 Admissions	9,031,739	8,872,063
	9,031,739	8,872,063

General admission prices for Perth Zoo are reviewed annually and approved as part of the annual State Budget process.

Revenue is recognised on redemption of the admission and is measured at the fair value of consideration received or receivable.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
4.3 Memberships	1,532,140	1,478,396
	1,532,140	1,478,396
Perth Zoo Membership prices are subject to annual review and revenue is apportioned evenly over the membership subscription period.		
4.4 Retail shop trading profit		
Sales	1,289,892	1,344,141
Less: Cost of Sales		
Opening Inventory	158,183	143,258
Purchases	540,198	612,553
	698,381	755,811
Closing Inventory	(146,482)	(158,183)
Cost of Goods Sold	551,899	597,628
Gross Trading Profit	737,993	746,513
Operating Expenses		
Payroll & other staffing	442,651	437,022
Consumables	32,399	42,836
Depreciation	20,827	22,345
Total Operating Expenses	495,877	502,203
Other Income		
Sundry	180	156
Net Trading Profit	242,296	244,466

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
Closing Inventory comprises:		
Current inventories		
Retail shop inventory	146,482	158,183
Total current inventories	146,482	158,183
Total inventories	146,482	158,183

Sales

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate for each particular class of inventory. Retail shop inventory is measured on a weighted average cost basis.

Inventories not held for resale are measured at cost unless they are no longer required, in which case they are measured at net realisable value.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
4.5 Grants, sponsorships and fundraising		
Corporate sponsorships	560,156	424,136
Grants	102,000	22,000
Fundraising activities	172,356	207,832
Donations – cash	158,596	92,143
Donations – assets	60,664	–
Bequests	121,954	102,859
	1,175,726	848,970

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Authority obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Corporate Sponsorships

The Authority seeks to generate additional revenue and support brand recognition through tailored sponsorship packages based on the level of investment. Revenue from corporate sponsorships is recognised by reference to the stage of completion of the transaction.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
4.6 Commercial activities		
Restaurant	434,681	451,265
Hire of facilities & equipment	351,952	325,163
Tours & tertiary education	233,955	216,287
Car parking	231,651	184,883
Children's rides	102,977	103,988
Vending commission	72,793	71,412
Commercial product sales	35,191	36,259
	1,463,200	1,389,257

Sales of goods and provision of services

Revenue is recognised and measured at the fair value of consideration received or receivable.

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.

Revenue from the provision of services is recognised by reference to the stage of completion of the transaction.

4.7 Interest revenue	63,377	50,752
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Interest earned from banking institution on the Authority's interest bearing account.

Interest revenue is recognised as the interest accrues.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
4.8 Other revenue		
Rental fees	43,442	42,847
Recoups of previous year's expenditure	6,441	3,090
Insurance claims	41,400	3,331
Miscellaneous revenue	46,596	43,836
	137,879	93,104

5. Key assets

Assets the Authority utilises for economic benefit or service potential

This section includes information regarding the key assets the Authority utilises to gain economic benefits or provide service potential.

The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	2018 \$	2017 \$
Infrastructure, property, plant and equipment	5.1	51,198,382	51,248,284
Total key assets		51,198,382	51,248,284

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

5.1 Infrastructure, property, plant and equipment

	Land \$	Buildings & Improve- ments \$	Infra- structure \$	Works in Progress \$	Plant, Equipment & Vehicles \$	Works of Art \$	Total \$
Year ended 30 June 2017							
1 July 2016							
Gross carrying amount	945,000	15,492,547	48,715,133	138,366	4,485,570	326,400	70,103,016
Accumulated depreciation	–	(15,672)	(14,803,797)	–	(3,362,415)	–	(18,181,884)
Carrying amount at start of period	945,000	15,476,875	33,911,336	138,366	1,123,155	326,400	51,921,132
Additions	–	397,933	685,203	1,078,840	247,014	–	2,408,990
Revaluation increments/(decrements)	30,000	151,085	–	–	–	(24,650)	156,435
Depreciation	–	(928,155)	(1,965,053)	–	(321,721)	–	(3,214,929)
Asset class transfers	–	11,957	45,732	(57,689)	–	–	–
Disposals/write-offs	–	(14,451)	(6,144)	–	(2,749)	–	(23,344)
Carrying amount at 30 June 2017	975,000	15,095,244	32,671,074	1,159,517	1,045,699	301,750	51,248,284

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	Land \$	Buildings & Improve- ments \$	Infra- structure \$	Works in Progress \$	Plant, Equipment & Vehicles \$	Works of Art \$	Total \$
Year ended 30 June 2018							
1 July 2017							
Gross carrying amount	975,000	15,130,473	49,427,570	1,159,517	4,580,929	301,750	71,575,239
Accumulated depreciation	–	(35,229)	(16,756,496)	–	(3,535,230)	–	(20,326,955)
Carrying amount at start of period	975,000	15,095,244	32,671,074	1,159,517	1,045,699	301,750	51,248,284
Additions	–	302,615	508,722	2,023,353	313,735	1,500	3,149,925
Revaluation increments/(decrements)	–	174,404	–	–	–	–	174,404
Depreciation	–	(899,709)	(1,986,776)	–	(321,441)	–	(3,207,926)
Asset class transfers	–	693,563	1,113,278	(1,806,841)	–	–	–
Disposals/write-offs	–	(61,507)	(67,298)	(25,658)	(11,842)	–	(166,305)
Carrying amount at 30 June 2018	975,000	15,304,610	32,239,000	1,350,371	1,026,151	303,250	51,198,382

Information on fair value measurements is provided in note 8.2.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Initial recognition

Items of Infrastructure, property, plant and equipment costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment and infrastructure costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total). Assets such as audio visual systems, computer equipment, heating/cooling systems and water infrastructure that form part of a group of similar items which are significant in total are capitalised if they are valued at \$1,000 or more.

All costs associated with the acquisition of fauna are expensed.

The land on which the Zoo is situated is Crown land vested in the Authority and held in trust for use as a Zoological Garden. Land at Bakers Hill (328 hectares) is also vested in the Authority for zoological purposes. The Authority leases land at Byford at a pepper corn rental (39 hectares), again for zoological purposes.

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of:

- land;
- buildings; and
- works of art

Land is carried at fair value.

Buildings and improvements are carried at fair value less accumulated depreciation and accumulated impairment losses.

Works of art are carried at fair value less accumulated impairment losses.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Upon disposal or derecognition of an item of infrastructure, property, plant and equipment, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuations and Property Analytics) and recognised annually to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

Land and buildings were revalued as at 1 July 2017 by the Western Australian Land Information Authority (Valuations and Property Analytics).

The valuations were performed during the year ended 30 June 2018 and recognised at 30 June 2018. In undertaking the revaluation, fair value was determined on the basis of current use of the land and determined by reference to current replacement cost of the buildings and improvements.

The valuer performs a physical site inspection every three years of buildings and improvements, with the most recent site inspection occurring during the year ended 30 June 2016. The cost of acquisitions between the physical inspection every three years is considered to approximate their fair value.

Works of art are independently valued by a qualified valuer every three years on the basis of fair value, determined by referenced to recent market transactions. The most recent valuation was performed during the year ended 30 June 2017 by Galerie Dusseldorf. The cost of acquisitions by the Authority between valuations is considered to approximate their fair value.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Revaluation model:

(a) Fair value where market-based evidence is available:

The fair value of land and buildings is determined on the basis of current market values determined by reference to recent market transactions.

When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount.

(b) Fair value in the absence of market-based evidence:

Buildings are specialised or where land is restricted: Fair value is determined on the basis of existing use.

Existing use buildings: Fair value is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Where the fair value of buildings is determined on the current replacement cost basis, the accumulated depreciation is restated proportionately with the change in the gross carrying amount of the asset.

Restricted use land: Fair value is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets on a class of assets basis.

Significant assumptions and judgements:

The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets.

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Authority evaluates these judgements regularly and the judgements made in the process of applying accounting policies that have the most significant effect on the amounts recognised in these financial statements include:

- Adopting cost model for plant, equipment and infrastructure valuation.
- Adopting revaluation model for land, building and works of art valuation.
- Estimations of useful lives of assets.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

5.1.1 Depreciation and impairment Charge for the period

	2018 \$	2017 \$
Depreciation		
Buildings and improvements	899,709	928,155
Infrastructure	1,986,776	1,965,053
Plant, equipment and vehicles	321,441	321,721
Total depreciation for the period	3,207,926	3,214,929

As at 30 June 2018 there were no indications of impairment to property, plant and equipment or infrastructure.

Finite useful lives

All infrastructure, property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exceptions to this rule include items under operating leases, assets held for sale, land and investing opportunities.

Depreciation is generally calculated using the straight line basis, at rates that allocated 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 previous years are included in the table below:

Asset class	Useful life
Buildings & Improvements	10 to 40 years
Infrastructure	10 to 40 years
Plant, Equipment & Furniture	3 to 10 years
Motor Vehicles	5 to 10 years

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

Land and works of art, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Impairment

Non-financial assets, including items of infrastructure, property, plant and equipment assets are tested for impairment whenever there is an indication that the asset may be impaired and annually as part of the annual asset stocktake process. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the Authority is a not-for-profit entity, the recoverable amount of regularly reviewed specialised assets is anticipated to be materially the same as the fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/ amortisation reflects the level of consumption or expiration of the asset's future economic benefits and to evaluate any impairment risk from declining replacement costs.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

6. Other assets and liabilities

This section sets out those assets and liabilities that arose from the Authority's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations.

	Notes	2018 \$	2017 \$
Receivables	6.1	532,516	534,196
Amounts receivable for services	6.2	7,614,000	5,334,000
Other assets	6.3	317,977	158,306
Payables	6.4	(469,298)	(495,087)
Other liabilities	6.5	(1,315,907)	(1,124,482)
6.1 Receivables			
Current			
Trade debtors		184,010	118,617
GST receivable		257,573	301,866
Restaurant dividend (a)		29,626	57,503
Vending commission		19,400	18,496
Car parking		16,471	15,565
Workers' compensation		25,436	22,149
Total current		532,516	534,196
Total receivables		532,516	534,196

The Authority does not have any significant exposure to any individual customer or counterparty. Amounts owing by other government agencies are guaranteed and therefore no credit risk exists in respect of those amounts.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

The following is an analysis of amounts owing by other government agencies:

	2018 \$	2017 \$
Government agencies	24,105	34,168
Australian Taxation Office	257,573	301,866
	281,678	336,034

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Authority will not be able to collect the debts.

(a) The Authority engages a third party to operate restaurant and function catering services at Perth Zoo and in return receives a monthly dividend based on the gross sales revenue of the contracted caterer.

6.2 Amounts receivable for services (Holding Account)

Current	1,020,000	1,020,000
Non-current	6,594,000	4,314,000
Balance at end of period	7,614,000	5,334,000

Amounts receivable for services represent the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment leave liability.

The Authority receives funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (holding account receivable).

The accrued amount receivable is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

The Authority's current portion of the asset relates to the amounts expected to be drawn down for asset replacement during the next 12 months.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Funds were drawn down from the asset replacement holding account during the period for the following capital works projects:

	2018 \$	2017 \$
Water infrastructure management	–	600,000
Animal exhibits and park facilities	920,000	920,000
Computer equipment	100,000	100,000
	1,020,000	1,620,000
6.3 Other assets		
<u>Current</u>		
Prepayments	317,977	85,386
Total current	317,977	85,386
<u>Non-current</u>		
Prepayments	–	72,920
Total non-current	–	72,920
Balance at end of period	317,977	158,306

Other non-financial assets include 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. The total includes an amount of \$237,000 relating to a contractual commitment that will be finalised in 2018-19.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
6.4 Payables		
<u>Current</u>		
Trade payables (a)	265,649	316,679
PAYG tax payable	146,383	115,138
FBT payable	8,168	8,971
Accrued salaries and wages	49,098	54,299
Total current	469,298	495,087
Balance at end of period	469,298	495,087

(a) Trade payables include \$1,754 (\$78,625 in 2017) associated with capital works projects.

Payables are recognised at the amounts payable when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

Accrued salaries and wages represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries and wages are settled within a fortnight of the reporting period end. The Authority considers the carrying amount of accrued salaries and wages to be equivalent to its fair value.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

6.5 Other liabilities

	2018 \$	2017 \$
<u>Current</u>		
Unearned income consists of:		
Perth Zoo Memberships	922,268	824,751
Admission Tickets	127,003	115,812
Grants and sponsorships	165,859	105,805
Other	100,777	78,114
Total current	1,315,907	1,124,482
Balance at end of period	1,315,907	1,124,482

7. Financing

This section sets out the material balances and disclosures associated with the financing and cashflows of the Authority.

	Notes
Cash and cash equivalents	7.1
Reconciliation of cash	7.1.1
Reconciliation of operating activities	7.1.2
Commitments	7.2
Capital commitments	7.2.1
Other expenditure commitments	7.2.2

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

7.1 Cash and cash equivalents

7.1.1 Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	Notes	2018 \$	2017 \$
Cash and cash equivalents		10,288,301	11,030,212
Restricted cash and cash equivalents	8.1		
– 27th Pay allocation (a)		210,000	140,000
– Commonwealth grant funds		8,287	–
Balance at end of period		10,506,588	11,170,212

(a) Funds provided by the Authority for the purpose of meeting the 27th pay in a reporting period that occurs every 11th year, the next being in 2026-27. These funds are classified as non-current for 10 out of the 11 years.

For the purpose of the statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

7.1.2 Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

	Notes	2018 \$	2017 \$
Net cost of services		(11,200,245)	(11,358,585)
Non-cash items			
Donated assets	4.5	(60,664)	–
Depreciation expense	5.1.1	3,207,926	3,214,929
Loss on disposal of non-current assets	3.3	83,388	21,757
(Increase)/decrease in assets:			
Current inventories		11,701	(14,925)
Current receivables		16,387	74,704
Current prepayments		(232,591)	12,194
Other non-current assets		72,920	(72,920)
Increase/(decrease) in liabilities:			
Current payables		20,768	(26,280)
Current provisions		198,738	84,434
Other current liabilities		191,425	(168,161)
Non-current provisions		9,231	71,153
Net GST receipts/(payments)		49,673	210,390
Change in GST in receivables/payables		(5,380)	12,791
Net cash provided by/(used in) operating activities		(7,636,723)	(7,938,519)

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Non-cash financing and investing activities

The Authority had no non-cash financing and investing activities during the reporting period.

Financing facilities

At the end of the reporting period, the Authority had no approved borrowing facilities, including those associated with capital works projects.

7.2 Commitments

7.2.1 Capital commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

	2018 \$	2017 \$
Within 1 year	966,765	1,156,177
	966,765	1,156,177
The capital commitments include amounts for:		
Buildings	639,435	345,760
Infrastructure	327,330	801,559
Plant and Equipment	–	8,858
	966,765	1,156,177

The totals presented for capital commitments are GST inclusive.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

7.2.2 Other expenditure commitments

Other expenditure commitments contracted for at the end of the reporting period but not recognised as liabilities relate to services to be delivered in 2018-19, are payable as follows:

	2018 \$	2017 \$
Within 1 year	140,371	180,477
1 to 5 years	–	140,371
	140,371	320,848

The totals presented for other expenditure commitments are GST inclusive.

8. Risks and Contingencies

This note sets out the key risk management policies and measurement techniques of the Authority.

	Notes
Financial risk management	8.1
Fair value measurements	8.2

8.1 Financial risk management

Financial instruments held by the Authority are cash and cash equivalents, restricted cash and cash equivalents, loans and receivables and payables. The Authority has limited exposure to financial risks. The Authority's overall risk management program focuses on managing the risks identified below.

(a) Summary of risks and risk management

Credit risk

Credit risk arises when there is the possibility of the Authority's receivables defaulting on their contractual obligations resulting in financial loss to the Authority.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at note 8.1(c) 'Ageing analysis of financial assets' and note 6.1 'Receivables'.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Credit risk associated with the Authority's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than Government, the Authority trades only with recognised, creditworthy third parties. The Authority has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Authority's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

The collectability of receivables is reviewed on an ongoing basis by individual assessments of outstanding debts. The type of recovery action is determined by management and is based on individual assessment of debts. Consideration is given to factors such as debt amount, nature of debt and past history of debtor.

Allowance for impairment of financial assets is calculated based on objective evidence such as past experience, and current and expected changes in client credit ratings. For financial assets that are either past due or impaired, refer to note 8.1(c) 'Ageing analysis of financial assets'.

Liquidity risk

Liquidity risk arises when the Authority is unable to meet its financial obligations as they fall due.

The Authority is exposed to liquidity risk through its trading in the normal course of business. The Authority has appropriate procedures to manage cash flows including drawdown of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Authority's income or the value of its holdings of financial instruments. The Authority does not trade in foreign currency and is not materially exposed to other price risks.

Other than as detailed in the interest rate sensitivity analysis table at note 8.1(e), the Authority is not exposed to interest rate risk because the majority of cash and cash equivalents and restricted cash are non-interest bearing and it has no borrowings.

Interest rate sensitivity is determined by reference to recent trends in interest rate movements and economic forecasts by the Reserve Bank of Australia.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

(b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2018 \$	2017 \$
<u>Financial assets</u>		
Cash and cash equivalents	10,288,301	11,030,212
Restricted cash and cash equivalents	218,287	140,000
Receivables (i)	274,943	232,330
Amounts receivable for services	7,614,000	5,334,000
Total financial assets	18,395,531	16,736,542
<u>Financial liabilities</u>		
Payables (ii)	314,747	370,978
Total financial liabilities	314,747	370,978

(i) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

(ii) The amount of payables excludes PAYG and FBT payable to the ATO (statutory payable).

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

8.1 Financial Risk Management (c) Ageing analysis of financial assets

	Carrying Amount \$	Not past due and not impaired \$	Past due but not impaired					Impaired financial assets \$
			Up to 1 Month \$	1-3 Months \$	3 Months to 1 Year \$	1-5 Years \$	More than 5 Years \$	
2018								
Cash and cash equivalents	10,288,301	10,288,301	-	-	-	-	-	-
Restricted cash and cash equivalents	218,287	218,287	-	-	-	-	-	-
Receivables (i)	274,943	265,089	9,765	89	-	-	-	-
Amounts receivable for services	7,614,000	7,614,000	-	-	-	-	-	-
	18,395,531	18,385,677	9,765	89	-	-	-	-
2017								
Cash and cash equivalents	11,030,212	11,030,212	-	-	-	-	-	-
Restricted cash and cash equivalents	140,000	140,000	-	-	-	-	-	-
Receivables (i)	232,330	194,051	38,279	-	-	-	-	-
Amounts receivable for services	5,334,000	5,334,000	-	-	-	-	-	-
	16,736,542	16,698,263	38,279	-	-	-	-	-

(i) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

8.1 Financial Risk Management

(d) Liquidity risk and interest rate exposure

The following table details the Authority's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows.

The interest rate exposure section analyses only the carrying amount of each item.

Interest rate exposures and maturity analysis of financial assets and financial liabilities											
	Weighted Average Effective Interest Rate %	Carrying Amount \$	Interest rate exposure			Nominal Amount \$	Maturity dates				
			Fixed Interest Rate \$	Variable Interest Rate \$	Non-Interest Bearing \$		Up to 1 Month \$	1 – 3 Months \$	3 Months to 1 Year \$	1-5 Years \$	More than 5 Years \$
2018											
<u>Financial assets</u>											
Cash and cash equivalents	1.97%	10,288,301	–	3,540,114	6,748,187	10,288,301	10,288,301	–	–	–	–
Restricted cash and cash equivalents	–	218,287	–	8,287	210,000	218,287	–	8,287	–	–	210,000
Receivables (i)	–	274,943	–	–	274,943	274,943	274,943	–	–	–	–
Amounts receivable for services	–	7,614,000	–	–	7,614,000	7,614,000	–	–	1,020,000	6,594,000	–
		18,395,531	–	3,548,401	14,847,130	18,395,531	10,563,244	8,287	1,020,000	6,594,000	210,000
<u>Financial liabilities</u>											
Payables (ii)	–	314,747	–	–	314,747	314,747	305,698	9,049	–	–	–
		314,747	–	–	314,747	314,747	305,698	9,049	–	–	–

(i) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

(ii) The amount of payables excludes PAYG and FBT payable to the ATO (statutory payable).

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

8.1 Financial Risk Management

(d) Liquidity risk and interest rate exposure (cont.)

The following table details the Authority's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows.

The interest rate exposure section analyses only the carrying amount of each item.

Interest rate exposures and maturity analysis of financial assets and financial liabilities											
	Weighted Average Effective Interest Rate %	Carrying Amount \$	Interest rate exposure			Nominal Amount \$	Maturity dates				
			Fixed Interest Rate \$	Variable Interest Rate \$	Non-Interest Bearing \$		Up to 1 Month \$	1 – 3 Months \$	3 Months to 1 Year \$	1-5 Years \$	More than 5 Years \$
2017											
<u>Financial assets</u>											
Cash and cash equivalents	1.98%	11,030,212	–	3,185,727	7,844,485	11,030,212	11,030,212	–	–	–	–
Restricted cash and cash equivalents	–	140,000	–	–	140,000	140,000	–	–	–	–	140,000
Receivables (i)	–	232,330	–	–	232,330	232,330	232,330	–	–	–	–
Amounts receivable for services	–	5,334,000	–	–	5,334,000	5,334,000	–	–	1,020,000	4,314,000	–
		16,736,542	–	3,185,727	13,550,815	16,736,542	11,262,542	–	1,020,000	4,314,000	140,000
<u>Financial liabilities</u>											
Payables (ii)	–	370,978	–	–	370,978	370,978	360,454	3,779	6,745	–	–
		370,978	–	–	370,978	370,978	360,454	3,779	6,745	–	–

(i) The amount of receivables excludes GST recoverable from the ATO (statutory receivable).

(ii) The amount of payables excludes PAYG and FBT payable to the ATO (statutory payable).

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

8.1 Financial Risk Management

(e) Interest rate sensitivity analysis

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Authority's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying amount \$	– 100 basis points		+100 basis points	
		Surplus \$	Equity \$	Surplus \$	Equity \$
2018					
Financial assets					
Cash and cash equivalents	3,548,401	(35,484)	(35,484)	35,484	35,484
Total increase/(decrease)		(35,484)	(35,484)	35,484	35,484
2017					
Financial assets					
Cash and cash equivalents	3,185,727	(31,857)	(31,857)	31,857	31,857
Total increase/(decrease)		(31,857)	(31,857)	31,857	31,857

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

8.2 Fair value measurements

	Level 1 \$	Level 2 \$	Level 3 \$	Fair value at end of period \$
Assets measured at fair value:				
2018				
Land (Note 5.1)	–	–	975,000	975,000
Buildings (Note 5.1)	–	–	15,304,610	15,304,610
Works of art (Note 5.1)	–	303,250	–	303,250
	–	303,250	16,279,610	16,582,860
Assets measured at fair value:				
2017				
Land (Note 5.1)	–	–	975,000	975,000
Buildings (Note 5.1)	–	–	15,095,244	15,095,244
Works of art (Note 5.1)	–	301,750	–	301,750
	–	301,750	16,070,244	16,371,994

There were no transfers between Levels 1, 2 or 3 during the current and the previous periods.

Level 1 “quoted prices (unadjusted) in active markets for identical assets.”

Level 2 “significant inputs other than quoted prices included within Level 1 that are observable for the asset, either directly or indirectly.”

Level 3 “significant inputs for the asset that are not based on observable market data (unobservable inputs) or are subject to significant adjustment.”

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Fair value measurement using significant unobservable inputs (Level 3)

	Land \$	Buildings \$
2018		
Fair value at start of period	975,000	15,095,244
Additions	–	996,178
Revaluation increments/(decrements) recognised in Other Comprehensive Income	–	174,404
Disposals	–	(61,507)
Depreciation expense	–	(899,709)
Fair value at end of period	975,000	15,304,610
2017		
Fair value at start of period	945,000	15,476,875
Additions	–	409,890
Revaluation increments/(decrements) recognised in Other Comprehensive Income	30,000	151,085
Disposals	–	(14,451)
Depreciation expense	–	(928,155)
Fair value at end of period	975,000	15,095,244

Valuation processes

There were no changes in valuation techniques during the period.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as non-current assets held for sale as Treasurer's Instructions require valuations of land and buildings to be categorised within Level 3 where the valuations will utilise significant Level 3 inputs on a recurring basis.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Land (Level 3 fair values)

Fair value of restricted use land is based on current use valuations determined by the Western Australian Land Information Authority (Valuations and Property Analytics). Highly restricted land is valued on a deprival basis and replacement is judged by values in the wider general area. The portion of the Authority's land in this category is valued at \$365,000 (\$365,000 in 2017). Land with low restriction is based on the hypothetical land value less an adjustment for time factors and conversion into the freehold arena of land tenure. The portion of the Authority's land in this category is valued at \$610,000 (\$610,000 in 2017).

Buildings and improvements (Level 3 fair values)

Fair value for existing use specialised buildings is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the current replacement cost. Current replacement cost is the current replacement cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired economic benefit, or obsolescence, and optimisation (where applicable) of the asset. Current replacement cost of such assets held by the Authority is determined by reference to the gross project size specifications, cost of substitute assets of comparable utility and historical cost, adjusted by relevant indices.

Works of art (Level 2 fair values)

Fair value of works of art are determined using current market buying values.

Basis of valuation

In the absence of market-based evidence, due to the specialised nature of some non-financial assets, these assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on their use and their disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held for Zoological purposes and the Authority's enabling legislation.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

9. Other disclosures

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

	Notes
Events occurring after the end of the reporting period	9.1
Future impact of Australian standards issued not yet operative	9.2
Key management personnel	9.3
Related party transactions	9.4
Remuneration of auditors	9.5
Equity	9.6
Supplementary financial information	9.7
Explanatory statement	9.8
Explanatory statement – Statement of Comprehensive Income	9.8.1
Explanatory statement – Statement of Financial Position	9.8.2
Explanatory statement – Statement of Cash Flows	9.8.3

9.1 Events occurring after the end of the reporting period

Nil.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

9.2 Future impact of Australian standards issued not yet operative

The Authority cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements' or by an exemption from TI 1101. Where applicable, the Authority plans to apply the following Australian Accounting Standards from their application date.

Title	Operative for reporting period beginning on/ after
<p>AASB 9 Financial Instruments</p> <p>This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.</p> <p>The Authority has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<p>AASB 15 Revenue from Contracts with Customers</p> <p>This Standard establishes the principles that the Authority shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The mandatory application date of this standard is currently 1 January 2019 after being amended by AASB 2016-7.</p> <p>The Authority's income is principally derived from appropriations which will be measured under AASB 1058 and will be unaffected by this change. However, the Authority has not yet determined the potential impact of the Standard on 'User charges and fees' and 'Sales' revenues. In broad terms, it is anticipated that the terms and conditions attached to these revenues will defer revenue recognition until the Authority has discharged its performance obligations.</p>	1 Jan 2019
<p>AASB 16 Leases</p> <p>This Standard introduces a single lessee accounting model and requires a lease to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Authority has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2019

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Title	Operative for reporting period beginning on/ after
AASB 1058 Income of Not-for-Profit Entities	1 Jan 2019
<p>This Standard clarifies and simplifies the income recognition requirements that apply to not-for-profit (NFP) entities, more closely reflecting the economic reality of NFP entity transactions that are not contracts with customers. Timing of income recognition is dependent on whether such a transaction gives rise to a liability, or a performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by the Authority.</p> <p>The Authority has not yet determined the application or the potential impact of the Standard.</p>	
AASB 2010-7	1 Jan 2018
<p>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]</p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>The mandatory application date of this standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The Authority has not yet determined the application or the potential impact of the Standard.</p>	
AASB 2014-1	1 Jan 2018
<p>Amendments to Australian Accounting Standards</p> <p>Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. These changes have no impact as Appendix E has been superseded and the Authority is not permitted to early adopt AASB 9.</p>	
AASB 2014-5	1 Jan 2018
<p>Amendments to Australian Accounting Standards arising from AASB 15</p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The mandatory application date of this Standard has been amended by AASB 2015-8 to 1 January 2018. The Authority has not yet determined the application or the potential impact of the Standard.</p>	

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Title	Operative for reporting period beginning on/ after
<p>AASB 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The Authority has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<p>AASB 2015-8 Amendments to Australian Accounting Standards – Effective Date of AASB 15</p> <p>The Standard amends the mandatory application date of AASB 15 to 1 January 2018 (instead of 1 January 2017). It also defers the consequential amendments that were originally set out in AASB 2014-5. There is no financial impact arising from this Standard.</p>	1 Jan 2018
<p>AASB 2016-3 Amendments to Australian Accounting Standards – Clarifications to AASB 15</p> <p>This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. The Authority has not yet determined the application or the potential impact when the deferred AASB 15 becomes effective from 1 January 2019.</p>	1 Jan 2018
<p>AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities</p> <p>This Standard defers, for not-for-profit entities, the mandatory application date of AASB 15 to 1 January 2019, and the consequential amendments that were originally set out in AASB 2014-5. There is no financial impact arising from this Standard.</p>	1 Jan 2018
<p>AASB 2016-8 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities</p> <p>This Standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. There is no financial impact.</p>	1 Jan 2019

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

9.3 Key management personnel

The Authority has determined that key management personnel include the Responsible Minister(s), members and senior officers of the Authority. However, the Authority is not obligated to compensate the Responsible Minister(s) and therefore disclosures in relation to Ministers' compensation may be found in the *Annual Report on State Finances*.

Total compensation for key management personnel, comprising members of the accountable authority and other senior officers, of the Authority for the reporting period are presented within the following bands:

	2018	2017
<u>Compensation of members of the accountable authority</u>		
Compensation band		
\$10,001 – \$20,000	1	1
\$0 – \$10,000	9	8
Short term employee benefits	\$31,917	\$26,804
Post employment benefits	\$3,032	\$2,546
Total compensation of members of the accountable authority	\$34,949	\$29,350

The total compensation includes the superannuation expense incurred by the Authority in respect of members of the accountable authority.

No members of the accountable authority are members of the Pension Scheme.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

Compensation of senior officers other than senior officers reported as members of the accountable authority.

Senior officers includes the Chief Executive Officer, Executive Director, three Director positions and the Chief Finance Officer that form the Authority's Corporate Executive.

	2018	2017
Compensation band		
\$280,001 – \$290,000	–	1
\$210,001 – \$220,000	1	–
\$180,001 – \$190,000	–	1
\$170,001 – \$180,000	1	1
\$160,001 – \$170,000	1	1
\$150,001 – \$160,000	1	–
\$140,001 – \$150,000	1	1
\$20,001 – \$30,000	1	–
Short term employee benefits	\$718,147	\$765,786
Post employment benefits	\$88,245	\$98,378
Other long term benefits	\$84,883	\$89,230
Termination benefits	\$-	\$-
Total compensation of senior officers	\$891,275	\$953,394

The total compensation includes the superannuation expense incurred by the Authority in respect of senior officers other than senior officers reported as members of the accountable authority.

No senior officers are members of the Pension Scheme.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

9.4 Related party transactions

The Authority is a wholly owned public sector entity that is controlled by the State of Western Australia.

Related parties of the Authority include:

- all cabinet ministers and their close family members and their controlled or jointly controlled entities;
- all senior officers and their close family members and their controlled or jointly controlled entities;
- all members of the accountable authority and their close family members and their controlled or jointly controlled entities;
- other departments and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Significant transactions with Government-related entities

In conducting its activities, the Authority is required to transact with the State and entities related to the State. Transactions with these entities include sales and purchases of goods, services, property and other assets; use of utilities; vehicle licensing; other government fees and charges and are generally based on the standard terms and conditions that apply to all agencies.

	2018 \$	2017 \$
Receipts		
Department of Treasury		
– service appropriations	11,630,000	11,543,000
– drawdown from Holding Account	1,020,000	1,620,000
– capital appropriations	735,000	735,000
Education Sector entities	338,122	310,276
Insurance Commission and Riskcover Fund (insurance claims)	122,911	124,603

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
Payments		
Department of Finance		
– capital works	1,441,562	941,522
– internet services	21,428	9,486
Department of Biodiversity, Conservation and Attractions		
– ICT services	116,600	–
– employee secondment	89,044	–
Insurance Commission and Riskcover Fund (insurance premium and services)	877,970	526,919
Water Corporation (sewerage and consumption)	145,056	130,195
Lotteries Commission of Western Australia (employee entitlements transfer)	84,207	–
Main Roads Western Australia (employee secondment)	–	81,257
Office of the Auditor General (external audit services)	30,100	78,700

Material transactions with other related parties

Payments		
Government Employees' Superannuation Board (includes employee contributions of \$528,924 (2017: \$556,910) and employer superannuation contributions)	1,682,501	1,836,484

Outside of normal citizen type transactions with the Authority, there were no other related party transactions that involved Minister/members of the accountable authority/key management personnel and/or their close family members or their controlled (or jointly controlled) entities.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

9.5 Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2018 \$	2017 \$
Auditing the financial statements, controls and key performance indicators	55,350	54,800
	55,350	54,800

9.6 Equity

The Western Australian Government holds the equity interest in the Authority on behalf of the community. Equity represents the residual interest in the net assets of the Authority. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity		
Balance at start of period	29,680,220	28,945,220
Contributions by owners		
Capital appropriation (a)	735,000	735,000
Balance at end of period	30,415,220	29,680,220

(a) Treasurer's Instruction 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' designates capital appropriations as contributions by owners in accordance with AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'.

The capital appropriations received are directed to the Authority's capital investment program.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	2018 \$	2017 \$
Asset revaluation surplus		
Balance at start of period	10,507,219	10,350,784
Net revaluation increments/(decrements):		
Land	–	30,000
Buildings and Improvements	174,404	151,085
Works of art	–	(24,650)
Balance at end of period	10,681,623	10,507,219
9.7 Supplementary financial information		
The following items have been written off by the Accountable Authority:		
(a) Write-offs		
Assets written off	10,967	1,179
Damaged/obsolete retail shop stock	2,186	2,020
Cashier shortages	676	771
	13,829	3,970
(b) Losses through theft, defaults and other causes		
Damaged equipment written off by the Authority	57,210	1,569
Amount recovered through insurance proceeds	(59,000)	(1,299)
	(1,790)	270

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

9.8 Explanatory statement

All variances between estimates (original budget) and actual results for 2018, and between the actual results for 2018 and 2017 are shown below.

Narratives are provided for selected major variances, which are generally greater than:

- 5% and \$505,000 for the Statements of Comprehensive Income and Cash Flows; and,
- 5% and \$1,370,000 for the Statement of Financial Position.

It should be noted that the categories of revenue and expenditure presented in the Budget Statements differ from the categories used in these financial statements.

9.8.1 Explanatory Statement

Statement of Comprehensive Income

	Variance Note	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$	Variance between Budget and actual \$	Variance between actual results for 2018 and 2017 \$
COST OF SERVICES						
Expenses						
Employee benefits expense	1	14,865,486	14,007,000	14,586,997	858,486	278,489
Supplies and Services	2	7,185,499	7,823,000	7,013,957	(637,501)	171,542
Depreciation expense		3,207,926	2,800,000	3,214,929	407,926	(7,003)
Cost of retail shop sales		551,899	685,000	597,628	(133,101)	(45,729)
Loss on disposal of non-current assets		83,388	20,000	21,757	63,388	61,631
Total cost of services		25,894,198	25,335,000	25,435,268	559,198	458,930

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	Variance Note	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$	Variance between Budget and actual \$	Variance between actual results for 2018 and 2017 \$
Income						
Revenue						
Admissions	3	9,031,739	9,745,000	8,872,063	(713,261)	159,676
Memberships		1,532,140	1,500,000	1,478,396	32,140	53,744
Retail shop sales		1,289,892	1,450,000	1,344,141	(160,108)	(54,249)
Grants, sponsorships & fundraising		1,175,726	960,000	848,970	215,726	326,756
Commercial activities	4	1,463,200	2,371,000	1,389,257	(907,800)	73,943
Interest revenue		63,377	65,000	50,752	(1,623)	12,625
Other revenue		137,879	82,000	93,104	55,879	44,775
Total revenue		14,693,953	16,173,000	14,076,683	(1,479,047)	617,270
Total income other than income from State Government						
		14,693,953	16,173,000	14,076,683	(1,479,047)	617,270
NET COST OF SERVICES		11,200,245	9,162,000	11,358,585	2,038,245	(158,340)

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	Variance Note	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$	Variance between Budget and actual \$	Variance between actual results for 2018 and 2017 \$
Income from State Government						
Service appropriation		11,630,000	11,109,000	11,543,000	521,000	87,000
Total Income from State Government		11,630,000	11,109,000	11,543,000	521,000	87,000
SURPLUS/(DEFICIT) FOR THE PERIOD	5	429,755	1,947,000	184,415	(1,517,245)	245,340
OTHER COMPREHENSIVE INCOME						
Changes in asset revaluation surplus		174,404	–	156,435	174,404	17,969
Total other comprehensive income		174,404	–	156,435	174,404	17,969
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		604,159	1,947,000	340,850	(1,342,841)	263,309

Major Estimate and Actual (2018) Variance Narratives

- 1) Employee benefits expense was \$858,486 (6%) above the estimate. This is due firstly to the impact of payments made under the voluntary targeted severance scheme that were not reflected in the original budget. Secondly, the Authority was unable to complete restructuring work associated with the workforce renewal policy, thus falling short of targeted savings. The voluntary severance payments were partially offset by an increase in the service appropriation from Government during the period, with the balance of appropriation funding scheduled to be received in 2018-19.
- 2) Supplies and services expenditure was \$637,501 (8%) below the estimate due to the Authority reducing expenditure in these areas to partially offset lower than expected revenue and higher than expected employee benefits expenses.
- 3) Admissions revenue was \$713,261 (7%) below the original estimate as the original budget included CPI and demand growth projections that were unable to be achieved. A lower than expected revenue yield per admission was due to the mix of admission ticket types and the impact of the increased member entries for which membership subscription revenue is received.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

- 4) Commercial revenue was \$907,800 (38%) below the estimate as the original budget included growth projections that were unable to be achieved. While commercial revenue increased by 5% over the comparative year, the current economic conditions, managing reduced expenditure limits and delays in introducing some new events and activities in 2017-18 contributed to commercial revenue being lower than originally projected.
- 5) The surplus of \$429,755 for the period was \$1.5M (78%) below the original estimate of a surplus of \$1.9M due to the higher than expected expenditure for employee benefits and lower than expected revenue as explained at 9.8.1 (1), (3) and (4) above. Depreciation expenditure was also \$0.5M higher than the estimate as the original budget did not reflect the actual revised levels of depreciation expenditure.

Major Actual (2018) and Comparative (2017) Variance Narratives

Nil

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

9.8.2 Explanatory Statement

Statement of Financial Position

	Variance Note	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$	Variance between Budget and actual \$	Variance between actual results for 2018 and 2017 \$
ASSETS						
Current Assets						
Cash and cash equivalents	6	10,288,301	8,127,000	11,030,212	2,161,301	(741,911)
Restricted cash and cash equivalents		8,287	–	–	8,287	8,287
Inventories		146,482	143,000	158,183	3,482	(11,701)
Receivables		532,516	842,000	534,196	(309,484)	(1,680)
Amounts receivable for services		1,020,000	1,020,000	1,020,000	–	–
Other current assets		317,977	98,000	85,386	219,977	232,591
Total Current Assets		12,313,563	10,230,000	12,827,977	2,083,563	(514,414)
Non-Current Assets						
Infrastructure, property, plant and equipment	7	51,198,382	55,610,000	51,248,284	(4,411,618)	(49,902)
Amounts receivable for services	A	6,594,000	6,094,000	4,314,000	500,000	2,280,000
Restricted cash and cash equivalents		210,000	210,000	140,000	–	70,000
Other non-current assets		–	–	72,920	–	(72,920)
Total Non-Current Assets		58,002,382	61,914,000	55,775,204	(3,911,618)	2,227,178
TOTAL ASSETS		70,315,945	72,144,000	68,603,181	(1,828,055)	1,712,764

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	Variance Note	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$	Variance between Budget and actual \$	Variance between actual results for 2018 and 2017 \$
LIABILITIES						
Current Liabilities						
Payables		469,298	606,000	495,087	(136,702)	(25,789)
Employee related provisions		2,243,344	1,965,000	2,044,606	278,344	198,738
Unearned income		1,315,907	1,313,000	1,124,482	2,907	191,425
Total Current Liabilities		4,028,549	3,884,000	3,664,175	144,549	364,374
Non-Current Liabilities						
Employee related provisions		674,979	596,000	665,748	78,979	9,231
Total Non-Current Liabilities		674,979	596,000	665,748	78,979	9,231
TOTAL LIABILITIES		4,703,528	4,480,000	4,329,923	223,528	373,605
NET ASSETS		65,612,417	67,664,000	64,273,258	(2,051,583)	1,339,159

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (continued)

	Variance Note	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$	Variance between Budget and actual \$	Variance between actual results for 2018 and 2017 \$
EQUITY						
Contributed equity		30,415,220	30,415,000	29,680,220	220	735,000
Reserves		10,681,623	10,671,000	10,507,219	10,623	174,404
Accumulated surplus	8	24,515,574	26,578,000	24,085,819	(2,062,426)	429,755
TOTAL EQUITY		65,612,417	67,664,000	64,273,258	(2,051,583)	1,339,159

Major Estimate and Actual (2018) Variance Narratives

- 6) Cash and cash equivalents were \$2.2M (27%) higher than the estimate due to capital expenditure being lower than expected. A major element of the water infrastructure project planned for 2017-18 was deferred to 2018-19 due to impacts on scheduling from other priority projects. A delay with commencing construction of the final stage of the Lion exhibit upgrade also reduced the 2017-18 capital expenditure with project commitments now scheduled for payment in 2018-19 when the project is scheduled for completion.
- 7) Infrastructure, property, plant and equipment were \$4.4M (8%) lower than budgeted. This is due to some planned asset investment expenditure originally scheduled for 2017-18 being delayed or deferred to 2018-19. These projects include a major element of the water infrastructure project and the lion exhibit upgrade project. Commitments and planned works associated with these projects will be implemented in 2018-19.
- 8) The accumulated surplus was \$2.1M lower than the estimate due to the higher than expected expenditure and lower than expected revenue as explained at 9.8.1 (1-5)

Major Actual (2018) and Comparative (2017) Variance Narratives

- A) The non-current portion of the amounts receivable for services has increased by \$2.28M over the comparative year due to the net impact of an accrual appropriation of \$3.3M for depreciation in 2017-18 less \$1.02M in 2017-18 drawdowns from the holding account to fund approved capital works projects.

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

9.8.3 Explanatory Statement Statement of Cash Flows

	Variance Note	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$	Variance between Budget and actual \$	Variance between actual results for 2018 and 2017 \$
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation		8,330,000	8,309,000	8,743,000	21,000	(413,000)
Capital appropriation		735,000	735,000	735,000	–	–
Holding account drawdown	B	1,020,000	1,020,000	1,620,000	–	(600,000)
Net cash provided by State Government		10,085,000	10,064,000	11,098,000	21,000	(1,013,000)
Utilised as follows:						
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits		(14,632,842)	(13,975,000)	(14,463,301)	(657,842)	(169,541)
Supplies and services	9	(7,293,817)	(7,826,000)	(7,158,119)	532,183	(135,698)
GST payments on purchases		(1,003,106)	(1,056,000)	(918,134)	52,894	(84,972)
Other payments		(583,567)	(744,000)	(519,430)	160,433	(64,137)
Receipts						
Sale of goods and services	10, C	14,626,950	16,079,000	13,845,826	(1,452,050)	781,124
Interest received		59,001	65,000	53,011	(5,999)	5,990
GST receipts from ATO		465,312	356,000	583,457	109,312	(118,145)
GST receipts on sales		587,467	700,000	545,067	(112,533)	42,400
Other receipts		137,879	39,000	93,104	98,879	44,775
Net cash used in operating activities		(7,636,723)	(6,362,000)	(7,938,519)	(1,274,723)	301,796

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

	Variance Note	Actual 2018 \$	Original Budget 2018 \$	Actual 2017 \$	Variance between Budget and actual \$	Variance between actual results for 2018 and 2017 \$
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current physical assets	11, D	(3,135,818)	(4,472,000)	(2,438,984)	1,336,182	(696,834)
Receipts						
Proceeds from sale of non-current physical assets		23,917	–	1,587	23,917	22,330
Net cash used in investing activities		(3,111,901)	(4,472,000)	(2,437,397)	1,360,099	(674,504)
Net increase/(decrease) in cash and cash equivalents	E	(663,624)	(770,000)	722,084	106,376	(1,385,708)
Cash and cash equivalents at the beginning of the period	F	11,170,212	11,107,000	10,448,128	63,212	722,084
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		10,506,588	10,337,000	11,170,212	169,588	(663,624)

Financial Statements

ZOOLOGICAL PARKS AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018 (CONTINUED)

Major Estimate and Actual (2018) Variance Narratives

- 9) Payments for supplies and services were \$532,183 (7%) lower than estimated. This occurred as a result of budget reduction strategies to meet lower than expected levels of revenue along with delays in implementing some strategies while amalgamation priorities are implemented.
- 10) Receipts from the sale of goods and services were \$1.5M (9%) lower than the original budget. This was due to lower than expected admissions revenue and commercial revenue as detailed in notes 9.8.1 (3) and (4).
- 11) Payments for the purchase of non-current physical assets were \$1.3M (30%) lower than budgeted. This is due to some planned asset investment expenditure originally scheduled for 2017-18 being delayed or deferred to 2018-19. These projects include a major element of the water infrastructure project and the lion exhibit upgrade project. Commitments and planned works associated with these projects will be settled and progressed in 2018-19.

Major Actual (2018) and Comparative (2017) Variance Narratives

- B) Holding account drawdowns decreased by \$600,000 (37%) and reflect the lower level of approved cash drawdowns to fund projects in the Authority's asset investment plan. The actual drawdown from the holding account reduced from \$1.6M to \$1.02M. The comparative year figure included a final drawdown of \$600,000 associated with the Authority's \$11.9M water infrastructure project.
- C) Sales of goods and services increased by \$781,124 (6%) over the previous year due to increases in sales revenue from admissions, memberships, commercial activities, grants, sponsorships, fundraising and donations.
- D) Payments for the purchase of non-current physical assets were \$696,834 (29%) higher than the comparative year. This was due to expenditure relating to the completion of stage A of the lion exhibit upgrade and the commencement of construction for the final stage B which is scheduled for completion in 2018-19.
- E) Cash and cash equivalents decreased by \$1.4M (192%) over the comparative year due to significantly higher capital works expenditure in support of the asset investment plan. The main expenditure in 2017-18 related to the lion exhibit upgrade project.
- F) Cash and cash equivalents at the beginning of the reporting period were \$722,084 (7%) higher than the comparative year. The increased funds on hand include sponsorship and bequest revenue that the Authority plans to direct towards future capital investment funding priorities in the strategic asset plan.

Key Performance Indicators

ZOOLOGICAL PARKS AUTHORITY

CERTIFICATION OF KEY PERFORMANCE INDICATORS FOR THE REPORTING PERIOD ENDED 30 JUNE 2018

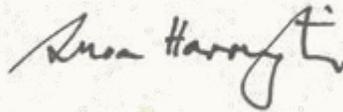
We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Zoological Parks Authority's performance, and fairly represent the performance of the Zoological Parks Authority for the reporting period ended 30 June 2018.



Brian Easton

Chair

Date: 28 August 2018



Susan Harrington

Deputy Chair

Date: 28 August 2018

Key Performance Indicators

ZOOLOGICAL PARKS AUTHORITY

Relationship to Government Goals

The Zoological Parks Authority operates under the Outcome Based Management (OBM) performance management framework of the Department of Biodiversity, Conservation and Attractions (DBCA). A new key effectiveness indicator for the ZPA has been introduced for Outcome 1 of 'Average level of visitor satisfaction at Perth Zoo'. The previous effectiveness indicator of 'The Zoo as an educational/learning experience' has been discontinued under the revised OBM structure.

The Zoological Parks Authority contributes to the following Government Goal, Outcomes and Services that form part of the overall DBCA OBM structure.



Key Performance Indicators

ZOOLOGICAL PARKS AUTHORITY

OUTCOME 1

Community enjoyment, appreciation and understanding of attractions under the Department's care.

Key Effectiveness Indicator

1.1. Average level of visitor satisfaction at Perth Zoo

Perth Zoo's contribution to this outcome is measured by the level of visitor satisfaction based on the visitor's entire experience at Perth Zoo. An independent market research company, Painted Dog Research was commissioned by Perth Zoo to conduct research during April 2018. Intercept surveys were conducted with randomly selected Zoo patrons over 16 years of age. Details of the survey sampling are as follows:

	2015	2016	2017	2018
Population*	642,352	695,091	657,353	658,325
Desired Sample	500	500	500	500
Achieved Sample	501	547	500	511
Sampling Error	±4.2%	±4.2%	±4.37%	±4.33%
Response Rate	53%	80%	75%	67%
Confidence Interval	95%	95%	95%	95%

*Population is based on annual visitors to Perth Zoo

"Thinking about your entire experience at Perth Zoo, how would you rate your satisfaction with Perth Zoo today?"	2015 Actual ^(a)	2016 Actual ^(a)	2017 Actual ^(a)	2018 Actual	2018 Target
Percentage of satisfied visitors ^(b)	96%	97%	96%	97%	97%

(a) The prior year actuals for this new audited KPI have not previously been reported.

(b) Based on visitor responses of either 'extremely satisfied' or 'satisfied' to the survey question.

Note to this Indicator

Perth Zoo continues to achieve very high levels of visitor satisfaction with 97% satisfied with their entire experience when visiting Perth Zoo. The overall visitor experience is influenced by a range of factors, particularly customer service; animal exhibits; well maintained gardens and facilities; and value for money experiences and activities. Visitors to Perth Zoo include Zoo members, families, general public, local community, students and tourists.

Achieving high levels of visitor satisfaction assists Perth Zoo to attract new and repeat visitation, and encourages visitor loyalty through the Perth Zoo membership program.

Key Performance Indicators

ZOOLOGICAL PARKS AUTHORITY

Service 1 – Visitor services and public programs provided at Perth Zoo

Perth Zoo promotes conservation messages to the community. This is achieved by providing educational programs, experiences, publications, interpretation and information services which encourage positive behavioural changes and community participation in conservation.

Key Efficiency Indicator

1.2. Average cost per visitor at Perth Zoo

Efficiency would be demonstrated by this indicator remaining constant or reducing over time, as admission numbers increase.

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2018 Target
Total visitors admitted to the Zoo	642,352	695,091	657,353	658,325	655,000
Total cost of services (\$000's)	\$21,217	\$23,263	\$22,617	\$23,225	\$22,548
Average cost per visitor	\$33.03	\$33.47	\$34.41	\$35.28	\$34.42

Note to this Indicator

The cost of services is 3% higher than the target and the previous year comparative. Visitor numbers were 1% above target resulting in an average cost per visitor of \$35.28. The average cost per visitor was 3% above both the previous year and target. The cost increases are due to payments for voluntary targeted severances along with a significant \$400,000 increase to the Authority's annual workers' compensation insurance premium. There were also additional costs relating to IT service provision and contract management activities.

Significant efforts were made to reduce costs in other areas and to generate increased revenue. The redundancy payments are offset by an increase to the Government service appropriation but there were other appropriation reductions linked to budget savings measures. The insurance premium is expected to increase again in 2018-19 before returning to the previous lower levels.

Perth Zoo continues to upgrade exhibits and facilities and develop and promote a range of visitor experiences and activities to support new and repeat visitation. The use of media assists with community engagement and awareness and the membership program continues to grow with member numbers increasing by 11% to over 23,000 members.

Key Performance Indicators

ZOOLOGICAL PARKS AUTHORITY

OUTCOME 2

Plants and animals are conserved and habitat, ecosystem and landscape-scale conservation utilises evidence-based science.

Key Effectiveness Indicator

2.1 Number of threatened species offspring bred for release into natural habitats

Perth Zoo breeds threatened native Australian species for release into natural habitats as part of species recovery programs managed through DBCA Recovery Teams.

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2018 Target
Western Swamp Tortoise	33	47	55	47	30
Numbat	24	19	23	19	12
Dibbler	42	42	53	0	50

The above figures include animals which survived more than 30 days after birth.

Note to this Indicator

Annual targets are based on those set by the species recovery programs managed through DBCA for each species.

At the direction of the Dibbler Recovery Team the entire mainland breeding stock at Perth Zoo was released into Peniup Nature Reserve in October 2017. This release was to make space for the arrival at Perth Zoo of ten Dibbler breeding pairs planned for collection from Boullanger, Whitlock and Escape Islands. Following an assessment of the Dibbler populations on Boullanger and Whitlock islands a decision was made not to relocate animals to Perth Zoo and poor weather conditions precluded access to collect animals from Escape Island. As a consequence no Dibbler breeding occurred at Perth Zoo during the period. A further attempt to source new breeding stock from the islands will be made in October 2018.

Good breeding success for Numbat and Western Swamp Tortoise continued with above target breeding results for both species.

Service 2 – Research and conservation partnerships

The conservation of wildlife will be optimised by effective species management, application of science, high standards of animal welfare and animal husbandry, breeding programs including breeding for release into natural habitats, and the provision of research and partnership opportunities.

Key Efficiency Indicator

2.2 Research communications produced per Full Time Equivalent (FTE)

Research communications have been defined to include:

- refereed papers published in professional journals;
- conference presentations and the publication of major articles authored or co-authored by Perth Zoo staff or Perth Zoo-supported researchers;
- undergraduate and postgraduate theses involving research supervised by Perth Zoo staff;
- spoken lectures developed for presentation to university students by Perth Zoo staff where the lecture forms part of an accredited university course; and
- major scientific research-based Government reports authored or co-authored by Perth Zoo staff or Perth Zoo-supported researchers.

Key Performance Indicators

ZOOLOGICAL PARKS AUTHORITY

The indicator is calculated using a three year moving average of the number of research communications produced and the number of FTEs to reflect that research is conducted over an extended period before the communications can be produced.

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2018 Target
Number of research communications produced	29.67	33.33	30.00	28.00	28.33
Total FTEs to produce research communications	20.12	19.94	19.50	19.30	19.50
Research communications produced per FTE	1.47	1.67	1.54	1.45	1.45

Note to this Indicator

This indicator provides a measure of the Authority's contribution to the areas of wildlife management, medicine and research. The indicator is affected by the funding available for research and therefore is influenced by the level of external grants and other funds that the Authority is able to access for this work.

During 2017-18 there were 19 research communications produced resulting in a three year moving average of 28 communications which is consistent with the original target. The number of research communications produced reflects the extent of continued collaborations with external research institutions, coupled with Perth Zoo supported student research projects, supervision of research for undergraduate and postgraduate theses and lectures provided to accredited courses at all four WA public universities.

Other Financial Disclosures

Zoological Parks Authority Board and Committee Fees

Members were paid remuneration as determined by the Minister for Environment. Public sector employees do not receive sitting fees.

1. Zoological Parks Authority

Position	Name	Type of remuneration*	Period of membership**	Gross/actual remuneration 2017-18 financial year**^
Chair	Mr Brian Easton	Annual (paid quarterly)	12 months	\$18,883.91^
Deputy Chair	Ms Sue Harrington	Per meeting	12 months	\$4,311.02^
Member	Mr Ian Cowie	NIL	12 months	\$0.00^
Member	Mr John Knowles	NIL	5 months	\$0.00^
Member	Ms Nicole Moody	Per meeting	2 months	\$602.25
Member	Mr Alex Lamond	Per meeting	12 months	\$3,322.23^
Member	Ms Nicole McAlinden	Per meeting	12 months	\$1,806.75
Member	Dr Kellie Pendoley	Per meeting	12 months	\$2,107.88
Member	Ms Rebecca Tomkinson	Per meeting	11 months	\$1,505.63
Member	Dr Harriet Mills	Per meeting	8 months	\$2,409.00^
			Total:	\$34,948.66

* If applicable, includes sessional payment, per meeting, half day or annual.

** The period of membership column refers to the board or committee member's membership of the respective board or committee during the 2017-18 financial/reporting year (i.e. 12 months, 3 months).

^ Total remuneration for meetings and sub-committee meetings attended by the Board Member.

Other Financial Disclosures

Zoological Parks Authority Board and Committee Fees (continued)

2. Finance Committee

Position	Name	Type of remuneration*	Period of membership**	Gross/actual remuneration 2017-18 financial year*^
Chair	Mr Brian Easton	Annual (paid quarterly)	12 months	See Table 1 above^
Member	Mr John Knowles	Per meeting	5 months	See Table 1 above^
Member	Ms Susan Harrington	Per meeting	7 months	See Table 1 above^
Member	Mr Alex Lamond	Per meeting	12 months	See Table 1 above^
Member	Mr Mark Webb Chief Executive Officer	NIL	12 months	\$0.00
Member	Ms Maria Finnigan A/Executive Director	NIL	11 months	\$0.00
Member	Ms Wendy Attenborough Executive Director	NIL	1 month	\$0.00
Member	Ms Melanie Price Chief Finance Officer	NIL	12 months	\$0.00
Member	Ms Amanda Turner Financial Accountant	NIL	12 months	\$0.00
			Total:	\$0.00 (excluding ^)

* If applicable, includes sessional payment, per meeting, half day or annual.

** The period of membership column refers to the board or committee member's membership of the respective board or committee during the 2017-18 financial/reporting year (i.e. 12 months, 3 months).

^ Total remuneration for meetings and sub-committee meetings attended by the Board Member.

Other Financial Disclosures

Zoological Parks Authority Board and Committee Fees (continued)

3. Audit Committee

Position	Name	Type of remuneration*	Period of membership**	Gross/actual remuneration 2017-18 financial year*^
Chair	Mr Brian Easton	Annual (paid quarterly)	12 months	See Table 1 above^
Member	Mr John Knowles	Per meeting	5 months	See Table 1 above^
Member	Ms Alex Lamond	Per meeting	7 months	See Table 1 above^
Member	Mr Ian Cowie	Per meeting	12 months	\$0.00
Member	Mr Mark Webb Chief Executive Officer	NIL	12 months	\$0.00
Member	Ms Maria Finnigan A/Executive Director	NIL	11 months	\$0.00
Member	Ms Wendy Attenborough Executive Director	NIL	1 month	\$0.00
Member	Ms Melanie Price Chief Finance Officer	NIL	12 months	\$0.00
Member	Ms Amanda Turner Financial Accountant	NIL	12 months	\$0.00
			Total:	\$0.00 (excluding ^)

* If applicable, includes sessional payment, per meeting, half day or annual.

** The period of membership column refers to the board or committee member's membership of the respective board or committee during the 2017-18 financial/reporting year (i.e. 12 months, 3 months).

^ Total remuneration for meetings and sub-committee meetings attended by the Board Member.

Other Financial Disclosures

Zoological Parks Authority Board and Committee Fees (continued)

4. Animal Ethics Committee

Position	Name	Type of remuneration*	Period of membership**	Gross/actual remuneration 2017-18 financial year*^
Chair	Ms Maria Finnigan	NIL	11 months	\$0.00
Chair	Ms Wendy Attenborough	NIL	1 month	\$0.00
Member	Mr Mark Webb Chief Executive Officer	NIL	12 months	\$0.00
Member – Category A	Dr Simone Vitali Senior Veterinarian	NIL	12 months	\$0.00
Member – Board member – Category B	Ms Susan Harrington	Per meeting	11 months	See Table 1 above^
Member – Board member – Category B	Dr Harriet Mills	Per meeting	12 months	See Table 1 above^
Member – Category B	Dr Peter Mawson Director Animal Health and Research	NIL	12 months	\$0.00
Member	Mr John Lemon A/Director Life Sciences	NIL	12 months	\$0.00
Member	Ms Rebecca Thomasson Senior Technical Officer Zoology	NIL	12 months	\$0.00
Member – Category C#	2 members	Per meeting	Both members for 12 months	\$1,840.00
Member – Category D#	2 members	NIL	12 months	\$0.00
			Total:	\$1,840.00 (excluding ^)

* If applicable, includes sessional payment, per meeting, half day or annual.

** The period of membership column refers to the board or committee member's membership of the respective board or committee during the 2017-18 financial/reporting year (i.e. 12 months, 3 months).

^ Total remuneration for meetings and sub-committee meetings attended by the Board Member.

The required membership categories are set out in the Code. Category C and D Members not identified by name for privacy reasons.

Other Financial Disclosures

Zoological Parks Authority Board and Committee Fees (continued)

5. Research Committee

Position	Name	Type of remuneration*	Period of membership**	Gross/actual remuneration 2017-18 financial year*^
Chair	Ms Susan Harrington	Per meeting	12 months	See Table 1 above^
Deputy Chair	Dr Peter Mawson Director Animal Health and Research	NIL	12 months	\$0.00
Member	Mr John Lemon A/Director Life Sciences	NIL	11 months	\$0.00
Member	Ms Maria Finnigan Director Life Sciences	NIL	1 month	\$0.00
Member	Ms Claire Wright Director Community Engagement	NIL	12 months	\$0.00
Member	Dr Katja Geschke Veterinarian	NIL	12 months	\$0.00
Member	Dr Julian Partridge	NIL	5 months	\$0.00
Member	Dr Ric How	NIL	12 months	\$0.00
Member	Dr Rob Davis	NIL	12 months	\$0.00
Member	Dr Bill Bateman	NIL	12 months	\$0.00
Member	Dr Allan Burbidge	NIL	12 months	\$0.00
Member	Dr Trish Fleming	NIL	12 months	\$0.00
Member	Dr Renee Firman	NIL	5 months	\$0.00
Total:				\$0.00 (excluding ^)

* If applicable, includes sessional payment, per meeting, half day or annual.

** The period of membership column refers to the board or committee member's membership of the respective board or committee during the 2017-18 financial/reporting year (i.e. 12 months, 3 months).

^ Total remuneration for meetings and sub-committee meetings attended by the Board Member.

Other Financial Disclosures

Pricing policies

Perth Zoo's admission prices are reviewed annually as part of the State Budget process and any recommended increases by the Zoological Parks Authority require the approval of the Minister for Environment. The Zoological Parks Authority has discretion over pricing for other goods and services rendered. An increase in Perth Zoo admission prices from 1 July 2017 was approved as part of the 2017-18 State budget. Admission prices are advertised on Perth Zoo's website and at the front entrance.

Capital Works

Perth Zoo's capital works program consists of projects that are funded from either Government capital appropriations or internally-generated revenue such as sponsorships, grants and bequests. The Zoo undertook over \$3.1 million worth of capital works in 2017-18. Details of the major completed works and works in progress are outlined below;

Capital works projects incomplete

Water Infrastructure Management

As part of the 2011-12 State Budget, the State Government approved capital works funding of \$11.9 million over six years for a major water infrastructure management project. The aim of the Integrated Water Management project is to provide an effective and environmentally sustainable water management system. This has been achieved through the replacement of old infrastructure, and the development of innovative water capture, storage, filtration, re use and reticulation systems. The water infrastructure management project is the largest capital works project ever undertaken by the Zoo.

Following completion of the project definition plan and forward works for fire services in 2013-14, detailed design and commencement of construction occurred in 2014-15. The major element of this project involving trenching, and replacement water infrastructure was completed in 2015-16. In 2016-17 a range of initiatives were completed, including installation of energy efficient pumps and completion of a detailed irrigation audit.



The water infrastructure management project is the largest capital works project in the Zoo's history

Planning was completed in 2017-18 for the next major element of the project involving water re use through existing water bodies at Perth Zoo. This work is scheduled to progress to tender and construction in 2018-19. Work will continue in 2018-19 on progressing further elements of this staged project.

A total of \$326,872 was spent in 2017-18 bringing the total project expenditure to \$9,813,025 from the \$11.9 million total budget. The remaining \$2.1 million will be required in 2018-19 and beyond to implement the remaining elements of the original business case for this project.

Other Financial Disclosures

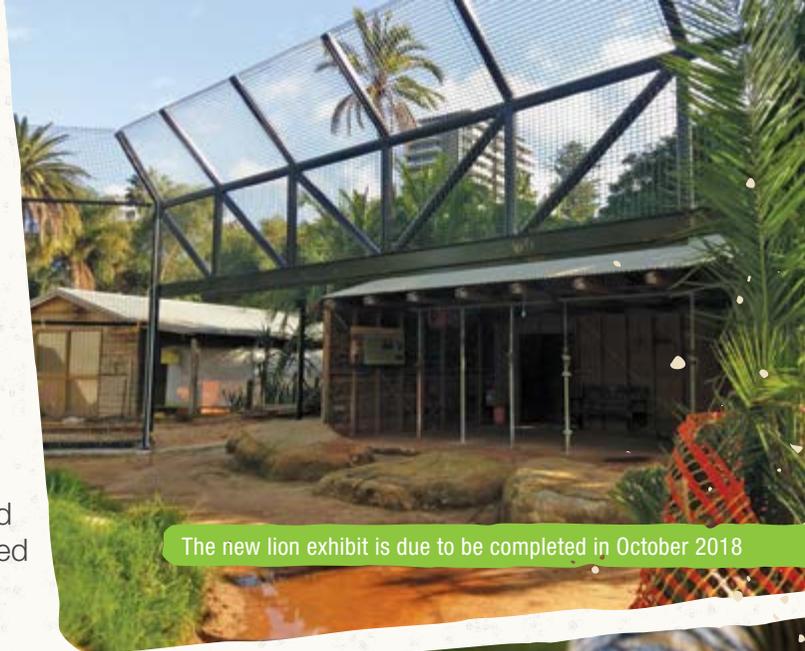
Lion Exhibit Upgrade

A business case for a staged upgrade and extension of the African Lion exhibit was approved in 2016-17. The project includes enlarging the exhibit to enable future breeding opportunities for this species. Enhanced visitor viewing opportunities and interpretation will also support public engagement and education programs to promote the conservation of this species in the wild. Construction of the first stage commenced in February 2017 and was completed in September 2017. Detailed design for the second and final stage was completed in 2017-18, with construction commencing in February 2018. Completion of the final stage is scheduled for October 2018.

A total of \$1,511,747 was spent on the project in 2017/18 funding from a combination of State Government and sponsorship funding. The balance of this \$3.5 million project will be completed in 2018-19.

Other

Other works in progress include roofing and ceiling upgrades to buildings, security related upgrades, ongoing improvements to visitor amenity, and planning for future facility and animal upgrades. There was a significant amount of planning towards the development of future business cases undertaken during 2017-18. Future developments planned include upgrade of the Sumatran Tiger exhibits, a new medium mammal breeding facility, ICT and security improvements. A total of \$295,320 was spent on range of projects in 2017-18.



The new lion exhibit is due to be completed in October 2018



Future developments planned include an upgrade to the tiger exhibits

Other Financial Disclosures

Capital projects completed

Facilities and Infrastructure

Additional major upgrades to electrical infrastructure were completed in the reporting year, with further stages to be completed in 2018-19. A new shade structure in the front entry precinct was erected to provide additional shelter for visitors.

An upgrade to the rainforest retreat was completed, with improved visitor amenity provided through new boardwalk areas.

In 2017-18, \$212,198 was sourced from a combination of State Government funding and sponsorships for upgrades to facilities.

Animal Exhibit Upgrades

Upgrades were completed to a number of exhibits during the period. These included new fencing for the Red Panda exhibit, expansion of to the Western Ground Parrot breeding and research facilities, fencing in the African Savannah and further upgrades to the Lesser Primate precinct. A new climate control system was also installed in Sumatran orang-utan exhibit night quarters.

In 2017-18, \$373,170 was spent on completing animal exhibit upgrades.

The upgrades were funded from a combination of State Government funding and sponsorships. A Commonwealth Government grant supported upgrade work for the Western Ground Parrot facilities.



Various animal exhibits were upgraded during the reporting period
Credit: Alex Asbury

Other Financial Disclosures

Other

Other capital expenditure in 2017-18 included major maintenance programs, new and replacement equipment assets at a total cost of \$377,901. These were funded from State Government funding and sponsorships and included the following projects:

- A total of \$100,000 was spent on the purchase of replacement computer equipment.
- A total of \$120,283 was spent on the replacement of a truck and a veterinary van in the operational fleet as part of a scheduled replacement program for these assets.
- A total of \$157,618 was spent on major maintenance projects associated with buildings, infrastructure and equipment.

Employment and Industrial Relations

Staff Profile

Perth Zoo employed 256 people in 2017-18, representing an average of 160 full time equivalents (FTE) over the year.

Employee Profile	2017-18	2016-17
Permanent Full Time	104	99
Permanent Part Time	38	43
Fixed Term Full Time	11	23
Fixed Term Part Time	6	6
Casual	97	85
Trainee	0	0
Cadets	0	0
Total head count	256	256
Full time equivalent (FTE)	160	162

The Zoo continued to work hard to attract and retain a diverse workforce and in most areas achieved progress.

Workforce Diversity	2017-18 %	2016-17 %
Women in management Tier 1	0*	100
Women in management Tier 2&3	77.8	67
Indigenous Australians	1.2	1.3
People with disabilities	6.1	2.5
People from culturally diverse backgrounds	5.6	7.6
Youth (15 to 24 years)	8.4	9.5

*Note: The A/Executive Director is included in Tier 2 statistics as a temporary payment type was used for the individual's salary.

Other Financial Disclosures

Workforce Planning and Staff Development

Perth Zoo's Workforce and Diversity Plan (2016-2020) sets the direction to identify current and future workforce needs. The Plan incorporates strategies that respond to sector-wide workforce issues and reflects the Zoo's commitment to equal opportunity.

Perth Zoo's Workforce and Diversity Plan (2016-2020) identifies our commitment to promote a workplace that encourages learning and development to support the operation of the Zoo. This includes professional development, attendance and/or presentation at workshops, seminars, conferences; support to attain academic qualifications and volunteer work. The Zoo continues to provide support for formal programs including government traineeships (Cert II in Business, Certificate III in Captive Animals), and professional development and leadership programs.

In 2017/18, Perth Zoo provided 1178 hours of formal training to staff at a cost of \$47,252, for expenditure of \$295 per head. Across the Zoo 70.44% of staff completed Ethical and Accountable Decision Making training in the last 3 years.

Governance Disclosures

Ministerial Directives

No Ministerial directives were received during the financial year.

Risk

The Executive Risk Management Committee has primary responsibility for risk management at Perth Zoo. The Zoo's risk management framework consists of monitoring and management by committee (Executive Risk Management Committee, Occupational Safety and Health Committee, Emergency Management Action Group, Zoological Parks Authority Audit and Finance

Committees), policies, standard operating procedures, emergency management and business continuity plans, risk registers, regular inspections and regular review.

Separate Risk Registers are maintained to distinguish between strategic, high-level risks applicable to the entire Zoo, and operational risks that are managed at the Directorate or Sectional level. These registers are reviewed quarterly in accordance with the established review schedule.

Indemnity Insurance Premium

Perth Zoo has Directors and Officers Liability Insurance covering members of the Zoological Parks Authority Board and senior management. The limit of liability is \$10 million. The Zoo contributed \$7,035 to the annual premium in 2017-18.

Contracts with Senior Officers

At the date of reporting, no senior officers, or firms of which senior officers are members, or entities in which senior officers have substantial interests, had any interests in existing or proposed contracts with the Zoological Parks Authority other than normal contracts of employment service.

Unauthorised use credit cards

Officers of the Zoological Parks Authority hold corporate credit cards and cardholders are reminded of their obligations under the Authority's credit card policy. Two employees inadvertently used the corporate credit card instead of their personal card for minor personal payments.

These incidents were not referred for disciplinary action as the Chief Finance Officer noted prompt advice and immediate settlement. In both instances the cardholders arranged immediate reversal by the supplier. The personal use amounts and the nature of the expenditure were immaterial and characteristic of an honest mistake. As the amounts were immediately reversed by the supplier, at 30 June 2018 no amount remains outstanding.

	2017-18 \$
Aggregate amount of personal use expenditure for the reporting period	61
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	61
Aggregate amount of personal use expenditure settled after the period (after 5 working days)	NIL
Aggregate amount of personal use expenditure outstanding at balance date	NIL

Other Legal Requirements

Electoral Act 1907

In accordance with section 175ZE of the Electoral Act 1907, the Authority incurred the following expenditure in relation to advertising, market research, polling, direct mail and media advertising:

Total expenditure for 2017-18 was \$397,775

Expenditure	Supplier	Amount
Advertising agencies	Gatecrasher Advertising Pty Ltd	\$22,823
	The Brand Agency	
Market research organisations	Painted Dog Research Pty Ltd	\$54,119
Polling organisations	Nil	\$Nil
Direct mail organisations	Ezimap	\$55,407
	Mailchimp	
Media advertising organisations	Carat Australia Media Services Pty Ltd	\$265,426
	Facebook Ireland	

Financial Estimates 2018-19

The Zoological Parks Authority amalgamated with other Government agencies to form the new Department of Biodiversity, Conservation and Attractions effective from 1 July 2017 but continues as a separate legal entity. As the Zoological Parks Authority is not separately identifiable within a separate Division of the Consolidated Account Expenditure Estimates, the Authority's 2018-19 budget estimates have been prepared and approved in accordance with Section 40 of the *Financial Management Act 2006*.

As required under Treasurer's Instruction 953, the 2018-19 annual estimates for the Zoological Parks Authority are provided in the following table.

Other Legal Requirements

	2018-19 Budget Estimate \$'000
COST OF SERVICES	
Expenses	
Employee benefits	15,112
Grants and subsidies	400
Supplies and services	4,298
Accommodation	410
Depreciation and amortisation	3,300
Other expenses	2,219
Total cost of services	25,739
Income	
Sale of goods and services	15,447
Grants and subsidies	60
Other revenue	1,006
Total Income	16,513
NET COST OF SERVICES	9,226
Income from State Government	
Service appropriations	11,101
Total Income from State Government	11,101
SURPLUS FOR THE PERIOD	1,875

Disability Access and Inclusions Plan Outcomes

Perth Zoo continued to implement its current Disability Access and Inclusions Plan 2017-2022 (DAIP). In support of the DAIP, the following actions were undertaken:

- Dreamnight was held for the third consecutive year, with Perth Zoo opening its doors for the evening free of charge to 1,550 children with illness or a disability, and their family members.
- Perth Zoo managers incorporated DAIP requirements into their development of the Zoo's 2018-19 Operational Plan. The DAIP Committee reports regularly to the Corporate Executive on the progress of the DAIP's implementation.
- A review of product development increased the number of products suitable for those with mobility issues and other types of disability. Nine out of the 12 existing Eye to Eye products are now accessible.
- The Zoo's Discovery and Learning section liaised directly with schools, community groups and individuals to modify experiences to meet the needs, and enhance the outcomes for children with disabilities.

- The Zoo provided 3,960 free day admissions to carers of people with a disability.
- A review of the Zoo's recruitment documents was undertaken in late 2017, and the Zoo currently provides all advertised positions to Edge Employment (an employment agency specifically for people with disabilities) for circulation.



Dreamnight welcomes families with children suffering from illness and disability for a magical night at the Zoo

Other Legal Requirements

Compliance with Public Sector Standards and Ethical Codes

Public Sector Standards: There was one (1) breach of standard claim lodged in 2017-18, which was found to be unsubstantiated and subsequently dismissed by the Public Sector Commission.

WA Code of Ethics: No claims were lodged in 2017-18.

Perth Zoo Code of Conduct: Three allegations for Breach of Code of Conduct were raised in 2017-18. Two were found to be substantiated and one was found to be unsubstantiated. Improvement actions for the substantiated allegations are still being progressed.

Information on Public Sector Standards, the Public Sector Code of Ethics and the Zoo's Code of Conduct is available on the Zoo's intranet and is an integrated part of Induction training for all new staff. Bi-annual staff performance reviews also include an area for feedback and assessment against the Code of Conduct.

Record Keeping Plan

Perth Zoo has a record keeping plan in place approved by the State Records Office. The plan outlines a record keeping program for the agency and describes which records are to be created as well as how those records are to be kept.

Perth Zoo addresses its compliance with the State Records Commission Standard 2 Record Keeping Plans: Principle 6 – Compliance as follows:

1. The efficiency and effectiveness of the organisation's record keeping systems is evaluated not less than once every five years.

The electronic record keeping management system (EDRMS) is monitored via statistics to evaluate progress towards electronic record keeping.

2. The organisation conducts a record keeping training program

Perth Zoo continues to deliver ongoing training and support for record keeping and refresher training is provided. Training material and recordkeeping resources are provided on the Zoo's intranet.

3. The efficiency and effectiveness of the record keeping training program is reviewed from time to time.

Formal feedback received from training sessions is used to enhance future training programs. Resources such as manuals and user guides are provided as part of the training and are reviewed and updated regularly.

4. The organisation's induction program addresses employee roles and responsibilities in regard to their compliance with the organisation's record keeping plan.

All staff identified as having record keeping responsibilities at Perth Zoo are required to undertake a mandatory induction to comply with the *State Records Act 2000*.

Freedom of Information

In the reporting period, Perth Zoo did not receive any Freedom of Information (FOI) requests. Procedures and resources are provided on the Zoo's intranet which are in accordance with the legislation.

Government Policy Requirements

Occupational Safety, Health and Injury Management

Perth Zoo executive management is committed to providing and maintaining a safe and healthy environment, and to the continuous improvement of injury prevention and injury management programs.

Perth Zoo achieved a zero Lost Time Injury Severity Rate¹ for 2017-2018. This was achieved through a continuous focus on safety awareness. OSH is promoted via regular staff meetings, ad-hoc safety emails to all staff, regular updates and messages on the Zoo Intranet. Standard Operating Procedures provide staff with written instructions to ensure the safe use of equipment and ensure staff safety when working with animals.

The OSH Committee meets on a bi-monthly basis. Occupational Safety and Health reports are regularly reported to the Corporate Executive, and this process includes a review of the preventive action taken for incidents rated with a higher severity.

Perth Zoo ensures compliance with the injury management requirements of the *Workers' Compensation and Injury Management Act 1981* via assistance from external providers and support through the development of comprehensive return to work plans.

The number of workers' compensation claims lodged during the 2017-18 year was fourteen. Five (5) of the new claims involved time off work. There has been a significant focus on return to work plans and this in conjunction with the reduction of severity of incidents has resulted in 100% of injured workers returned to work within the two benchmark timeframes of 13 weeks and 26 weeks.

¹ This is a measure of incident or accident prevention and the effectiveness of injury management.

The severity rate is the number of severe injuries (actual or estimated 60 days or more lost from work) divided by the number of lost time injury/disease claims (LTI/Ds) multiplied by 100. An injury resulting in death is considered to have accounted for 60 days or more lost.

Government Policy Requirements

The Zoo's performance in 2017-18 against targets set out in the Public Sector Commissioner's Circular 2018-03, Code of Practice: Occupational Safety and Health in the Western Australian Public Sector, is shown in the table below.

Measure	Actual Results 2017 – 18	Actual Results 2016 – 17	Actual Results 2015-16	Results against Target	
				Target	Comment on result
Number of fatalities	0	0	0	Zero (0)	Achieved
Lost time injury and/or disease incidence rate	3.12%	6.1%	13.6%	Zero (0) or 10% reduction on previous 3 years	Achieved
Lost time injury and/or disease severity rate	0%	3.85%	4.5%	Zero (0) or 10% improvement on previous 3 years	Achieved
Percentage of injured workers returned to work:					
within 13 weeks	100%	56.5%	62.4%	Actual percentage result to be stated Greater than or equal to 80%.	
within 26 weeks	100%	78.2%	74.9%		Achieved
Percentage of managers trained in occupational safety, health and injury management responsibilities	40%	67%	7%	Greater than or equal to 80%	Training focused on lower level staff. In addition limited resources were diverted to MOG activity therefore reduced supervisor training.



Department of **Biodiversity,
Conservation and Attractions**

