

2007

Zoological Parks Authority
ANNUAL REPORT

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PERTH ZOO

Mission Statement

To secure long term populations of species in natural environments while engaging the community in global conservation action

In line with State Government requirements, Perth Zoo's annual report – the Zoological Parks Authority Annual Report 2006-2007 – is published in an electronic format with limited use of graphics and illustrations to help minimise down load times.

Perth Zoo encourages people to use recycled paper if they print a copy of this report or sections of it. For the convenience of readers and to minimise down load times and print outs, the annual report has been presented in chapters, as well as the 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 2006-2007

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ISSN 1447-6711 (On-line)

ISSN 1447-672X (Print)

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Front Cover: Sun Bear at Perth Zoo. Picture by Derek Smith.

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Overview

Executive Summary

Statement of Compliance

For the Year Ended 30 June 2007

**To the Hon David Templeman MLA
Minister for the Environment; Climate Change; Peel**

In accordance with Section 61 of the Financial Management Act 2006, I hereby submit for your information and presentation to Parliament the annual report of the Zoological Parks Authority for the financial year ended 30 June 2007.

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



Peter Metcalfe

Chairperson
27 August 2007



Andrew Thompson

Deputy Chairperson
27 August 2007

Executive Summary

Chairman's Report

Building on last year's strong results, 2006-07 has been another stand out year for Perth Zoo both in terms of operational performance and conservation achievements.

Ground breaking conservation initiatives, increased admissions, a \$3.4 million capital works program and a new strategic plan were the hallmarks of 2006-07.

Through the World Zoo and Aquarium Conservation Strategy, launched in 2005, zoos around the world have been challenged to refocus their roles and direction to ensure that they remain relevant and play a key role in wildlife conservation as a core activity.

During the year, the Zoo's senior management team and the Board reviewed Perth Zoo's direction and developed a new strategic plan which provides a clearer focus on the Zoo's conservation role. The new strategic plan was launched in February 2007.

As a result, Perth Zoo's direction in 2006-07 was to further develop and expand its breeding-for-release programs, research efforts, and partnerships with local and international organisations.

This included the release of captive-born Perth Zoo orang-utan, Temara, into a protected national park in Indonesia in November 2006 as part of an international effort to re-establish a population of this critically endangered species in the wild.

Temara is the first captive-bred orang-utan in the world to be released into the wild and is thriving in her new environment. It is anticipated that she will breed in the future, increasing the numbers and genetic diversity of this reintroduced population in the unique Bukit Tigapuluh National Park in Sumatra.



Temara's first day in the wild

Building on this initiative, in 2007, Perth Zoo and the Indonesian Government agreed to continue to work cooperatively on conservation measures. Perth Zoo will assist with orang-utan breeding for introduction into the wild in Sumatra, support elephant and tiger surveys, and provide expertise in species population planning, scientific research, veterinary medicine and education.

This will complement the Zoo's long standing and ongoing work with the Western Australian Department of Environment and Conservation and other agencies on native species conservation including breeding for release, amphibian research and other research programs.

During the reporting period, the Zoo established on-site non-invasive hormone monitoring facilities to support its breeding and research programs, and provided a further 81 threatened native animals for release into the wild in Western Australia as part of species recovery programs.

Additionally, in June 2007, the Zoo launched a new Wildlife Conservation Action fundraising program to help increase its contribution to wildlife conservation and provide the community with the opportunity to support the conservation of threatened species.

Executive Summary

Chairman's Report (continued)

Money raised through Wildlife Conservation Action will support the conservation of threatened species in the wild including native species, frogs, Sumatran Orang-utan, Sun Bear, African Painted Dog and New Guinea Tree Kangaroos.

Out in the Zoo grounds, work began on the second stage of the Asian Elephant exhibit redevelopment and the Zoo secured State Government funding to replace its 35-year-old perimeter fence in 2007-08.

Finally, I would like to thank all Perth Zoo staff and volunteers for their continued dedication and enthusiasm. Their work and achievements have been central to Perth Zoo's success in 2006-07.



Peter Metcalfe

Chairperson

Executive Summary

Highlights

Service 1: Visitor Services

Perth Zoo aims to maximise visitation by providing a quality and unique value for money attraction that provides recreation, education and commercial facilities set in ecologically-themed botanic gardens.

In 2006-07, Perth Zoo:

- Attracted 612,925 visitors – up from 597,027 visitors in 2005-06 and 11.4% per cent higher than 2004-05 (550,105).
- Provided educational and entertaining school holiday programs with a July school holiday attendance figure of just over 59,000 people – up from 43,000 people last year.
- Undertook \$3.4 million worth of capital works using State Government and internally generated funds.
- Continued work on the installation of the last eight climbing structures in the orang-utan enclosures and began detailed design work for the final stage of the Sumatran Orang-utan exhibit redevelopment including roof-top visitor viewing.
- Successfully concluded Project Sun Bear with the completion and opening of a new purpose built Sun Bear exhibit and arrival of two rescued Sun Bears from Cambodia. The exhibit was funded by donations, sponsorships and fundraising activities. Funding was also provided to support Sun Bears in Cambodia.
- Began construction work on the second and final stage of the Asian Elephant exhibit redevelopment. Stage two will further expand the exhibit providing another exercise and display area for the female elephants with additional visitor viewing facilities, as well as a new barn for the bull elephant.
- Continued to record high satisfaction levels amongst visitors with 96% of surveyed visitors describing the Zoo as extremely good or quite good value for money. Ninety-nine per cent of surveyed visitors believed the Zoo had an important role in the community.
- Completed a new 'temple ruin' entrance to the Asian rainforest zone with new plantings to create the impression of an encroaching jungle.
- Introduced new concerts to complement the existing summer events program and attract a different demographic to the Zoo.
- Began negotiations with Spotless Services Australia Limited on the terms and conditions for a new catering agreement at Perth Zoo. Spotless Services was the successful respondent to a Request for Tender released to the market in 2006.
- Completed a Disability Access and Inclusion Plan to allow people with disabilities to access the Zoo's services and facilities with increased independence, opportunities and inclusion.

Executive Summary

Highlights (continued)

Service 2: Community Education and Awareness

Perth Zoo aims to promote clear conservation messages to the community. This is achieved by providing educational programs and publications, interpretation and information services that educate the community about conservation issues. The Zoo's commercial activities are also underpinned by conservation messages.

In 2006-07, Perth Zoo:

- Provided formal on-site education programs to 62,566 children and adults, up 2.6% from 2005-06. A further 100 people participated in veterinary-related education programs. In addition, 87 off-site educational talks were presented to community groups (2,987 people in total).
- Opened a new interpretive centre in the Asian rainforest zone. Bukit Station features signage and audio visual presentations on the conservation of Asian species and rainforests.
- Redeveloped the Perth Zoo website, providing improved content, layout and navigation. The website won the regional zoo association's Publications Award and received 433,608 visits during 2006-07, up from 334,978 visits in 2005-06.
- Opened a new Cane Toad display, in collaboration with the WA Stop the Toad group and the Department of Agriculture and Food, to help raise public awareness of the dangers that this pest poses.
- Launched a new fundraising program, Wildlife Conservation Action, providing the community with the opportunity to contribute to the conservation of threatened species in the wild.
- Coordinated the eighth Great Australian Marsupial Night Stalk in partnership with Tiwest – a national community conservation education program aimed at raising public awareness of Australian animals and the impact of feral animals. A total of 109 surveys were completed in 2006, up 60% from 2005.
- Supported nine Sustainability Roadshows for school students in the metropolitan and south-west areas, and hosted a two-day Roadshow involving 138 students from ten Perth primary schools.
- Achieved extensive national, state and regional exposure in print, broadcast and web media promoting conservation messages and projects to the community.
- Introduced new teacher professional development and training programs, including Teacher Twilights, and new education programs for children including Asian Forest Web of Life for years 4-7.
- Developed and upgraded interpretive facilities at various exhibits including the Australian Wetlands, Australian Bushwalk, African Savannah, Alinta Reptile Encounter and new Sun Bear exhibit.
- Continued to deliver the Living Links education program as well as various special programs and events including Zoo Camp, student conferences and school holiday workshops (Wild About Animals and Into Wildlife).

Executive Summary

Highlights (continued)

Service 3: Wildlife Collection Management

The conservation value of the wildlife collection will be optimised by effective management, selection, captive breeding, breeding for re-introduction and provision of research opportunities.

In 2006-07, Perth Zoo:

- Released a Perth Zoo born and bred Sumatran Orang-utan into the protected Bukit Tigapuluh National Park in Indonesia as part of a reintroduction program for this critically endangered species. This was the first captive-bred, zoo orang-utan in the world to be released into the wild.
- Continued to breed threatened native animals for release into the wild in Western Australia. In 2006-07, the Zoo provided the Department of Environment and Conservation with 81 animals for release as part of species recovery programs.
- Welcomed the safe arrival of two rescued Sun Bears – a male and female – from Cambodia. The bears will join the regional breeding program for this species.
- Received a breeding pair of endangered Northern Quolls from the Territory Wildlife Park in Darwin. The aim is to breed these animals at Perth Zoo for release into the wild in the Northern Territory.
- Introduced two new male lions as companions to our non-breeding lioness after she lost her elderly mate, Alistair. It is hoped that, in the future, the young males (from the Cairns Wildlife Safari Reserve) will play a key role in a planned regional breeding program for the threatened African Lion.
- Contributed to regional breeding programs for priority species. Significant animal births included a White-cheeked Gibbon (critically endangered), Black-and-White Ruffed Lemurs (endangered), twin Pygmy Marmosets, a Cotton-top Tamarin (endangered) and eight African Painted Dogs (endangered).
- Successfully bred seven Sandhill Dunnarts. This is only the second time Dunnarts have been bred in captivity. Research into the breeding cycles of this species continued.
- Continued work on a Frog Breeding Research Program established at the Zoo in 2005-06 in response to the global amphibian crisis. The program is focusing on threatened Western Australian frog species.
- Established non-invasive hormone monitoring facilities on site to support major breeding initiatives.
- Provided opportunities for 23 new research projects including four PhD projects, one Honours project, eight third year projects, three fourth year (short Honours) projects, two Masters and five Post-doctoral collaborations.
- Continued to provide clinical rotations at Perth Zoo for Murdoch University final year veterinary students, as well as post-graduate diploma veterinary training as part of Murdoch University's Conservation Medicine post-graduate courses.



White-cheeked Gibbon infant

Executive Summary

Financial Overview

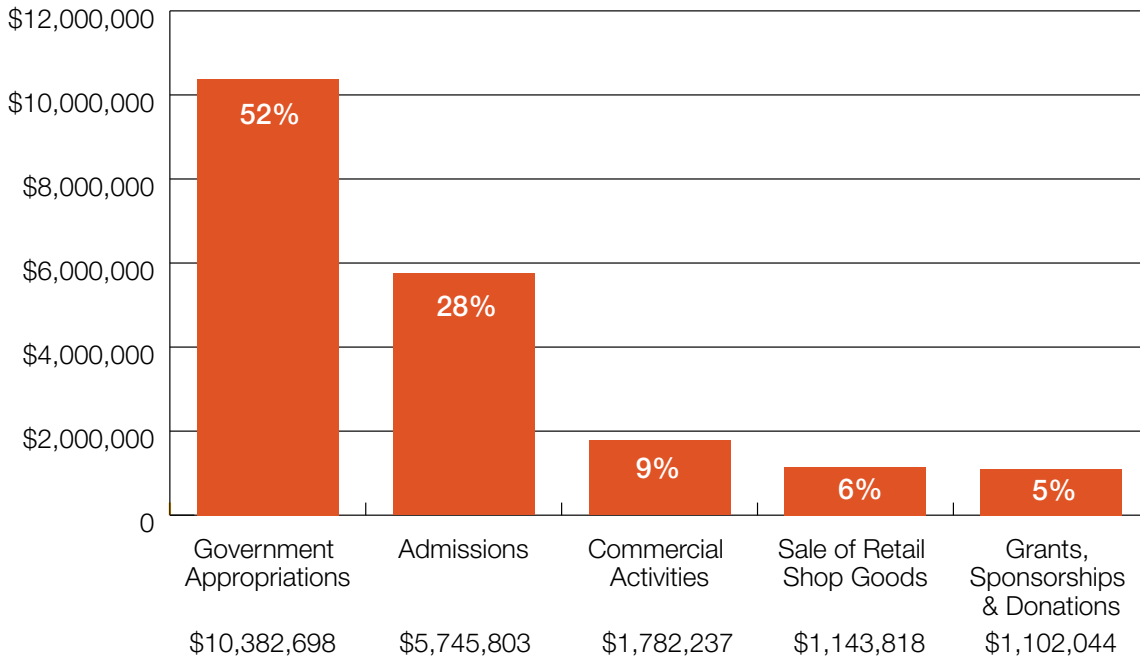
The Year at a Glance

- Generated \$5.7 million revenue from admissions, an increase of 7% over the previous year.
- Increased Friends of Perth Zoo membership revenue by 23% from last year, to \$527,963. Friends of Perth Zoo members made up 14 % of the Zoo’s admission numbers, an increase of 9% over the previous year.
- Recorded a retail shop net profit of \$241,952, an increase of 27% over the previous year.
- Received catering dividends of \$428,475, an increase of 9% over the previous year.
- Received approval for additional State Government funding of \$1.86 million as part of the mid year budget review to build a new perimeter fence for the Zoo.

Revenue

The Zoological Parks Authority receives revenue from the State Government in the form of a consolidated fund appropriation. The Authority also generates its own revenue from the operations of Perth Zoo including visitor admissions, commercial activities and fundraising. In addition, the Zoo receives grants and sponsorships for activities such as animal breeding, animal research and animal exhibit development. Total revenue of over \$20 million was received in 2006-07 from the following sources:

Sources of Revenue



Executive Summary

Financial Overview (continued)

A total of 612,925 people visited Perth Zoo during the year, contributing total gate revenue of over \$5.7 million. The number of visitors was 3% greater than last year's total of 597,027. The admissions revenue yield increased from \$8.98 in 2005-06 to \$9.37 in 2006-07. There was an admission price increase from 1 July 2006 that contributed towards the yield increase but the yield was still below the target of \$9.86 due to the increasing number of Friends of Perth Zoo members and lower than expected attendances at some of the Zoo's summer events. As a result, the Zoo will be implementing a revised format of events in 2007-08 with the aim of optimising revenue while minimising the financial risk to the Zoo. Friends of Perth Zoo membership revenue increased by 23% during the year from \$427,459 in 2005-06 to \$527,963 in 2006-07.

The commercial activities of the Zoo continued to do well with increases in areas such as restaurant revenue and the retail shop. Sales at the Zoo shop reached the million dollar level for the first time with total sales of \$1,143,818 – an increase of \$190,554 or 20% over the previous year. The shop recorded a net profit of \$241,952, an increase of 27% over the previous year.

Grants, sponsorships and donations generated over \$1.1million in 2006-07. Some of these grants and sponsorships were restricted for specific purposes such as frog research, native species breeding or cross promotional activities with sponsors. The opening of the Zoo's new Sun Bear exhibit during the reporting period brought to a close the highly successful Project Sun Bear fundraising campaign. The campaign, launched in March 2004, raised nearly \$100,000 during 2006-07 bringing the campaign total to over \$360,000. The money raised, along with sponsorships, funded the construction of the new Sun Bear exhibit.

State Government funding provided 52% of the Zoo's revenue base in 2006-07. The level of Government support received by the Zoo 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 three services of community education and awareness, visitor services and wildlife collection management.

Expenditure

Total operating expenditure for 2006-07 was \$18.2 million. Salaries, wages and staffing costs accounted for 55% of the Zoo's expenditure for 2006-07. This includes direct costs of employee salaries and wages, costs of providing for leave liabilities and indirect payroll costs such as superannuation and workers' compensation. Increases in award rates of pay and the associated on-costs contributed to higher costs in this area. Staffing costs also include appointment expenses, staff training and uniforms.

Depreciation and asset costs made up 19% of expenses, reflecting the fact that the majority of the Zoo's assets are high value, non-current, depreciable assets. This total includes capital user charge costs of \$1,647,560 to State Government (this is the final payment of this charge as the State Government has now abolished the charge).

Executive Summary

Financial Overview (continued)

Maintenance costs included continuing work on the Zoo's ageing infrastructure and the ongoing implementation of a comprehensive preventative maintenance program. Significant progress has been made in areas such as restorative painting, and road and pathway repairs. Major maintenance work was also undertaken on the suspension bridge in the rainforest exhibit and fencing in the African Savannah. Maintenance expenditure made up 9% of operating costs for the period.

Administration costs including property insurance, information technology, communications and printing accounted for 8% of expenditure. The balance of expenditure was made up of animal operating expenses, cost of retail shop sales, and advertising and promotion, with each representing 3% of total expenditure. The animal operating expenses include animal food, dietary supplements, veterinary supplies and animal transportation. Costs of retail shop sales increased by 19% during the period as a result of increased sales. Advertising and promotion expenditure increased during the period and included a major promotion for Tricia the Asian Elephant's 50th birthday celebrations.

Capital Works

The Zoo spent \$3.4 million on capital works projects in 2006-07. The capital works program consisted of a number of projects that were funded from either Government appropriations or internally generated sponsorships and donations. Major capital works included the completion of a new Sun Bear exhibit, funded by donations and sponsorships, and the start of construction work on stage two of the Asian Elephant exhibit redevelopment.

Capital works in 2006-07 funded by sponsorships and donations included off-exhibit holding yards for the African Painted Dogs and Meerkats, a major upgrade of the Perentie exhibit and additional climbing poles for the orang-utan exhibit. Facility related projects included improvements to office facilities, additional security equipment and audio visual equipment for the Zoo's theatre.

Detailed design work for the final stage of the Sumatran Orang-utan exhibit redevelopment, including roof-top visitor viewing, began in 2006-07 with construction work expected to start in early 2008.

The State Government continued to provide \$500,000 annual capital works funding for maintenance projects at the Zoo. The major works undertaken with these funds in 2006-07 included ongoing preventative maintenance programs, re-roofing of the historic carousel shelter, extensive painting, upgrades to exhibit pathways and water management projects.

Operational Structure

Enabling Legislation

The Zoological Parks Authority is constituted under the authority of the Zoological Parks Authority Act 2001 and came into operation on 22 May 2002. The Authority is a body corporate with perpetual succession. It is an agent of the Crown and enjoys the status, immunities and privileges of the Crown.

The functions of the Authority, outlined in Section 9 of the Act, include controlling and managing Perth Zoo in which zoological specimens are kept and displayed, and plants cultivated, for conservation, research, scientific, educational, cultural or recreational purposes. Other specific functions include: conducting and collaborating in breeding programs for the preservation of threatened animal species; conducting and collaborating in research programs for the preservation of threatened animal species and the conservation and management of other species; conducting public education and awareness programs; providing and promoting recreational services and facilities at Perth Zoo; and conserving and enhancing the gardens, amenities and natural environment of Perth Zoo.

In line with Section 48 of the Act, the Minister is carrying out a review of the effectiveness of the Zoological Parks Authority Act following five years of operation.

Responsible Minister

The Hon David Templeman MLA (Minister for the Environment; Climate Change; Peel) is the Minister responsible for the Zoological Parks Authority which manages Perth Zoo.

Perth Zoo Vision

A world where diversity of species and habitats is secure

Mission/Purpose

To secure long term populations of species in natural environments while engaging the community in global conservation action

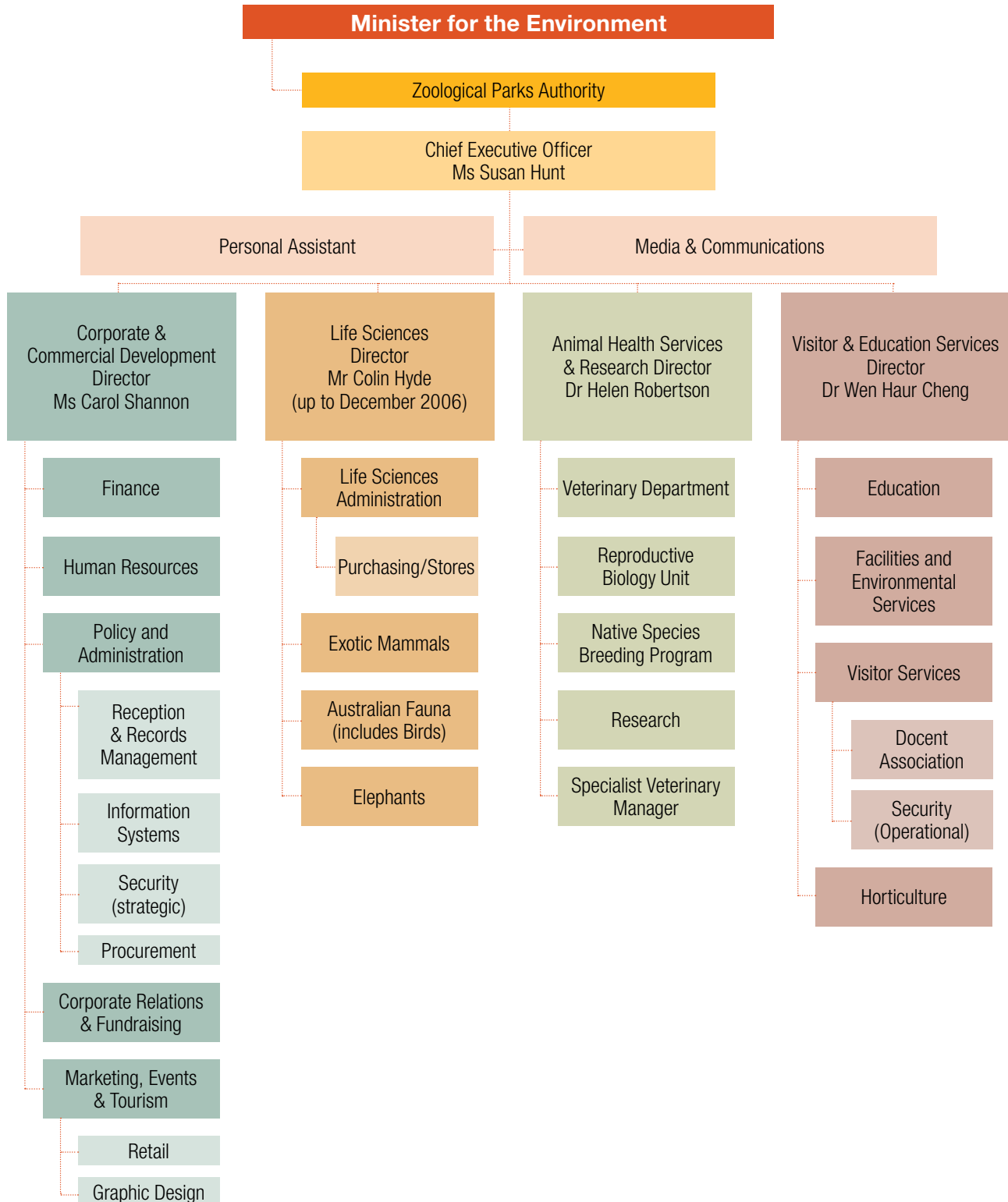
Values

We value excellence in animal care, environmental responsibility and customer service. In bringing life to our values we embrace and encourage:

- Contribution of staff and volunteers
- Individual and corporate responsibility
- Care for the environment and people
- Responsiveness and openness
- Continual improvement and development
- Creativity and innovation
- Integrity and ethics in all that we do
- Pursuit of the highest standards in animal care

Operational Structure

Organisational Chart



Operational Structure

Agency Operating Structure

Perth Zoo's objectives and outcomes are delivered through four directorates: Life Sciences; Animal Health Services and Research; Visitor and Education Services; and Corporate and Commercial Development. The activities and outcomes achieved by the directorates are detailed in the Agency Performance Chapter – Report on Operations. The directors of each directorate report to the Chief Executive Officer who is responsible to the Zoological Parks Authority Board for the day-to-day operations of the Zoo. Sectional managers and curators make up the third level of management.

To ensure the smooth operations of the Zoo – which opens every day of the year – and to help coordinate the Zoo's various activities relating to conservation, research, education, events and tourism, the Zoo has a number of multi-discipline, cross-directorate committees and groups. These groups meet regularly, or as required, to plan, develop and implement initiatives, address day-to-day matters and deal with more complex issues involving local, interstate and overseas organisations.

The Corporate Executive group, comprising the Chief Executive Officer and the directors, meets weekly to consider key planning and policy matters relating to corporate governance of the Zoo including financial and human resource management issues, risk management, capital works programs, environmental management and other key issues central to Zoo operations.

A Senior Managers group including the Chief Executive Officer, directors, curators and sectional managers meets fortnightly to discuss operational matters and provide updates on corporate executive and board meeting outcomes and section activities. Other standing committees include the Occupational Safety and Health Committee, the Disability Services Committee, the IT Planning Committee and the Risk Management Committee. Special project groups are established as required to coordinate and oversee specific breeding programs or capital works projects.

Operational Structure

Zoological Parks Authority Board

The Zoological Parks Authority Act states that the Authority's Board of Management shall comprise eight members appointed by the Minister. Members may be appointed for any term not exceeding four years and are eligible for reappointment. The Board is the governing body of the Authority.

During 2006-07, three new members, Eric Ball, Barbara Cook and Kevin Harrison, were appointed to the Board and existing member, Professor Andrew Thompson, was appointed Deputy Chairperson. Margaret Nadebaum and Karen Lang completed their terms as members and Noelene Pearson resigned as a member.

The Board met monthly and carried out its responsibilities in line with an approved Code of Conduct for Government Boards and Committees. The Board met on nine occasions in the reporting period. The number of meetings attended by each member is shown in brackets.

Mr Peter Metcalfe Chairperson (9 meetings out of a possible 9 meetings)

Mr Metcalfe was appointed to the Zoological Parks Authority Board on 4 July 2005 for a three-year term. He has a background in public policy advice and is the external affairs manager for BP in Western Australia. He has previously sat on the boards of other non-profit organisations and is a former Chairman of the Deckchair Theatre Company and the South Lake Child Care Centre. Mr Metcalfe has two young children and is a regular visitor to the Zoo.

Ms Margaret Nadebaum Deputy Chairperson, part year (6 out of possible 6)

Ms Nadebaum has held a number of senior positions in education including Chief Executive Officer of the Ministry of Education in Western Australia and Principal of Methodist Ladies' College in Perth. She has been a member of many government boards and committees at national, state and local levels. Currently, she is a member of the Salaries and Allowances Tribunal and a sessional member of the State Administrative Tribunal. Ms Nadebaum joined the Zoological Gardens Board in March 1997. Her appointment to the Zoological Parks Authority Board expired on 23 February 2007.

Professor Andrew Thompson Deputy Chairperson, part year (7 out of possible 9)

Professor of Parasitology at the School of Veterinary and Biomedical Sciences, Division of Health Sciences, Murdoch University, Professor Thompson is the Principal Investigator and Head of the World Health Organisation Collaborating Centre for the Molecular Epidemiology of Parasitic Infections. He is also Associate Director of the Western Australian Biomedical Research Institute, Chair of the Fauna Rehabilitation Foundation Board and a member of the Board of Management of the Asian Rhino Project. Professor Thompson joined the Zoological Parks Authority Board in February 2003. He was reappointed to the Board in March 2006 for a three-year term and appointed Deputy Chairperson on 21 May 2007 for a period of three years.

Mr Eric Ball (5 out of possible 5)

Mr Ball is a Senior Associate of the ANZ Institute of Insurance and Finance in private practice as a Financial Consultant. He was a foundation member of the Perth Zoo Animal Ethics Committee and is a member of the Animal Ethics Committee at Curtin University, as well as an alternate member at the Department of Agriculture. Mr Ball was Chairman and President of RSPCA WA from 1985 to 2004 and remained on the Board until 2006. He was a member of the RSPCA Australia National Council until 2004 and received the prestigious National Outstanding Service Award from that Council in 2005. He has sat on a number of advisory committees including the State Animal Welfare Advisory Committee. Mr Ball was appointed to the Zoological Parks Authority Board on 30 October 2006 for a three-year term.

Operational Structure

Zoological Parks Authority Board (continued)

Mr John Collins (6 out of possible 9)

A former councillor of the City of South Perth for five years, Mr Collins is the Mayor of South Perth. His early corporate background was in the finance industry. He later established businesses in retail and accounting software solutions. He joined the Zoological Parks Authority Board in March 2003 and was reappointed to the Board in March 2006 for a one-year term. Mr Collins' term of appointment has been extended until after Local Government elections (October 2007).

Ms Barbara Cook (3 out of possible 3)

Barbara Cook has experience in policy development and community consultation following 18 years in the public service. Now retired, Ms Cook has a background in education as a secondary school teacher and worked as a senior advisor to government ministers and parliamentarians at both the State and Federal level. She is currently a member of a number of government and community boards. Ms Cook was appointed to the Zoological Parks Authority Board on 11 December 2006 for a three-year term.

Mr Kevin Harrison (3 out of possible 3)

Mr Harrison is a past Commissioner, Chairman and Chief Executive Officer of the Western Australian Tourism Commission. He has served on government boards at a state, national and international level including roles as Chairman of the Rottnest Island Authority, Eventscorp and Rally Australia. Mr Harrison was appointed to the Zoological Parks Authority Board on 11 December 2006 for a three-year term.

Ms Karen Lang (4 out of possible 6)

A barrister and solicitor, Ms Lang has a long-standing interest and involvement in animal welfare and served for some years on the University of Western Australia's Animal Experimentation Ethics Committee. She has also served on consumer protection and arts boards and has advised the State Government on animal welfare legislation. Ms Lang is a sessional member of the State Administrative Tribunal and deputy chair and legal member of the Building Disputes Tribunal and the Real Estate and Business Agents Supervisory Board. She was appointed to the Zoological Gardens Board in May 2001. Her appointment to the Zoological Parks Authority Board expired on 23 April 2007.

Professor George Stewart (5 out of possible 9)

Dean of Life and Physical Sciences at the University of Western Australia (UWA), Professor Stewart joined UWA as Dean of Science in 1998. He has more than 35 years experience in research and teaching including 18 years in leadership roles as Head of Science departments at the University of Queensland, University College London, University of London and University of Manchester. He holds a First Class Honours Bachelor of Science and a Doctor of Philosophy (PhD) in Botany from the University of Bristol, as well as a Doctorate of Science (DSc) from the University of London. He was appointed to the Zoological Parks Authority Board on 4 July 2005 for a three-year term.

Operational Structure

Zoological Parks Authority Board (continued)

Dr Sandy Webb (6 out of possible 9)

Trained as a zoologist, Dr Webb's early career was in scientific/medical research in reproductive biology. She was the Executive Officer of the WA Reproductive Technology Council for 13 years and served terms on the Gene Technology Ethics Committee and the Australian Health Ethics Committee. In the 2005 Queen's Birthday Honour's List she was awarded the Public Service Medal in recognition of outstanding public service in the provision of advice at the state and national level on technical and ethical issues relating to reproductive and gene technology. Dr Webb is now an Honorary Research Fellow at Perth Zoo. She was appointed to the Zoological Parks Authority Board for a three-year term in April 2005.

Board Fees

Members were paid remuneration as determined by the Minister on the recommendation of the Minister for Public Sector Management:

| | |
|--------------------|---|
| Chairperson | annual fee of \$12,200 |
| Deputy Chairperson | annual fee of \$8,500 |
| All other Members | sitting fee of \$320 per full day or \$210 per half day |

Formal Committees of the Board

In line with Schedule 2, Section 14 (1) of the Zoological Parks Authority Act 2001, the Board appoints committees to assist it in the performance of its functions. Three of these committees (Animal Ethics, Research and Audit) include external representation. The terms of reference and performance of the committees is reviewed by the Board on an ongoing basis. The formal committees of the Board, their terms of reference and membership are listed below:

Title: 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.

Members: Peter Metcalfe (Board representative), John Collins (Board representative), Eric Ball (Board representative, part year), Susan Hunt (Perth Zoo Chief Executive), Carol Shannon (Perth Zoo Director Corporate and Commercial Development) and Melanie Price (Perth Zoo Accountant).

Title: Audit Committee

Role: To assist the Authority to ensure corporate compliance, and the effectiveness and relevance of internal and external audit processes.

Members: Peter Metcalfe (Board representative), Margaret Nadebaum (Board representative, part year), John Collins (Board representative), Eric Ball (Board representative, part year), Susan Hunt (Perth Zoo Chief Executive), Carol Shannon (Perth Zoo Director Corporate and Commercial Development), Melanie Price (Perth Zoo Accountant) and representatives from internal auditors, Stammers. A representative from the Office of the Auditor General attends as an observer.

Operational Structure

Zoological Parks Authority Board (continued)

Title: **Animal Ethics Committee**

Role: To ensure that all animal care and use within the institution is conducted in compliance with the National and Medical Research Council's Australian Code of Practice for the care and use of animals for scientific purposes including teaching.

Members: Susan Hunt, (Perth Zoo Chief Executive), Karen Lang (Board representative, part year), Eric Ball (Board representative, part year), Graham Mabury (public interest), Veronica Anderson (animal welfare interest), Steve Vanstan (animal welfare interest, RSPCA), Professor Ralph Swan (veterinary science, Murdoch University), Michael Schultz (public interest, Network 10), Colin Hyde (Perth Zoo Director Life Sciences, part year), Leif Cocks (Acting Perth Zoo Director Life Sciences, part year), Helen Robertson (Perth Zoo Director Animal Health and Research), Simone Vitali (Perth Zoo Senior Veterinarian) and Trueman Faulkner (Perth Zoo Exotic Section Supervisor).

Title: **Research Committee**

Role: To advise the Board on strategic research matters including priorities and guidelines, as well as opportunities to develop partnerships and implement research findings in the wider community.

Members: Andrew Thompson (Board representative), Colin Hyde (Perth Zoo Director Life Sciences, part year), Leif Cocks (Perth Zoo Acting Director Life Sciences, part year), Alan Lymbery (Murdoch University), Keith Morris (Department of Environment and Conservation), Ric How (WA Museum), Graeme Martin (University of Western Australia), Dr Simone Vitali (Perth Zoo Senior Veterinarian), Dr Cree Monaghan (Perth Zoo Specialist Veterinary Manager), Helen Robertson (Perth Zoo Director Animal Health and Research) Wen-Haur Cheng (Perth Zoo Director Visitor and Education Services) and Phil Matson (Perth Zoo Reproductive Biology Unit).

Operational Structure

Executive Management Team

Susan Hunt BA (Hons), MA (Arts)

Chief Executive Officer

Susan Hunt was appointed Chief Executive Officer on 30 March 2004. Ms Hunt joined the Zoo in May 2000 as Director of Business Operations. She has extensive experience in policy and planning in the Western Australian public sector and has also worked in the university and private sectors in social science research, writing and lecturing. Ms Hunt has worked for the State Government since 1984 and worked in indigenous affairs for over 10 years. She is a member of the Institute of Public Administration, the Conservation Breeding Specialist Group of the Species Survival Commission, and the World Association of Zoos and Aquariums. In 2006, she was appointed to the IUCN Species Survival Commission "Amphibian Ark". In 2007, she was also elected President of the Board of the Australasian Regional Association of Zoological Parks and Aquaria (ARAZPA).

Carol Shannon BEd, MBA, GAICD

Director Corporate and Commercial Development

Carol Shannon joined Perth Zoo in July 2006. She has over six years experience as a director in the Western Australian public sector and has worked extensively in the private sector in Australia and England, principally in banking and finance. Her responsibilities include finance, marketing, human resource management, policy and administration, sponsorship and fundraising.

Dr Wen-Haur Cheng BVMS (Hons), BSc

Director Visitor and Education Services

Wen-Haur Cheng joined Perth Zoo in 2004. A veterinarian, he was with Singapore Zoo for 11 years, including six years as head veterinarian and four years as executive director, before joining Perth Zoo. As Director of Visitor and Education Services, his areas of responsibility include visitor services, the Zoo's education program, horticulture, facilities, environmental services and the Docent Association volunteer group.

Colin Hyde B. App. Sci. (Env. Sci.), Assoc. Dip. (Env. Ctl.)

Director Life Sciences, part year

Colin Hyde commenced as Perth Zoo's first Director of Conservation in 1995 and left the Zoo in December 2006 to take up a new position in the eastern states. During his 11 years as Director, he made an enormous contribution to Perth Zoo including the development of standard operating procedures, the introduction of standards for exhibit construction and the introduction of formal collection planning for the Zoo.

Operational Structure

Executive Management Team (continued)

Dr Helen Robertson BSc (Hons), PhD, Grad. Dip Journalism

Director Animal Health Services and Research

Helen Robertson joined the Zoo in 1997 and has held a number of positions including Research Manager and Curator of Australian Fauna. Dr Robertson was appointed Director of the Animal Health and Research Directorate in 2006-07 and is responsible for the Zoo's research program, reproductive biology unit, Native Species Breeding Program and veterinary department. She is also responsible for developing collaborative research and breeding programs with other scientific institutions to support Zoo conservation activities.

Leif Cocks B. App. Sci., Grad. Dip. (Nat Res.), and Masters of Science

A/Director Life Sciences, part year

Leif Cocks joined Perth Zoo in 1986 and has worked in many positions including keeper, Manager of Policy and Administration, Exotic Fauna Supervisor, Primates Curator and Exotic Fauna Curator. As Acting Life Sciences Director, his responsibilities include the Australian fauna, exotic mammals and elephant sections. He is a member of the Australian Species Management Committee, convenor of the Artiodactyl Taxon Advisor Group (TAG), Species Coordinator and International Studbook Keeper for Silvery gibbon, Primate TAG Husbandry Advisor and is an ARAZPA Accreditation Officer.

Operational Structure

Partners in Conservation

Perth Zoo Docent Association

Perth Zoo Docents (volunteers) contribute many thousands of hours of service to Perth Zoo each year, enhancing the visitor experience and assisting in many areas including functions and events, fundraising and guiding.

In 2006-07, the Perth Zoo Docent Association reached a significant milestone celebrating its 25th anniversary in March 2007. When the association was formed in 1982, 54 volunteers pledged their commitment to Perth Zoo. Three of those original members still volunteer at the Zoo. Since that time, the association has trained more than 1100 volunteers. Collectively, these volunteers have provided more than half a million hours of unpaid service to the Zoo over the past quarter of a century.



Founding members Jeanette Robinson, Eveline Read and Bob Wainwright still volunteer at the zoo

The 25th anniversary was celebrated with a special dinner and a reunion at the Zoo for past and present Docents. Consistent with their culture of giving, the volunteers presented Perth Zoo with two Wollemi Pines to commemorate the anniversary. The Minister for the Environment, the Hon David Templeman MLA, attended the reunion and accepted the pines on behalf of the Zoo. The trees have been planted in the Zoo grounds to be enjoyed by all Zoo visitors.

The Perth Zoo Docent Association now has around 300 members at any one time, with people from all walks of life and varying ages and nationalities. The dedication and commitment of these volunteers is as strong as ever.

In 2006-07, Docents contributed 42,418 hours of service. These hours were spent staffing the Information Centre, conducting guided tours and special presentations, assisting with events and functions, and providing hands-on learning experiences at the 'touch tables'. Other duties included off-site presentations to community groups by members of the Zoo-to-You panel.

Docents also provided valuable assistance behind-the-scenes creating enrichment items for the animals, fundraising and maintaining the Perth Zoo archives. When Project Sun Bear was wound up in 2006-07, Docents had raised a remarkable \$45,500 to help build the new Sun Bear exhibit and bring two rescued bears to Perth.

Operational Structure

Partners in Conservation (continued)

Perth Zoo Sponsors

Alinta – Alinta Numbats Under Threat exhibit and Alinta Reptile Encounter
City of South Perth – Summer events season and Project Sun Bear
Commonwealth Bank – The Rat Pack’s Back, Zoo Tributes and Project Sun Bear
Community Newspaper Group – Project Sun Bear, advertising and promotions
Coca-Cola Amatil – Marketing, promotions and Project Sun Bear
Fonterra Brands Australia (P&B) Pty Ltd – Peters Trumpet Happy Zoo Year, Brownes Yogo Numbat Club, promotions, product supply and Project Sun Bear
96fm – Advertising and Project Sun Bear
Network TEN – Advertising and Project Sun Bear
Pilbara Iron – Ghost Bat exhibit in the Nocturnal House
RAC – African Lion exhibit
Termimesh (TMA Corporation) – Echidna exhibit
Tiwest – The Great Australian Marsupial Night Stalk in partnership with Tiwest
Water Corporation – WA Black Cockatoo exhibit and interpretive hub, WA Black Cockatoo rehabilitation program, Zootober, Waterwise promotional strategy

Other Supporters

Buena Vista – Fundraising film screening
Broadwater – Accommodation support and promotional prizes
Greater Union – Fundraising film screening
IGA – Project Sun Bear
Luna Cinema – Zoo Friends
Madcat Photography – Website services
Mustard Catering – Catering
NatVend (WA) Pty Ltd – Donation/product supply
Peedac (Boola Wongin Nursery) – Donation
Perth Zoo Docent Association – Donations and Project Sun Bear
Platform Interactive – E-newsletters
Pretzel Logic – Website
Quality Press – Print
Stryker Endoscopy – Medical equipment
Sunday Times & ChillOut! – Promotions, competitions and Project Sun Bear
Synovate – Market research
The West Australian newspaper – Promotions and competitions
Wesley CD – Project Sun Bear
Western Power – Pole installations at Orang-utan exhibit

Operational Structure

Partners in Conservation (continued)

Stakeholders

Community of Western Australia

City of South Perth

Department of Environment and Conservation

Friends of Perth Zoo members

Adoption certificate holders

Perth Zoo Docent Association (volunteers)

RSPCA

Department of Agriculture and Food

WA Tourism Commission

Australasian Species Management Program

IUCN (World Conservation Union)

Australasian Regional Association of Zoological Parks and Aquaria

WWF

Taronga Zoo

Melbourne Zoo

Adelaide Zoo

Monarto Zoological Park (SA)

Government of Western Australian

The University of Western Australia, Murdoch University and Curtin University

Corporate sponsors

WA Museum

Wildlife carers

Conservation sector and environmental groups

Animal welfare and preservation groups

Australian Wildlife Conservancy

Australian Quarantine and Inspection Service

Operational Structure

Key Legislation

Legislation and Regulations Administered

Zoological Parks Authority Act, 2001

Zoological Parks Authority Regulations, 2002

Other Key Legislation Impacting on Zoological Parks Authority Activities

Western Australian Acts:

Aboriginal Heritage Act, 1972

Animal Welfare Act, 2002

Auditor General Act, 2006

Bush Fires Act, 1954

Business Names Act, 1962

Commercial Tenancy (Retail Shops) Agreement Act, 1985

Conservation and Land Management Act, 1984

Constitution Act, 1889

Constitution Acts Amendment Act, 1899

Corporations (Western Australia) Act, 1990

Corruption and Crime Commission Act, 2003

Disability Services Act, 1993

Dog Act, 1976

Electoral Act, 1907

Electricity Act, 1945

Electronic Transaction Act, 2003

Emergency Management Act, 2005

Environmental Protection Act, 1986

Equal Opportunity Act, 1984

Evidence Act, 1906

Fair Trading Act, 1987

Financial Management Act, 2006

Fines Penalties and Infringement Notices Enforcement Act, 1994

Firearms Act, 1973

Fish Resources Management Act, 1994

Freedom of Information Act, 1992

Health Act, 1911

Heritage of Western Australia Act, 1990

Industrial Relations Act, 1979

Interpretation Act, 1984

Labour Relations Reform Act, 2002

Operational Structure

Key Legislation (continued)

Land Administration Act, 1997
Library Board of Western Australia Act, 1951
Limitations Act, 1935
Liquor Licensing Act, 1988
Litter Act, 1979
Local Government Act, 1995
Long Service Leave Act, 1958
Metropolitan Water Supply, Sewage and Drainage Act, 1909
Minimum Conditions of Employment Act, 1993
Occupational Safety and Health Act, 1984
Occupiers Liability Act 1985
Planning and Development Act, 2005
Poisons Act, 1964
Police Act, 1892
Public and Bank Holidays Act, 1972
Public Interest Disclosure Act 2003
Public Sector Management Act, 1994
Radiation Safety Act, 1975
Road Traffic Act, 1974
Salaries and Allowances Act, 1975
Sentencing Act, 1995
Soil and Land Conservation Act, 1945
State Records Act, 2000
State Superannuation Act, 2000
State Supply Commission Act, 1991
State Trading Concerns Act, 1916
Superannuation and Family Benefit Act, 1938
Surveillance Devices Act, 1998
Terrorism (Extraordinary Powers) Act, 2005
The Criminal Code – Criminal Code Act Compilation Act, 1913
Volunteers and Food and Other Donors (Protection from Liability) Act, 2002
Water and Rivers Commission Act, 1995
Water Supply, Sewage and Drainage Act, 1912
Water Corporation Act, 1995
Wildlife Conservation Act, 1950
Workers Compensation and Injury Management Act, 1981
Workplace Agreements Act, 1993

Operational Structure

Key Legislation (continued)

Commonwealth Acts:

A New Tax System (Goods and Services Tax) Act, 1999
A New Tax System (Pay as you Go) Act, 1999
Copyright Act, 1968
Copyright Amendment (Digital Agenda) Act, 2000
Customs Act, 1901
Disability Discrimination Act, 1992
Environment Protection and Biodiversity Conservation Act, 1999
Fringe Benefits Tax Act, 1986
Privacy Act, 1988
Quarantine Act, 1908
Quarantine Amendment (Health) Act, 2003
Trade Practices Act, 1974
Workplace Relations Act, 1996

Location

Perth Zoo is located at 20 Labouchere Road, South Perth. The Zoo can be contacted by telephone on (08) 9474 0444, facsimile (08) 9474 4420 or e-mail@perthzoo.wa.gov.au.

Land Reserves

In South Perth, the land area (19.047 hectares) vested in the Zoological Parks Authority is Class A Reserve number 22503 comprising Perth Suburban Lot 1313. Consolidation of the previous Lots 108, 121, 122, 326, 327, 327, 327, 329, 330, 427, 438 and 992 into the one Lot 1313 was registered with Crown Land Titles on 17 April 2007. The Reserve is designated for Zoological Gardens purposes.

A total of 328 hectares comprising Reserve number 30393 (Avon locations 27775 – 27798, 28541 and 27693) is vested in the Zoological Parks Authority. This Reserve is designated for Zoo purposes as recommended in the System Six Report by the Environmental Protection Authority.

The Zoological Parks Authority maintains a long-term lease on 39 hectares of land at Byford, on the southern outskirts of the Perth metropolitan area, for fodder production and off-site service area.

Performance Management Framework

Relationship to Government Strategic Goals

Broad, high level government strategic goals are supported at agency level by more specific desired outcomes. Agencies deliver services to achieve these desired outcomes, which ultimately contribute to meeting the higher level government strategic goals.

Government Goal

To ensure that Western Australia has an environment in which resources are managed, developed and used sustainably, biological diversity is preserved and habitats protected.

Agency Level Desired Outcomes and Services

Outcome 1: Positive community attitudes towards the understanding and appreciation of wildlife and environmental conservation.

Service 1: Visitor Services

Perth Zoo aims to maximise visitation by providing a quality and unique 'value for money' attraction that provides recreation, education and commercial facilities set in ecologically themed botanic gardens.

Service 2: Community Education and Awareness

Perth Zoo aims to promote clear conservation messages to the community. This is achieved by providing educational programs and publications, interpretation and information services that educate the community about conservation issues. The Zoo's commercial activities are also underpinned by conservation messages.

Outcome 2: Conservation of wildlife

Service 3: Wildlife Collection Management

The conservation value of the wildlife collection will be optimised by effective management, selection, captive breeding, breeding for reintroduction and provision of research opportunities.

Agency Performance – Report on Operations

Chief Executive Officer's Report

Thanks to the combined efforts of staff, volunteers, supporters and partners, the Zoo experienced an excellent year in 2006-07 with higher than ever revenue from our commercial activities, the highest attendance since the Zoo Centenary celebrations and growth in our education program.

Admission numbers continued to rise with 612,925 visitors in 2006-07, up 3% from 2005-06 and 11% per cent higher than 2004-05. In addition, there was strong commercial growth with the Zoo retail shop recording a 27% increase in net profit, while revenue from Friends of Perth Zoo memberships increased by 23%.

The Zoo also strengthened its conservation activities through the development of a new strategic plan with a stronger focus on conservation projects in the wild, conservation education, release-to-wild programs and research activities.

Highlights during the year included a partnership with the Indonesian Government, Sumatran Orang-utan Conservation Programme and Australian Orang-utan Project. As a result of this collaboration, one of Perth Zoo's Sumatran Orang-utans, Temara, was transferred to the Bukit Tigapuluh National Park in Sumatra as part of a managed release program. Temara has adapted extremely well and continues to be closely monitored.

Flowing on from this project, strong ties have been developed with the Indonesian Government. In May 2007, a five year letter of intent was signed by Perth Zoo and the Ministry of Forestry of the Republic of Indonesia for cooperation on the development of conservation programs for wildlife at Bukit Tigapuluh National Park and other Indonesian species.

Other highlights in 2006-07 included the opening of a new Sun Bear exhibit and the arrival of two rescued Sun Bears from Cambodia. Our successful Project Sun Bear fundraising campaign drew to a close with a final total of more than \$360,000 raised over three years to help build the exhibit. Of this amount, \$45,500 was raised by Perth Zoo's Docent (volunteer) Association.

The Docent Association's 25th anniversary in March 2007 was a time of celebration and an opportunity for past and present Docents and staff to reflect on the many changes at Perth Zoo and the major contribution that Docents have made to the development of the Zoo. So much of the Zoo's success over the past 25 years would not have been possible without the enthusiastic and enduring support of our Docents who have provided over half a million hours of unpaid service to the Zoo since 1982.

Chief Executive Officer's Report

Looking ahead, we are striving to build on our commitment to conservation in the wild through our work with native species and our support for conservation of species in neighbouring countries, as well as assisting in addressing the global amphibian crisis through the conservation of local frog species.

We will also continue work to ensure that a visit to the Zoo is a quality and enduring experience, providing opportunities for visitors to connect with the natural world and contribute to conservation both locally and globally.



Susan Hunt

Chief Executive Officer



Numbat fitted with radio collar for tracking in the wild

Outcomes, Services and Performance Information

Outcome 1: Promote positive community attitudes towards the understanding and appreciation of wildlife and environmental conservation

Key Effectiveness Indicators

To obtain information in relation to effectiveness indicators 1.1 and 1.2, Synovate was commissioned by Perth Zoo to conduct customer research in May 2007. Intercept surveys were conducted with over 500 randomly selected Zoo patrons over 16 years of age.

Indicator 1.1 The Zoo as an education/learning experience

| Survey Question: “The Zoo’s displays educate visitors about conservation problems facing wildlife.” | | | | |
|---|----------------|----------------|----------------|---|
| Response | 2005-06 Actual | 2006-07 Actual | 2006-07 Target | Reason for significant variance between 2006-07 actual and 2006-07 target |
| Agree | 91% | 95% | 90% | |
| Neither agree/disagree | 5% | 2% | 5% | |
| Disagree | 2% | 1% | 5% | |
| Don't know | 2% | 2% | – | |

Indicator 1.2. Conservation of the environment

| Survey Question: “Perth Zoo encourages people to be more conscious about the conservation of the environment.” | | | | |
|--|----------------|----------------|----------------|--|
| Response | 2005-06 Actual | 2006-07 Actual | 2006-07 Target | Reason for significant variance between 2006-07 actual and 2006-07 target |
| Agree | 89% | 94% | 80% | The 2006-07 target was set prior to the survey question being revised in 2005-06 to provide respondents with a clearer focus. The previous question was: “The Zoo promotes changes in lifestyle which can help the environment”. |
| Neither agree/disagree | 7% | 2% | 15% | |
| Disagree | 2% | 2% | 5% | |
| Don't know | 2% | 2% | – | |

Outcomes, Services and Performance Information

Service 1: Visitor Services

Perth Zoo aims to maximise visitation by providing a quality and unique value for money attraction that provides recreation, education and commercial facilities set in ecologically themed botanic gardens.

| Key Efficiency Indicators | 2005-06 Actual | 2006-07 Actual | 2006-07 Target | Reason for significant variance between 2006-07 actual and 2006-07 target |
|--|----------------|----------------|----------------|--|
| Total customers admitted to the Zoo | 597,027 | 612,925 | 570,000 | Following the positive trend in admission numbers in 2005-06, the original 2006-07 target was revised to 590,000. Admission numbers continued to increase in 2006-07 with strong general admission numbers. The increasing Friends of Perth Zoo membership base resulted in the percentage of member admissions rising from 9% in 2005-06 to 14% of total admissions in 2006-07. |
| Average cost per customer (based on total cost of services to the Zoo) | \$28.13 | \$29.64 | \$32.35 | Due to higher than expected admission numbers. |

Service 2: Community education and awareness

Perth Zoo aims to promote clear conservation messages to the community. This is achieved by providing educational programs and publications, interpretation and information services that educate the community about conservation issues. The Zoo's commercial activities are also underpinned by conservation messages.

| Key Efficiency Indicators | 2005-06 Actual | 2006-07 Actual | 2006-07 Target | Reason for significant variance between 2006-07 actual and 2006-07 target |
|---|----------------|----------------|----------------|---|
| Number of participants in formal education programs | 61,053 | 62,666 | 62,000 | |
| Average cost per participant | \$17.32 | \$21.79 | \$23.90 | Due to higher than expected participants and lower than expected total Zoo operating costs. |

Outcomes, Services and Performance Information

Outcome 2: Conservation of wildlife

Key Effectiveness Indicators

Number of offspring produced by threatened animals for re-introduction

Perth Zoo aims to successfully breed threatened animals for future re-introduction into their natural environments. These species are all part of programs managed by the Department of Environment and Conservation through the Recovery Team process as part of the species recovery plan.

| | 2005-06 Actual | 2006-07 Actual | 2006-07 Target | Reason for significant variance between 2006-07 actual and 2006-07 target |
|---------------------------|-------------------|-------------------|-------------------|---|
| Western Swamp Tortoise | 35 | 26 | 40 | Some eggs failed to hatch in 2006-07. |
| Numbat | 12 | 12 | 15 | |
| Dibbler | 43 | 37 | 42 | |
| TOTAL | 90 | 75 | 97 | |

Outcomes, Services and Performance Information

Key Effectiveness Indicators (continued)

Percentage of species in the animal collection that are part of a regionally managed program where the Perth Zoo has complied with that program

The Zoo's collection plan is a strategic planning document that outlines Perth Zoo's current and future animal collection requirements and associated management actions. The collection plan is reviewed annually and proposed actions negotiated with the Australasian Regional Association of Zoological Parks and Aquaria (ARAZPA) institutional members. Perth Zoo aims to comply with all agreed actions in regional animal management programs. Coordination amongst member institutions of ARAZPA is one of the cornerstones of Perth Zoo's animal management.

| | 2005-06 Actual | 2006-07 Actual | 2006-07 Target | Reason for significant variance between 2006-07 actual and 2006-07 target |
|---|-------------------|-------------------|-------------------|--|
| Number of species in Perth Zoo animal collection | 214 | 196 | 221 | The decrease is the result of the gradual phasing out of some species in Perth Zoo's animal collection. There were also changes to reporting levels from sub-species to species after the original target was set. |
| Number of species in the animal collection that are part of a regional management program | 37 | 32 | 39 | The decrease is due to transfers of some species to other organisations, the reclassification of one species, and delays in planned acquisitions in 2006-07. |
| Percentage of species in the animal collection that are part of a regional management program | 17% | 16% | 18% | |
| Number of species where Perth Zoo has complied with the regional management program | 37 | 30 | 39 | See below. |
| Percentage of species where Perth Zoo has complied with the regional management program | 100% | 94% | 100% | Perth Zoo did not entirely fulfil its commitment to the management plans of two species due to the failure of contraceptives. The management plans of these two species were for no breeding. Despite the use of contraceptives, the species bred during the period. |

Outcomes, Services and Performance Information

Service 3: Wildlife collection management

The conservation value of the wildlife collection will be optimised by effective management, selection, captive breeding, breeding for re-introduction and provision of research opportunities.

| Key Efficiency Indicators | 2005-06 Actual | 2006-07 Actual | 2006-07 Target | Reason for significant variance between 2006-07 actual and 2006-07 target |
|---|----------------|----------------|----------------|---|
| Number of species maintained within the animal collection | 214 | 196 | 221 | Following the setting of the 2006-07 target, there were some revisions to standardise the reporting of species. Previously, some sub-species were reported separately. Some planned acquisitions of new species were also deferred while reviews of the animal collection were being finalised. |
| Average cost of maintaining each species in the animal collection | \$47,557 | \$54,853 | \$50,042 | Due to decrease in the number of species. |

Directorate Reports

Life Sciences Directorate

Objectives

- To promote the understanding and appreciation of wildlife and conservation through the presentation of a diverse, well-maintained, interesting collection of animals and to directly contribute to conservation through the breeding of threatened species;
- To establish Perth Zoo as a leader in conservation research by continuing to develop a diverse scientific program and building further relationships with local, national and international research and conservation agencies; and through the application of this knowledge, continuing to breed threatened species for release into the wild.

Overview

The directorate continued to manage the Zoo's collection of fauna in line with the agency's mission statement, objectives and Animal Collection Plan – the latter developed as part of regional animal collection planning in conjunction with major zoos in the Australasian region.

During the year, the Australian Fauna Section began a strategic review to align the section more closely with the Zoo's conservation mission and to increase its effectiveness in supporting conservation.

Significant animal births in 2006-07 included a female White-cheeked Gibbon (critically endangered), Black-and-White Ruffed Lemurs (endangered), twin Pygmy Marmosets, a Cotton-top Tamarin (endangered) and eight African Painted Dogs (endangered).

Outcomes

Exotic Fauna

A key project in 2006-07 was the release of one of Perth Zoo's captive-bred Sumatran Orang-utans, Temara, into a protected national park in Indonesia as part of a reintroduction program for this critically endangered species. Her release – a world first – involved 12 months of meticulous planning and preparations including comprehensive veterinary checks and pre-release conditioning before her departure on 31 October 2006. As part of her preparations, Temara was introduced to Indonesian fruits, live termites and a wider variety of leaves, and given access to a 30 metre high fig tree to hone her climbing and nest making skills and improve her fitness.

On 16 November 2006, after completing 14 days quarantine in Indonesia, Temara was released into the Bukit Tigapuluh National Park in eastern Sumatra as part of an established orang-utan reintroduction program run by the Sumatran Orang-utan Conservation Programme (SOCP). With the support of the Indonesian Government, the SOCP has released over 50 former pet trade or orphaned orang-utans into Bukit Tigapuluh National Park in the past four years with the aim of re-establishing a viable orang-utan population in the park.

The world's first captive-bred zoo orang-utan to be released into the wild, 14-year-old Temara is thriving in her new rainforest home. Hand-picked for release based on her sex, age (i.e. natural age of dispersion for a female), health and temperament, she is displaying behaviours that indicate she will be able to successfully survive in the wild. These behaviours include good foraging skills, travelling to new areas to find varied food sources, appropriate interactions with other orang-utans in the area and excellent nest building skills. Temara has been tracked and closely monitored every day since her release and provided with supplementary food when needed. This monitoring and support will continue for at least two years and longer if necessary.

Directorate Reports

Life Sciences Directorate (continued)

The release of Temara provides the opportunity to increase the numbers and genetic diversity of the orangutan population in Bukit Tigapuluh. With one of the most successful breeding colonies of Sumatran Orangutan in the world, Perth Zoo has the capacity to breed orang-utans for release into the wild on an ongoing basis pending the outcome of the release of Temara. During the year, the Zoo's breeding male Sumatran Orangutan, Dinar, who successfully sired a male offspring at Perth Zoo in 2005, was paired with breeding females resulting in the pregnancy of one orangutan. Negara is due to give birth in December 2007.



Temara moments after her release into Bukit Tigapuluh National Park

The completion of a new purpose-built Sun Bear exhibit in January paved the way for the much anticipated arrival of two rescued Sun Bears from Cambodia. The male, Jamran, and female, Bopha, arrived in Perth in January 2007 and were given time to adjust to their new surroundings before their official debut and opening of the exhibit in February 2007. The bears have settled in extremely well and are attracting considerable attention from visitors. It is hoped that the bears will contribute to the Australasian breeding program for this species.

The Zoo continued its breeding success with endangered Black-and-White Ruffed Lemurs with the birth of twins in November 2006. This family group is housed on one of the islands on the Main Lake.

The Zoo's breeding pair of Black-capped Capuchins gave birth to another male offspring in November 2006. Breeding of this species reflects a priority change in the Australasian region to increase the numbers of Black-capped Capuchins. There was further breeding success with Pygmy Marmosets – another priority species in the region – with births in October 2006 and March 2007.

The African Painted Dogs also gave birth in November 2006, with the litter of eight puppies taking the pack size to 17. This is the second litter of this endangered species born at Perth Zoo since the arrival of the breeding pack in April 2005. Perth Zoo is part of an Australasian breeding program for African Painted Dog and plays a key role in the program. A Perth Zoo keeper is responsible for the management of the regional studbook for African Painted Dogs and for all regional breeding recommendations. Until recently, Painted Dogs occurred in large populations in the tens of thousands across Africa but numbers in the wild have declined dramatically over the past 30 years as a result of road kills, snares, culling by farmers, habitat loss and introduced diseases from domestic dogs. It is estimated that there are now fewer than 2500 individuals left in the wild.

Directorate Reports

Life Sciences Directorate (continued)

There was also success in the breeding program for critically endangered White-cheeked Gibbons with the birth of a female in June 2007. The robust infant was rejected by her first-time mother Nelly, who lost her mother at an early age, but survived thanks to around the clock intensive care by Perth Zoo veterinary and keeping staff. Staff only hand-raise animals when it is necessary and plan to reintroduce the youngster, named Li-Lian, to her parents as soon as possible. Li-Lian is a valuable addition to the regional breeding program for this species. The critically endangered classification by the World Conservation Union means the White-cheeked Gibbon is just one rung away from extinction in the wild. A Lesser Ape found in southern China, Vietnam and Laos, the White-cheeked Gibbon's predicament in the wild is the direct result of human actions including habitat destruction, poaching and the illegal pet trade. Part of an Australasian breeding program for the White-cheeked Gibbon, Perth Zoo has two breeding pairs of this species and has bred 10 White-cheeked Gibbons. The Zoo's other breeding female is also pregnant and expected to give birth in late August 2007.

Two male African Lions were transferred from Cairns Wildlife Safari Reserve to Perth Zoo in April to join our lioness, 14-year-old Manzi, who lost her elderly mate, Alistair, in March. Alistair lived to a remarkable 21 years of age. It is hoped that, in the future, the new arrivals, five-year-old brothers Nelson and Mandela, will play a key role in a planned regional breeding program for the threatened African Lion. The Australasian Regional Association of Zoological Parks and Aquaria is working on the development of an Australasian Captive Management Plan for African Lion including a regional breeding program for the species. Nelson and Mandela are genetically important as they were born and bred in Europe and carry different blood lines to the lions currently in Australasia. New genetic stock is vital in any regional captive breeding program to ensure there is as broad a genetic base as possible. In the meantime, Nelson and Mandela will provide company for our non-breeding female Manzi.



New arrivals Nelson and Mandela

In January 2007, in line with the regional captive breeding plan for Southern White Rhinoceros, two female rhinoceros, Katala and Tamu, were transferred from Perth Zoo to Orana Park in New Zealand where it is hoped they will breed. Perth Zoo has successfully bred two Southern White Rhinoceros in the past five years. The Southern White Rhinoceros is classified as Conservation Dependent which means that without active conservation programs it would become a threatened species in five years or less. Three rhinoceros – two males and a female – remain at Perth Zoo.

Directorate Reports

Life Sciences Directorate (continued)

During the year, staff mourned the loss of female Asian Elephant, Teduh. As reported in previous years, Teduh arrived from Malaysia in 1992 with a number of health problems, in particular, a generalised muscular skeletal weakness which resulted in her having difficulties lying down. She also lacked coordination in using her trunk. Teduh's condition was carefully managed over the years but in the past couple of years she had increasing problems lying down and getting up. Despite numerous tests, examinations and medical investigations, veterinary staff were unable to determine the cause of Teduh's muscular skeletal problem. Sadly, her condition took a turn for the worse in May 2007 and, despite an exhaustive battle to save her, euthanasia became the only humane option. Teduh passed away on 12 May. She was 17 years old. One of Perth Zoo's most loved animals, Teduh will long be remembered for her fighting spirit and endearing nature. Now in her twilight years, the matriarch of the elephant herd, Tricia, remains in good health and celebrated her 50th birthday in January 2007. Tricia and the other female elephant, Permai, were given access to Teduh's body to mourn the loss of their companion.

Australian Fauna

One of Australia's most destructive introduced pests – the Cane Toad – moved into Perth Zoo under strict security on 18 January 2007 to help raise public awareness of the dangers its poses. With the support of the Departments of Agriculture, and Environment and Conservation, two male Cane Toads caught in Queensland were transferred to Perth Zoo and placed in a secure display in the Nocturnal House. Introduced to Australia in 1935, the Cane Toad failed in its job to eat cane beetles but thrived in the Australian environment. With few natural predators, Cane Toads have spread rapidly and are now a major pest in Queensland, New South Wales and the Northern Territory. It is feared the toads will soon move into the Kimberley region of Western Australia. Mostly active at night, females can lay up to two clutches of 35,000 eggs every year. Cane Toads compete with native animals for food and space, and secrete a venom which is deadly to many native animals, as well as cats and dogs. Western Australians are being asked to report any suspected sightings of Cane Toads to the Cane Toad Hotline on 1800 084 881. People are urged not to kill any suspected toads as native frogs can be mistaken for Cane Toads.



Cane Toad on display

Other new arrivals included a pair of young Perenties – Australia's largest lizard -provided by Dr Bryan Greg Fry of the Australian Venom Research Unit at the University of Melbourne. To provide a more naturalistic and educational viewing experience, the outdoor Perentie exhibit in the Alinta Reptile Encounter was upgraded to mimic a rock escarpment typical of the Kimberley region. The viewing glass on the indoor enclosure was also extended to prevent visitors becoming too close to the Perenties. Once settled into their new environment, it is hoped that the pair will breed.

Directorate Reports

Life Sciences Directorate (continued)

The Zoo also received a breeding pair of endangered Northern Quolls from the Endangered Species Conservation Unit at the Territory Wildlife Park in Darwin. The aim is to breed these animals at Perth Zoo for release into the wild in the Northern Territory. Quolls, like many native species, have been adversely affected by feral pests including foxes, cats and Cane Toads.

As part of a longer term plan which will see Perth Zoo only display birds in large flight enclosures, 14 of the World of Bird aviaries were demolished and replaced with bird-attracting native gardens. The remaining World of Bird aviaries received temporary improvements, including the removal of internal dividers to increase flight space, and will be demolished at a later date.

An Australian Fauna keeper travelled to Tasmania to complete training in the captive management of Tasmanian Devils with a particular focus on captive breeding. This training is part of Perth Zoo's preparations to house Tasmanian Devils, if requested, as part of a national plan to establish a captive "insurance population" of Tasmanian Devils as a safety net in the event that the wild population collapses. In response to the Tasmanian Devil Facial Tumour Disease, which has decimated wild populations of Tasmanian Devils, Australian zoos, in concert with Tasmanian wildlife authorities, are working on the establishment of a disease-free mainland colony of Tasmanian Devils.

Refer to the Animal Health Services and Research Directorate report for further information on Australian and exotic fauna.

Directorate Reports

Animal Health Services and Research Directorate

Objectives

- To provide the highest possible level of animal health care and welfare for the animals at Perth Zoo;
- To establish Perth Zoo as a leader in conservation by continuing to develop a diverse scientific research program and building further relationships with local and international research and conservation agencies; and through the application of this knowledge, continuing to breed threatened species for release into the wild.

Overview

The Animal Health and Research Directorate encompasses the Zoo's Veterinary Department, Native Species Breeding Program, Reproductive Biology Unit and Research.

The directorate provides direct support to in-situ conservation through its native species breeding-for-release program and wildlife rehabilitation work.

In the reporting period, 24 critically endangered Western Swamp Tortoises bred at Perth Zoo were released into monitored habitats in the wild by the Department of Environment and Conservation (DEC) to augment wild populations. Twelve Numbats and 45 Dibblers were also provided to DEC for release into the wild.

Outcomes

Veterinary Department

The Veterinary Department is responsible for the provision of responsive and preventative health care for the Zoo's animal collection, as well as the examination and treatment of injured wild cockatoos and confiscated wildlife, and the provision of conservation-based veterinary education programs.

High standards of health care for collection animals continued to be provided through the Zoo's preventative medicine program which includes vaccinations, routine physical examinations, dietary management and disease screening.

Biosecurity and quarantine remained a key focus with the completion of several comprehensive biosecurity plans including quarantine management for frogs in the Reproductive Biology Unit, and the health screening and biosecurity plan for the release of a captive-born Perth Zoo orang-utan into the wild.

During the reporting period, Perth Zoo veterinary staff assessed and treated 70 wild Black Cockatoos brought in by DEC as part of an ongoing rehabilitation program for sick and injured wild Black Cockatoos. Veterinary staff also examined 20 reptiles confiscated by the Australian Customs Service and DEC. These reptiles included Carpet Pythons, Shingleback Lizards, Macquarie Turtles and Tree Frogs.

Work on Perth Zoo's Asian Elephant breeding program continued with a visit from reproduction specialists from Berlin's Institute for Zoo and Wildlife. An ultrasound was performed on the female elephant selected for breeding and semen was collected from the male. The examinations and ongoing hormone monitoring are part of preparations for another artificial insemination attempt in 2007-08.

Directorate Reports

Animal Health and Research Directorate (continued)

As part of a multifaceted approach to the Zoo's breeding program for critically endangered Sumatran Orang-utans, an extensive dietary review was undertaken. This review resulted in a number of dietary changes and an increase in the variety of items on offer to better mimic a wild diet. Hormone monitoring was undertaken with all of the breeding females and medical specialists assisted with assessments of some of the females. This information is being used to develop breeding plans for all suitable females in the colony. One orang-utan is now pregnant and due to give birth in 2007-08.

Veterinary staff continued their teaching involvement in various courses and training programs including the Murdoch University undergraduate veterinary training program, the Murdoch University Post-Graduate Conservation Medicine program and DEC's Basic Wildlife Carers' courses.

During the year, the Zoo's Veterinarian in Residence, Dr Rebecca Vaughan, completed her three-year term. Her work on the Epidemiological Aspects of Health Management of Gilbert's Potoroo (*Potorous gilbertii*) has made a significant contribution to DEC's recovery program for this critically endangered species. The successful new candidate for the John Howell Veterinarian in Residence Scholarship (a Perth Zoo and Murdoch University Wildlife Veterinary Masters Program) was Anna Le Souef. Anna began her residency at Perth Zoo in February.

Research and Reproductive Biology Unit

Work continued on the Frog Breeding Research Program established at Perth Zoo in 2005-06 in response to the global amphibian crisis. The program is focusing on threatened Western Australian frog species. During 2006-07, 28 Roseate Frogs (*Geocrinia rosea*) were reared using two different husbandry regimes from egg masses collected in the wild. Their growth and development has been measured and monitored to determine which regime is most efficient.

In 2006-07, 23 new research projects began including four PhD projects, one Honours project, eight third year projects, three fourth year (short Honours) projects, two Masters and five Post-doctoral collaborations.

Honorary Research Fellows Dr Christine Halais, Dr Sandy Webb, Dr Robert Browne and Wendy Kappelle joined our research team and long-term Research Fellow Dr Rosemary Markham continued her valuable contribution supervising student research projects.



*Measuring the growth rate of
Roseate Frogs*

Directorate Reports

Animal Health and Research Directorate (continued)

Perth Zoo's on-site Reproductive Biology Unit is dedicated to increasing understanding and knowledge of the reproductive biology of threatened fauna to support breeding and conservation programs. During 2006-07, on-site non-invasive hormone monitoring facilities were established. Enzyme Immunoassays were established for the detection and monitoring of Leutenising Hormone (LH) and Progesterone to help detect oestrus in the female Asian Elephant. Other work included investigations into the sperm morphology of Central and Common Rock Rats and the development of techniques for assessing animal sperm quality. Results are currently being prepared for publication.

Native Species Breeding Program

The Zoo continued to breed Dibblers, Numbats and Western Swamp Tortoise – all threatened native species – for release into the wild by the Department and Environment and Conservation (DEC) as part of species recovery plans.

In 2006, 45 Zoo-bred Dibblers were released into the Peniup Nature Reserve and the Stirling Range National Park. Thirty seven Dibblers were born at the Zoo in 2006-07.

Twenty-four Western Swamp Tortoise bred at Perth Zoo were released into Ellenbrook Nature Reserve. A further release was planned for Mogumber Reserve however lack of rain resulted in the area being too dry for a release. This year's breeding efforts resulted in 26 hatchlings.

In December 2006, 12 Perth Zoo bred Numbats were released into the Cocanarup Timber Reserve near Ravensthorpe.

The Zoo also successfully bred seven Sandhill Dunnarts. This is only the second time Dunnarts have been bred in captivity. Research into the breeding cycles of this species continued.

Attempts to breed the critically endangered Central Rock Rat were unsuccessful. The Zoo's remaining individuals were transferred to Alice Springs Desert Park in the hope that larger outdoor enclosures and local weather conditions might initiate breeding.

Directorate Reports

Corporate and Commercial Development Directorate

Objectives

- To actively develop positive attitudes towards the understanding and appreciation of wildlife and conservation while maximising attendance and yield from key visitors;
- To provide financial, human resources and technical support services necessary for operational effectiveness; and
- To develop and maintain effective business relationships with private and public sector organisations.

Overview

The Corporate and Commercial Development Directorate encompasses the marketing and events, corporate relations, fundraising, policy, administration, human resources and finance sections.

Strong growth in admissions, commercial activities and Friends of Perth Zoo memberships resulted in increased revenue flows in 2006-07.

Outcomes

Visitation

The number of admissions continued to rise in 2006-07 with the Zoo attracting 612,925 visitors during the reporting period, up from 597,027 visitors in 2005-06.

Synovate conducted 500 face-to-face interviews with Perth Zoo visitors and 300 telephone surveys with members of the public during May 2007. The key findings of this market research included:

- 99% of visitors (98% in 2006) and 91% of the general public (94% in 2006) believed the Zoo had an important role in the community.
- 97% of visitors (93% in 2006) and 90% of the general public (90% in 2006) believed the Zoo educated visitors about conservation problems facing wildlife.
- 97% of visitors (99% in 2006) and 96% of the general public (96% in 2006) believed the Zoo looked after the quality of life of animals in its care.
- 96% of visitors (97% in 2006) and 93% of the general public (92% in 2006) described the Zoo as being extremely good or quite good value for money.
- 100% of visitors and 97% of the general public agreed that Perth Zoo directly supports the conservation of key species at Perth Zoo and in the wild. (This was the first year this question was asked).
- The African Savannah, Sumatran Orang-utans and Asian Elephants were the most popular exhibits amongst respondents.
- Overall satisfaction with animal visibility decreased slightly from 96% to 94%.

Directorate Reports

Corporate and Commercial Development Directorate (continued)

Marketing

A key focus in 2006-07 was balancing continued business growth with a firm commitment to delivering events and activities that support the Zoo's vision and purpose.

The Zoo continued to provide entertaining and educational school holiday programs with conservation themes. The July school holiday program, Rapt in Reptiles, featured an "environmental pledge" as part of the craft activities and attracted strong crowds with 59,029 visitors (up from 43,000 visitors in 2005-06). The October holiday program, "Zootober", included a focus on animal behavioural enrichment, while the April school holiday program featured frogs and frog conservation. Amazing Asia was the theme for the January holiday period with a focus on the Zoo's Asian fauna collection. The month-long Amazing Asia event included an Asian animal behavioural enrichment program, cultural performers and the popular Make Your Mark children's activities program.

Building on the success of Jane Davenport's What's the Buzz photographic exhibition at the Zoo in 2006, Perth Zoo presented a new amphibian-themed outdoor photographic exhibition in 2007. The Frogology exhibition, featuring amphibian images by Jane Davenport, was displayed in the Zoo's Rainforest Retreat from 1 April to 30 June 2007, along with educational material on frogs and frog conservation. The exhibition is available for hire to other institutions with part proceeds supporting the conservation of frogs in the wild.

Throughout the year, visitors continued to take advantage of the Zoo's community access program, Adults at Kid's Prices, on Wednesdays. This program accounted for 3% of total admissions.

Events

Responding to visitor feedback, the 2006-07 events season reflected a mix of strongly family-oriented events and concerts, and new events to attract a slightly different demographic to the Zoo.

The Christmas Capers weekend on 9 and 10 December attracted 4,792 visitors – up 8% from last year. Peters Trumpet Happy Zoo Year was a sell-out event with the 4,500 available tickets sold in record time, indicating the ongoing strength and popularity of this family event.

A special three-day event celebrating the 50th birthday of Asian Elephant Tricia was a major success attracting 11,485 people over the January long weekend. Visitors enjoyed special elephant presentations, free activities and made behavioural enrichment items for the elephants. As part of the celebrations, The Sunday Times newspaper published a four-page souvenir lift-out on Tricia and the Asian Elephant species including conservation messages.



Birthday cake for Asian Elephant Tricia

A total of 6,541 people attended the Zoo's concerts in February. While successful in terms of audience appreciation, the three concerts failed to achieve revenue targets prompting a review of the service delivery model for events in the future.

Directorate Reports

Corporate and Commercial Development Directorate (continued)

The final event of the summer events season – a comedy evening with Tripod – attracted over 2,200 people. This event met its objective of attracting a different demographic to the Zoo with primarily 18-35 year olds in attendance.

Zoo Shop, Functions and Close Encounters

The Zoo shop recorded an excellent year, exceeding sales targets almost every month. The final sales figure for the shop was \$1.14 million, a 20% increase on 2005-06. The shop adopted a new retail merchandising philosophy to guide future stock purchase decisions and help educate visitors about the impact they can have on conservation through their purchases and general consumption. The new direction focuses on stocking products consistent with the Zoo's mission and values and encouraging visitors to think before they buy – not just at Perth Zoo but in general. Visitors will be provided with information on why certain products are stocked and others are not (i.e. products made from old growth forest).

The functions area also recorded strong growth with a 15% increase in revenue over last year. December 2006 was particularly strong with 20% more functions than December 2005.

Negotiations began with Spotless Services Australia Limited on the terms and conditions for a new catering agreement. Spotless Services was the successful respondent to a Request for Tender released to the market in 2006.

The first stage of an upgrade to the Conference Centre facilities was completed with the installation of new state-of-the-art audio visual equipment in the theatre.

The Close Encounters behind the scenes program recorded strong revenue returns, providing \$30,000 for the Zoo's Wildlife Conservation Action fund to support the conservation of threatened species in the wild.

Corporate Relations and Fundraising

In 2006-07, the corporate relations and fundraising section built on last year's growth with the consolidation of its fundraising initiatives and the expansion of sponsor relationships. Sponsors once again provided valuable support for Perth Zoo's events season.

Water Corporation continued its naming rights sponsorship of Zootober, as well as its sponsorship of the WA Black Cockatoo exhibit and Black Cockatoo rehabilitation program. Water Corporation also worked with the Zoo promoting Waterwise conservation messages including the production and distribution of a 2007 Perth Zoo Waterwise Friends calendar. RAC continued to support the Zoo with its naming rights sponsorship of the African Lion exhibit and a direct mail campaign to RAC members promoting its Zoo Friend membership discount. The RAC member magazine, Road Patrol, also profiled Perth Zoo's conservation work.

Directorate Reports

Corporate and Commercial Development Directorate (continued)

Commonwealth Bank's support continued with its naming rights sponsorship of The Rat Pack's Back and Zoo Tribute concerts, while Peters and Brownes (Fonterra Brands Australia Limited) continued its naming rights sponsorship of the popular Peters Trumpet Happy Zoo Year event and the Brownes Yogo Numbat Club. Tiwest continued its sponsorship of The Great Australian Marsupial Night Stalk and Alinta Limited continued its sponsorship of the Alinta Numbats Under Threat exhibit and Alinta Reptile Encounter. Pilbara Iron continued its support for the Ghost Bat exhibit in the Nocturnal House, and Termimesh's sponsorship of the Echidna exhibit in the Australian Bushwalk continued in 2006-07.

Radio station 96fm increased its support for Perth Zoo with a naming rights sponsorship of the Slender-tailed Meerkat exhibit and presentation of the Tripod comedy event. Other valued supporters in 2006-07 included Coca-Cola, Network TEN, City of South Perth, Western Power, Synovate, NatVend and Quality Press.

Corporate sponsorships generated over \$384,000 in 2006-07.

The Zoo's major fundraising campaign over the past three years, Project Sun Bear, came to a successful end with the arrival of two rescued Sun Bears from Cambodia and the opening of a new Sun Bear exhibit in February 2007. Taken illegally from the wild as cubs, the rescued bears, Jamran and Bopha, received specialist care at the Free The Bears Fund sanctuary in Cambodia before moving to Perth. Thanks to strong support from sponsors, the business community, schools, members of the public and Perth Zoo Docents, Project Sun Bear raised over \$360,000 to help build the new Sun Bear exhibit and transfer the bears to Perth to start a new life as part of an Australasian breeding program. Network TEN, Sunday Times ChillOut! section, Community Newspaper Group, 96fm, Fonterra Brands Australia and Commonwealth Bank provided generous support for Project Sun Bear.

In June 2007, the Zoo launched a new fundraising program, Wildlife Conservation Action (WCA). In line with Perth Zoo's strategic plan and purpose, WCA provides the community with the opportunity to contribute to the conservation of threatened species in the wild. Money raised through WCA will support the conservation of priority species including Sumatran Orang-utans, Sumatran Tigers, Asian Elephants, Sun Bears, African Painted Dogs, New Guinea Tree Kangaroos, African Painted Dog and native species including frogs. Key projects include the establishment of an orang-utan breeding sanctuary in Sumatra, vital research to help save native frog species, habitat protection, anti-poaching patrol units, community education and wildlife monitoring.



Anti-poaching patrol units at Bukit Tigapuluh National Park in Sumatra

Directorate Reports

Corporate and Commercial Development Directorate (continued)

Strategic fundraising initiatives in 2006-07 included the targeting of new markets, the introduction of a monthly electronic newsletter, movie fundraisers and fundraising at large sporting events. The Zoo Friends membership program continued to flourish with members taking advantage of their free entry throughout the year. Friends of Perth Zoo membership revenue increased by 23% during the year from \$427,459 in 2005-06 to \$527,963 in 2006-07. As a value-added initiative and to assist with admission queues during school holiday periods, a dedicated Zoo Friends entry point was introduced in 2006-07. Thirty-eight per cent of members took advantage of the 20% RAC member discount on new Zoo Friends memberships.

The Zoo received \$137,000 in bequests and \$15,205 in general donations. The Adopt an Animal program yielded \$49,997. The animal paw print range generated \$34,355 revenue and the Pet Paw Print Kits yielded \$9,988.

Policy and Administration

Procurement initiatives during the year included the establishment of a tender's office and a Procurement Working Group to identify opportunities for purchasing improvement projects. The Purchasing Procedures Manual and internal guides were also revised.

A significant upgrade of the records management system (TRIM Context) was completed and rolled out across the agency with training provided to staff. The first stage of an off-site storage project was also completed. A pilot project is underway to determine the most efficient and effective process of saving electronic mail in the records system.

Information Technology projects undertaken in 2006-07 included the completion of the Control Centre Server Room providing improved security, fire safety and environmental control for the computer network servers. The installation of a large storage hard disk device and back-up system server for the computer network was also completed, providing the ability to back-up and restore network files and applications in near real-time and greatly improve data integrity and file space capacity. The anti-virus and anti-spam system was also upgraded. A comprehensive review of the Zoo's Information Technology section was undertaken. The review included a needs analysis, documenting existing IT systems, obtaining feedback and benchmarks, and identifying resource requirements for information technology in the medium term.

As part of ongoing annual risk management programs, the Zoo's Risk Management Committee conducted an Agency Risk Review and all Zoo Managers/Curators undertook Sectional Risk Assessments of their areas. Corporate Executive reviewed the high risks from both processes. The risk information was also provided to the Board's Audit Sub-Committee. The agency's Emergency Plan and Procedures were reviewed and updated, and emergency drills and training were conducted during the year. Following completion of the Business Continuity Plan in late 2005, the first scenario testing of this plan occurred in October 2006.

Security access control was installed at the Zoo's maintenance workshops to increase asset protection. Micro-dot technology is now being used to mark all portable assets within the agency to deter theft.

Work continued on the agency roll-in of finance, human resources and procurement services to the Office of Shared Services.

Directorate Reports

Visitor and Education Services Directorate

Objectives

- To actively develop positive community attitudes toward the understanding and appreciation of wildlife and conservation;
- To foster and deliver high levels of customer service and high level visitor experiences; and
- To effectively plan and implement the ongoing redevelopment of the Zoo according to the business plan and to meet the needs of visitors, staff and the collection.

Overview

The directorate, comprising the sections responsible for zoo presentation and visitor and education services, continued to deliver a comprehensive education program, as well as capital and maintenance projects to enhance the visitor experience at the Zoo.

Important improvements to animal exhibits and visitor and interpretive facilities were undertaken with interpretive themes reflecting the Zoo's increasing focus on the conservation of species in the wild.

The Zoo's education program for children and teachers continued to grow with a new teacher professional development program, Teachers Twilight, and a new Asian Forest Web of Life education experience for students in years 4-7.

Education

The Zoo continued to offer a wide range of on-site, off-site and on-line education services in 2006-07. On-site services included formal education programs for groups of primary, secondary and tertiary students, as well as teachers and other adult groups. Off-site education services included talks to community groups, an information and enquiry service, and a range of print and electronic publications.

In 2006-07, 62,566 people (children and adults) participated in the Zoo's formal on-site education programs, up 2.6% from 60,959 in 2005-06. In addition, 87 off-site educational talks were presented to community groups (2,987 people in total). These public talks are presented by members of the Zoo to You speakers' panel to metropolitan-based adult community groups including Rotary and Probus clubs, libraries, senior citizens' centres, retirement villages and special interest groups.

The Zoo's school education program, Living Links, continued to support teaching and learning in Western Australian schools by providing education experiences for students in each phase of development from early childhood to late adolescence and across all learning areas. Each education experience is supported by a teacher resource pack with teacher lesson notes and student activity sheets. These resource packs are available on-line at no charge.

Directorate Reports

Visitor and Education Services Directorate (continued)

The Living Links education program was complemented by a number of special programs and events to further connect students with nature and empower them to take positive action for the environment. These programs included Zoo Camp, creative and performing arts programs, student conferences (Junior Wildlife Conference in June and September; Biology Day in August) and school holiday workshops (Wild About Animals in January and July; Into Wildlife in April and October). A total of 1331 students participated in the Zoo Camp overnight education experience, while 96 year 4-7 students participated in the Junior Wildlife Conferences and 50 year 12 Biology students attended the Biology Day seminar.



Connecting students with nature

A seconded Education Officer from the Department of Education and Training continued to work on increasing visitation from the Government school sector and providing support to teachers working in the Australian Sustainable Schools Initiative, which implements Education for Sustainability. Working with Millennium Kids Inc, the Zoo supported nine Sustainability Roadshows for school students in the metropolitan and south-west areas. Perth Zoo hosted the largest two-day Roadshow involving 138 students from ten Perth primary schools. Representatives from Tunas Hijau (Millennium Kids Inc in Indonesia) attended as special guests and worked with local students to develop a sustainability action plan for their respective schools and local communities.

In February, 18 teachers attended Zoo Snoozzz – an overnight professional development program for teachers. A further 74 teachers attended other professional development programs at the Zoo including Teacher Twilight (for teachers of all phases of development) and Going Ape (for TEE Human Biology Teachers).

The Zoo's interpretive facilities expanded in 2006-07 with the opening of a new interpretation hub in the Asian rainforest zone. Bukit Station features signage and audio visual presentations focusing on the conservation of Asian species and rainforests, as well as conservation projects in South East Asia supported by Perth Zoo. Other improvements included new interpretive signs at the Wetlands, Australian Walkabout, Penguin Plunge, African Savannah and Alinta Reptile Encounter, as well as a new audio visual presentation on the natural history of the Numbat and Perth Zoo's role in the conservation of this threatened species.

The Perth Zoo website was redeveloped and launched in September 2006 with improvements to content, layout and navigation. The website received 433,608 visits during 2006-07, up from 334,978 visits in 2005-06, and won the regional zoo association's Publications Award for professionalism, innovation and the way it communicates Perth Zoo's role in conservation.

Directorate Reports

Visitor and Education Services Directorate (continued)

The Zoo's eighth annual national community conservation education program, The Great Australian Marsupial Night Stalk in partnership with Tiwest, ran from 1 September through to 16 October 2006 across all States. A total of 109 surveys were completed, up 60% from the previous year. Participants surveyed 450km of track, almost double that surveyed in 2005, recording 23 marsupial species across Australia. Participants from schools, scouts, guides, environmental groups, mining companies and the general community recorded a total of 155 hours of spot-lighting. The 2006 Night Stalk results, collated by Perth Zoo, are available on the Night Stalk website and are made available to conservation and wildlife agencies in each state and territory, as well as to wildlife atlases.

Visitor Services

Major initiatives in 2006-07 included the development of a Disability Access and Inclusion Plan (replacing the Disability Services Plan). Implementation of the plan over the next five years will allow people with disabilities to access the Zoo's services and facilities with increased independence, opportunities and inclusion. An annual Implementation Plan was also developed and operational objectives identified for 2007-08 including the development of a Perth Zoo Disability and Access map to assist with navigation around the Zoo. See the Disclosures and Legal Compliance Chapter (Other Legal Requirements section) for further details on the Disability Access and Inclusion Plan.

In April 2007, a HeartStart defibrillator unit was installed at the Zoo's Information Centre thanks to a generous donation by a member of the public and the Aviation Rescue and Fire Fighting Service. In the event of a cardiac arrest, this portable life-saving device can be used to resuscitate a person prior to the arrival of professional help. Key staff members have been trained in the use of the defibrillator.

Horticulture

The horticultural team is responsible for the maintenance and development of the Zoo's expansive and valuable botanical collection but also plays an important role in exhibit design, habitat simulation, fodder production, education, events and visitor services.

Significant projects in 2006-07 included the completion of the landscaping for the new Sun Bear exhibit to help create a rainforest setting. This habitat creation involved the translocation of four mature Ficus trees (months in advance of the arrival of the bears from Cambodia) and many smaller shrubs.

Other projects included plantings around the new 'temple ruin' entrance to the Asian rainforest zone to create the impression of an encroaching jungle, and the establishment of a new fauna-attracting garden in the World of Birds. Native birds in particular are attracted to the garden's nectar-producing Australian native plants, making this a restful wildlife viewing area for Zoo visitors.



Temple ruin entrance to the Asian rainforest zone

Directorate Reports

Visitor and Education Services Directorate (continued)

A safety assessment and maintenance program was introduced for the Zoo's maturing tree collection. The program includes quantifiable assessments of dangerous trees, annual palm frond trimming, the pruning of very large limbs, and the removal and replacement of dying or damaged trees. Perth Zoo has one of the oldest and most extensive exotic tree collections in Western Australia.

A major focus for staff was the ongoing production and collection of fodder to meet the dietary requirements of koalas, primates and other specialist feeders. In addition to its nutritional value, fodder provides enrichment for animals and promotes natural behaviours.

The long-term continuity of fodder production was boosted with the introduction of several new programs in 2006-07 including the establishment of fodder growing projects at local schools as part of their school curriculum. A crop cycle management system including fodder tree replacement, coppicing and replanting was also introduced at the Zoo's Byford property where the Zoo maintains its own koala fodder (*Eucalyptus*) plantation. As part of a partnership with Alcoa, the Zoo harvests an additional supply of gum tips from *Eucalyptus* plantings at Alcoa's Wellard Wetlands in Western Australia. During the year, a further 2,000 *Eucalypt* seedlings were planted at the Wellard site with the assistance of Alcoa volunteers.

There was also an increased focus on collaborative educational and conservation projects with external organisations including a joint initiative with a mycologist from the Western Australian Herbarium on the collection and identification of unusual Fungi species growing in the Zoo grounds. Staff continued to provide assistance to South Perth Primary School students collecting native plant seed for use in the Milyu Sanctuary along the Swan River foreshore. This sanctuary hosts a range of migratory and local wading birds throughout the year. During the year, thousands of native orchids were saved from a construction site at one of Perth's universities and relocated to the Zoo grounds. Staff also continued their work with threatened native orchid species both within the South Perth Zoo grounds and at the Zoo's Baker's Hill property.

Capital Works

See Disclosures and Legal Compliance Chapter (Other Financial Disclosures section).

Environmental Management

In line with the State Government's Sustainability Code of Practice, Perth Zoo has a Sustainability Action Plan aimed at operating the Zoo in a financially and environmentally sustainable manner. The Sustainability Action Plan includes water conservation, waste recycling and greenhouse gas emissions.

Initiatives undertaken in 2006-07 as part of the Zoo's ongoing commitment to operating in an environmentally sustainable manner included:

- an audit of the Zoo's scheme water use;
- a review of the site's groundwater irrigation system;
- implementation of the Zoo's Sustainable Transport Plan;
- reduction in the number of petrol powered vehicles used at the Zoo (four petrol vehicles replaced with electric vehicles);
- addition of fluorescent lights to the Zoo's extensive recycling program;
- re-lamping of the historic carousel with long-life energy efficient compact fluorescent globes.

Directorate Reports

Visitor and Education Services Directorate (continued)

See the sustainability report in the Disclosures and Legal Compliance Chapter (Government Policy Requirements section) for more information on the Zoo's Sustainability Action Plan.

Comprehensive asbestos registers were compiled for the Zoo's properties as part of the preparation of an Asbestos Management Plan in accordance with the Code of Practice for the Management of Asbestos in Workplaces [NOHSC 2018 (2005)].

As part of its mandatory reporting obligations under the Contaminated Sites Act (2003), the Zoo advised the Department of Environment and Conservation that it did not have any known or suspected contaminated sites.

Around 4,500 kilograms of office paper and 15,950 kilograms of cardboard were recycled during the year. Other materials recycled included aluminium cans (180 kilograms), scrap metal (6,840 kilograms), plastic and glass drink containers, lead acid batteries, polystyrene boxes and photocopier toner cartridges. The Zoo continued to use all of its animal waste and the majority of its green waste as compost or mulch for landscape maintenance and fodder production.

Total energy consumption was slightly (0.4%) lower than the previous reporting period. Natural gas consumption decreased by 15% due primarily to continued improvements in the operation of the ground's gas lighting system but electricity consumption increased by 3.5% as a result of increased irrigation pump operation due to the dry conditions. The Zoo continued its program of upgrading ageing air conditioning units with new, more efficient inverter models. Improvements to the elephant pool water treatment system will provide a significant reduction in pumping equipment operation time in the coming year.

Visitor Feedback and Complaint Handling Procedure

Feedback provided by visitors is a tool to assess the Zoo's products, services and facilities. It also allows the Zoo to gauge the quality of the overall visitor experience.

Feedback is received via the Zoo's website, by telephone, in writing, in person and by e-mail. Perth Zoo also encourages feedback through its Visitor Comment Cards which are available at several locations around the Zoo. Visitor Services staff are encouraged to interact with visitors to gain feedback – both positive and negative. This feedback is recorded on Visitor Comment Cards.

In 2006-07, a total of 281 Visitor Comment Cards were filled out and returned by visitors. Of these, approximately 68% (192) were positive or general comments and around 32% (89) contained complaints, negative comments or suggestions for improvement. An additional 58 complaints were received by means other than the Visitor Comment Cards, bringing the total number of visitor complaints to 147. Negative visitor feedback included comments on the size and diversity of the animal collection, animals off display, visibility issues, and facilities-related concerns including food and drink facilities. Other complaints related to operational aspects of Zoo events, prices and signage.

Directorate Reports

Visitor and Education Services Directorate (continued)

The complaints management system is supported by a commitment from the organisation, led by the Chief Executive Officer, to the effective and fair resolution of complaints as part of the Zoo's customer service focus, quality management and continual improvement philosophy. Complaints are followed up with the appropriate Zoo section/s and a prompt response is provided to the visitor when contact details are provided. For verbal complaints, a resolution is offered immediately if possible. Issues that can be rectified immediately are actioned straight away and more complex complaints are considered in Perth Zoo's planning processes.

Actions arising from customer feedback included:

- An audit to identify exhibits where barriers or other obstructions affected the view for visitors in wheelchairs or strollers (ramps will be installed at priority exhibits in 2007-08 to significantly improve visibility for these visitors); and
- A review of permanent and temporary signage to look at ways of assisting with orientation around the Zoo and providing more information on animals off display.

Significant Issues and Trends

Current and Emerging Issues and Trends

In line with Perth Zoo's new strategic plan, the Zoo will continue to develop its conservation activities with a stronger focus on conservation projects in the wild, conservation education, release-to-wild programs and research activities.

Support for wildlife conservation projects will continue as a priority with the first full year of operation of the Zoo's new Wildlife Conservation Action fundraising program (launched in June 2007).

Perth Zoo is committed to providing assistance and support for the conservation and protection of wildlife at Bukit Tigapuluh National Park in Sumatra, Indonesia.

The Zoo will further develop cooperative relationships and continue to support the conservation of orang-utans, elephants, tigers and other fauna at Bukit Tigapuluh National Park including support for the development of an open orang-utan breeding sanctuary at the Park.

The Zoo's Master Plan 'Twenty Twenty Vision' will be reviewed to reflect progress to date and further developments in animal husbandry, conservation priorities, standards and collection planning.

Zoo events and activities will increasingly focus on the delivery of messages that are consistent with the Zoo's mission and will continue to be monitored to ensure the positive trend in admission numbers continues. The service delivery model for the summer events season will be reviewed with the aim of minimising financial risk while continuing to deliver a range of events and activities that are appealing and in line the Zoo's mission and vision.

Looking Ahead – Major Initiatives in 2007-08

- Complete construction of the final stage of the Asian Elephant exhibit redevelopment.
- Start construction work on the final stage of the Sumatran Orang-utan exhibit redevelopment including roof-top visitor viewing.
- Construct a new perimeter security fence.
- Support a national plan to establish a disease-free captive “insurance” population of Tasmanian Devils on the mainland as a safety net in the event that the wild population collapses. Tasmanian Devils in the wild have been decimated by a facial tumour disease.
- Continue work on a frog breeding research program with a focus on captive husbandry and reproduction.
- Continue priority conservation projects with native species including Numbats, Western Swamp Tortoise and Dibblers.
- Develop a new formal education program for Biodiversity Month linking directly to the Curriculum Framework and conservation/sustainability education.
- Implement a new customer management and ticketing system to provide improved services to visitors including the development of e-commerce options to purchase tickets on-line.
- Finalise negotiations for a new catering contract with Spotless Services Australia Limited and associated refurbishment of the café and fast food outlets at the Zoo.

Disclosures and Legal Compliance

Auditor's Opinion



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

ZOOLOGICAL PARKS AUTHORITY FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 30 JUNE 2007

I have audited the accounts, financial statements, controls and key performance indicators of the Zoological Parks Authority.

The financial statements comprise the Balance Sheet as at 30 June 2007, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

Board's Responsibility for the Financial Statements and Key Performance Indicators

The Board is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

Auditor's Opinion (continued)

**Zoological Parks Authority
Financial Statements and Key Performance Indicators for the year ended 30 June 2007**

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Zoological Parks Authority at 30 June 2007 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the Authority 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; and
- (iii) the key performance indicators of the Authority are relevant and appropriate to help users assess the Authority's performance and fairly represent the indicated performance for the year ended 30 June 2007.



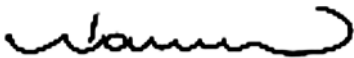
COLIN MURPHY
AUDITOR GENERAL
14 September 2007

Financial Statements

Zoological Parks Authority Certification of Financial Statements For the Year Ended 30 June 2007

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 financial year ending 30 June 2007 and the financial position as at 30 June 2007.

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.



Carol Shannon
Chief Finance Officer

27 August 2007



Peter Metcalfe
Chairperson

27 August 2007



John Collins
Member

27 August 2007

Financial Statements

Zoological Parks Authority Income Statement For The Year Ended 30 June 2007

| | NOTE | 2007 \$ | 2006 \$ |
|---|------|-------------------|-------------------|
| INCOME | | | |
| Revenue | | | |
| Admissions | | 5,745,803 | 5,359,569 |
| Retail shop sales | 7 | 1,143,818 | 953,264 |
| Grants/sponsorships/donations/fundraising | | 1,102,044 | 1,043,730 |
| Memberships & adoptions | | 578,123 | 468,431 |
| Restaurant | | 428,475 | 394,438 |
| Rides, maps, commissions & hire | | 320,335 | 311,238 |
| Events & educational activities | | 294,136 | 244,032 |
| Car parking | | 65,898 | 66,982 |
| Other revenue | 8 | 95,270 | 1,538,270 |
| Total Revenue | | <u>9,773,902</u> | <u>10,379,954</u> |
| Gains | | | |
| Gains on disposal of non-current assets | 9 | – | 1,548 |
| | | – | 1,548 |
| Total Income | | <u>9,773,902</u> | <u>10,381,502</u> |
| EXPENSES | | | |
| Expenses | | | |
| Cost of retail shop sales | 7 | 574,115 | 482,879 |
| Employee benefits expense | 10 | 9,352,676 | 8,559,444 |
| Other employee related expenses | | 649,448 | 497,484 |
| Maintenance & upkeep | | 1,579,627 | 1,654,053 |
| Depreciation expense | 11 | 1,707,667 | 1,625,333 |
| Finance costs | 12 | 2,029 | 1,021,402 |
| Administration | | 1,375,542 | 1,213,706 |
| Capital user charge | 13 | 1,647,560 | 896,440 |
| Animal operational expenses | | 602,486 | 475,404 |
| Advertising and promotion | | 510,944 | 390,894 |
| Loss on disposal of non-current assets | 9 | 167,010 | 28,493 |
| Total Expenses | | <u>18,169,104</u> | <u>16,845,532</u> |
| Loss before grants and subsidies from State Government | | (8,395,202) | (6,464,030) |
| Grants and subsidies from State Government | 14 | 10,382,698 | 9,025,786 |
| Profit for the Period | | <u>1,987,496</u> | <u>2,561,756</u> |

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

Financial Statements

Zoological Parks Authority Balance Sheet As At 30 June 2007

| | NOTE | 2007 \$ | 2006 \$ |
|--------------------------------------|------|-------------------|-------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | 15 | 2,159,687 | 1,354,791 |
| Inventories | 16 | 170,266 | 144,107 |
| Amounts receivable for services | 17 | 870,000 | 2,470,000 |
| Receivables | 18 | 574,553 | 551,853 |
| Total Current Assets | | 3,774,506 | 4,520,751 |
| Non-Current Assets | | | |
| Land, buildings and infrastructure | 19 | 27,600,627 | 24,499,022 |
| Plant and equipment | 19 | 1,631,147 | 1,631,444 |
| Amounts receivable for services | 17 | 5,015,000 | 3,182,000 |
| Total Non-Current Assets | | 34,246,774 | 29,312,466 |
| TOTAL ASSETS | | 38,021,280 | 33,833,217 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Payables | 21 | 273,783 | 248,535 |
| Borrowings | 22 | 6,770 | 6,283 |
| Provisions | 23 | 1,230,993 | 1,101,750 |
| Accrued expenses | 24 | 82,549 | 89,492 |
| Unearned income | 25 | 532,670 | 404,927 |
| Total Current Liabilities | | 2,126,765 | 1,850,987 |
| Non-Current Liabilities | | | |
| Borrowings | 22 | 27,995 | 34,765 |
| Provisions | 23 | 343,249 | 401,323 |
| Total Non-Current Liabilities | | 371,244 | 436,088 |
| TOTAL LIABILITIES | | 2,498,009 | 2,287,075 |
| NET ASSETS | | 35,523,271 | 31,546,142 |
| EQUITY | | | |
| Contributed equity | 26 | 20,269,220 | 19,739,220 |
| Asset revaluation reserve | | 6,372,689 | 4,917,854 |
| Retained earnings | | 8,881,362 | 6,889,068 |
| TOTAL EQUITY | | 35,523,271 | 31,546,142 |

The Balance Sheet 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 2007

| | NOTE | 2007 \$ | 2006 \$ |
|---|------|-------------------|-------------------|
| Balance of equity at start of the period | | 31,546,142 | 10,027,651 |
| CONTRIBUTED EQUITY | 26 | | |
| Balance at start of period | | 19,739,220 | 2,137,220 |
| Capital contribution | | 530,000 | 17,602,000 |
| Balance at end of period | | 20,269,220 | 19,739,220 |
| RESERVES | | | |
| Asset Revaluation Reserve | 26 | | |
| Balance at start of period | | 4,917,854 | 3,563,119 |
| Gains from asset revaluation | | 1,459,633 | 1,354,735 |
| Transfer to retained earnings | | (4,798) | - |
| Balance at end of period | | 6,372,689 | 4,917,854 |
| RETAINED EARNINGS | 26 | | |
| Balance at start of period | | 6,889,068 | 4,327,312 |
| Transfers from Asset Revaluation Reserve | | 4,798 | - |
| Profit for the period | | 1,987,496 | 2,561,756 |
| Balance at end of period | | 8,881,362 | 6,889,068 |
| Balance of equity at end of the period | | 35,523,271 | 31,546,142 |
| Total income and expense for the period | | 3,447,129 | 3,916,491 |

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

Disclosures and Legal Compliance

Financial Statements

Zoological Parks Authority
Cash Flow Statement
For The Year Ended 30 June 2007

| | NOTE | 2007 \$ Inflows (Outflows) | 2006 \$ Inflows (Outflows) |
|---|------|-------------------------------------|-------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Sale of goods and services | | 9,705,762 | 8,729,329 |
| Interest received | | 20,052 | 19,395 |
| GST receipts from ATO | | 317,384 | 260,294 |
| GST receipts on sales | | 365,583 | 364,209 |
| Other receipts | | 95,270 | 1,497,273 |
| Payments | | | |
| Employee benefits | | (9,277,644) | (8,287,613) |
| Supplies and services | | (4,454,712) | (4,297,984) |
| Finance costs | | (2,029) | (1,311,404) |
| GST payments on purchases | | (797,313) | (617,013) |
| Capital user charge | | (1,647,560) | (896,440) |
| Other payments | | (652,347) | (560,854) |
| Net cash used in operating activities | 27 | (6,327,554) | (5,100,808) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of non-current physical assets | | (3,460,787) | (1,565,932) |
| Proceeds from sale of non-current physical assets | | 1,520 | 29,931 |
| Net cash used in investing activities | | (3,459,267) | (1,536,001) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayment of borrowings | | (6,283) | (17,606,910) |
| Net cash used in financing activities | | (6,283) | (17,606,910) |
| CASH FLOWS FROM STATE GOVERNMENT | | | |
| Service appropriations | | 8,398,000 | 7,179,000 |
| Capital contributions | | 530,000 | 17,602,000 |
| Holding account drawdowns | | 1,670,000 | 320,000 |
| Net cash provided by State Government | | 10,598,000 | 25,101,000 |
| Net increase in cash and cash equivalents | | 804,896 | 857,281 |
| Cash and cash equivalents at the beginning of the period | | 1,354,791 | 497,510 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 27 | 2,159,687 | 1,354,791 |

The Cash Flow Statement 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 2007

1. Australian equivalents to International Financial Reporting Standards

General

The Authority's financial statements for the year ended 30 June 2007 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS), which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the Authority has adopted, where relevant to its operations, new and revised Standards and Interpretations from their operative dates as issued by the AASB and formerly the Urgent Issues Group (UIG).

Early adoption of standards

The Authority cannot early adopt an Australian Accounting Standard or Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Standards and Interpretations that have been issued or amended but are not yet effective have been early adopted by the Authority for the annual reporting period ended 30 June 2007.

2. Summary of significant accounting policies

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The Financial Management Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has 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.

(b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land, buildings and works of art which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise indicated.

The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included at Note 4 'Judgements made by management in applying accounting policies'.

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included at Note 5 'Key sources of estimation uncertainty'.

(c) Reporting Entity

The reporting entity comprises the Authority and there are no related bodies.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

(d) Income

Revenue Recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Sale of goods

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

Rendering of services

Revenue is recognised on delivery of services to the client or by reference to the stage of completion of the transaction.

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 the 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.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the balance sheet date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes.

Interest

Revenue is recognised as the interest accrues. (The effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset, is used where applicable).

Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets.

(e) Borrowing Costs

Borrowing costs for qualifying assets are capitalised net of any investment income earned on the unexpended portion of the borrowings. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed when incurred.

(f) Property, Plant and Equipment

Capitalisation/Expensing of assets

Items of property, plant and equipment and infrastructure costing \$1,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment and infrastructure costing less than \$1,000 are expensed direct to the Income Statement (other than where they form part of a group of similar items which are significant in total).

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.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

Initial recognition and measurement

All items of property, plant and equipment and infrastructure are initially recognised at cost.

For items of property, plant and equipment and infrastructure acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

After recognition as an asset, the Authority uses the revaluation model for the measurement of land, buildings and works of art and the cost model for all other property, plant and equipment and infrastructure. Land, buildings and works of art are carried at fair value less accumulated depreciation and accumulated impairment losses. All other items of property, plant and equipment and infrastructure are carried at cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying 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.

Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where the land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the written-down current replacement cost. Where the fair value of buildings is dependent upon using the depreciated replacement cost, the gross carrying amount and the accumulated depreciation are restated proportionately.

Independent valuations of land are provided annually on the basis of fair value, determined using current market buying values.

These valuations are provided by the Western Australian Land Information Authority (Valuation Services).

Independent valuations of works of art provided every three years on the basis of fair value, determined using current market buying values. These valuations are provided by an independent qualified valuer.

Independent valuations of buildings and improvements are provided annually on the basis of fair value, determined using current market buying values. These valuations are provided by the Western Australian Land Information Authority (Valuation Services). Valuation Services performs a physical site inspection every three years and the cost of acquisitions by the Authority between the physical inspections is considered to approximate their fair value.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful 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.

Refer to Note 19 'Property, plant and equipment' for further information on revaluations.

Depreciation

All non-current assets 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.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method at rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

| | | |
|------------------------------|-----|----------|
| Buildings & Improvements | 4% | 25 years |
| Infrastructure | 4% | 25 years |
| Plant, Equipment & Furniture | 20% | 5 years |
| Motor Vehicles | 20% | 5 years |

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

Works of art controlled by the Authority are classified as heritage assets which are anticipated to have very long and indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and so no depreciation has been recognised.

(g) Impairment of Assets

Property, plant and equipment, and infrastructure assets are tested for any indication of impairment at each balance sheet date.

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.

As the Authority is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

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 is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at each balance date.

Refer Note 20 'Impairment of assets' for the outcome of impairment reviews and testing.

(h) Non-Current Assets (or Disposal Groups) Classified as Held For Sale

Non-current assets (or disposal groups) held for sale are recognised at the lower of carrying amount and fair value less costs to sell and are presented separately from other assets in the Balance Sheet. Assets classified as held for sale are not depreciated or amortised.

(i) Leases

Finance lease rights and obligations are initially recognised, at the commencement of the lease term as assets and liabilities equal in amount to the fair value of the leased item or, if lower, the present value of minimum lease payments, determined at the inception of the lease. The assets are disclosed as plant, equipment and vehicles under lease, and are depreciated to the Income Statement over the period during which the Authority is expected to benefit from their use. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability, according to the interest rate implicit in the lease.

Finance lease liabilities are allocated between current and non-current components. The principal component of lease payments due on or before the end of the succeeding year is disclosed as a current liability, and the remainder of the lease liability is disclosed as a non-current liability.

(j) Financial Instruments

The Authority has two categories of financial instruments:

- Loans and Receivables (includes cash and cash equivalents, receivables and term deposits)
- Non-trading financial liabilities

Initial recognition and measurement is at fair value. The transaction cost or face value is equivalent to the fair value.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

Monetary financial assets and liabilities are not traded in an organised financial market.

Refer Note 2(n) 'Investments and Other Financial Assets'.

(k) Cash and Cash Equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents includes restricted cash and cash equivalents.

These include 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, and bank overdrafts.

(l) Inventories

Inventories are valued on a weighted average cost basis at the lower of cost and net realisable value.

Refer Note 16 'Inventories'.

(m) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis by individual assessment of the debts outstanding. Any receivables identified as uncollectible are written off. The allowance for uncollectible amounts (doubtful debts) is raised where there is objective evidence that the Authority will not be able to collect its debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. Refer Note 2(j) 'Financial Instruments' and note 18 'Receivables'.

The 'Amounts receivable for services' asset represents the non-cash component of State Government service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability. Refer Note 17 'Amounts receivable for services'.

(n) Investments and Other Financial Assets

The Authority classifies its investments into the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each balance sheet date. Investments not at fair value are initially recognised at cost being the fair value of consideration given, including directly attributable transaction costs.

Non-derivative financial assets with fixed or determinable payments and fixed maturity dates are classified as held-to-maturity when management has a positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification.

Loans and receivables and held-to-maturity investments are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity. For investments carried at amortised cost, gains and losses are recognised in the income statement when the investments are derecognised or impaired, as well as through the amortisation process.

The Authority assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

(o) Payables

Payables are recognised when the Authority becomes obliged to make future payments as a result of a purchase of assets or services at the amounts payable. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. Refer Note 2(j) 'Financial Instruments' and Note 21 'Payables'.

(p) Borrowings

All loans are initially recognised at cost, being the fair value of the net proceeds received. Subsequent measurement is at amortised cost using the effective interest rate method. Refer Note 2(j) 'Financial Instruments' and Note 22 'Borrowings'.

(q) Provisions

Provisions are liabilities of uncertain timing and amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance date.

Refer Note 23 'Provisions'.

(i) Provisions – Employee Benefits

Annual Leave and Long Service Leave

The liability for annual and long service leave expected to be settled within 12 months after the end of the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Annual and long service leave expected to be settled more than 12 months after the end of the balance sheet date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the balance sheet date.

When assessing expected future payments, consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted to present value using market yields at the balance sheet date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Authority does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Superannuation

Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members, to the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members or the Local Government Superannuation Scheme which is also closed to new members.

Employees commencing employment prior to 16 April 2007 who are not members of the above schemes became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

The Authority makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The Pension Scheme and the pre-transfer benefit for employees who transferred to the GSS Scheme are defined benefit schemes. These benefits are wholly unfunded and the liabilities for future payments at balance date have been assumed by the Treasurer for reporting centrally. Annual movements in these liabilities are reported as an expense by the Authority and the expense is matched by a notional revenue item in the income statement, being the liability assumed by the Treasurer.

The GSS Scheme, the WSS Scheme and the GESBS Scheme, where the current service superannuation charge is paid by the Authority to the GESB are defined contribution schemes. The liabilities for current service superannuation charges under the GSS Scheme, the WSS Scheme and the GESBS Scheme are extinguished by the concurrent payment of employer contributions to the GESB.

The GSS Scheme is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, from an agency perspective, apart from the transfer benefits, it is a defined contribution plan under AASB 119.

The liabilities for current service superannuation charges under the Local Government Superannuation Scheme are extinguished by the concurrent payment of employer contributions to the fund Administrator.

Refer also Note 2(r) 'Superannuation Expense'.

(ii) Provisions – Other Employment On-Costs

Employment on-costs include workers' compensation insurance which is not an employee benefit and is recognised separately as a liability and expense when the employment to which it relates has occurred. Employment on-costs are not included as part of the Authority's 'Employee benefits expense' and the related liability is included in 'Employment on-costs provision'. Refer Note 10 'Employee benefits expense' and Note 23 'Provisions'.

(r) Superannuation Expense

The superannuation expense of the defined benefit plans is made up of the following elements:

- Current service cost;
- Interest cost (unwinding of the discount);
- Actuarial gains and losses; and
- Past service cost

Actuarial gains and losses of the defined benefit plans are recognised immediately as income or expense in the Income Statement.

The superannuation expense of the defined contribution plans are recognised immediately as and when the contributions fall due. Refer also Note 2(q)(i) 'Provisions – Employee Benefits' under Superannuation.

(s) Accrued Salaries and Wages

Accrued salaries and wages (refer Note 24 'Accrued Expenses') represent the amount due to staff but unpaid at the end of the financial year. The end of the last pay period for the financial year does not always coincide with the end of the financial year, giving rise to a liability. The liability also includes any other material amounts of back pay due to staff but unpaid at the end of the financial year. The Authority considers the carrying amount of accrued salaries and wages to be equivalent to the net fair value.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

- (t) **Resources Received Free of Charge or for Nominal Cost**
Resources received free of charge or for nominal cost which can be reliably measured are recognised as revenues and as assets or expenses as appropriate at fair value.
- (u) **Comparative Figures**
Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.
- (v) **Segment Information**
Segment information is prepared in conformity with the accounting policies of the Authority and the segment reporting requirement of TI 1101.
Segment information has been disclosed by services – refer Note 30 ‘Segment (Service) Information’.
- (w) **Contributed Equity**
Under UIG 1038 ‘Contributions by Owners Made to Wholly-Owned Public Sector Entities’ transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to the transfer) before such transfers can be recognised as equity contributions in the financial statements.
Capital contributions (appropriations) have been designated as contributions by owners in TI 955 and have been credited directly to Contributed Equity in the Balance Sheet. Capital appropriations which are repayable by the Authority to the Treasurer are recognised as liabilities.
- 3. Financial risk management objectives and policies**
Interest Rate Risk
The Authority’s exposure to market risk for changes in interest rates relate primarily to the long-term debt obligations. Any borrowings of the Authority are obtained through the Western Australian Treasury Corporation (WATC) and are at fixed rates with varying maturities. The risk is managed by WATC through portfolio diversification and variation in maturity dates.
At balance sheet date the Authority had no significant long-term debt obligations.
Credit Risk Exposure
The Authority does not have any significant exposure to any individual customers or counterparty. Amounts owing by other Government agencies are guaranteed and therefore no credit risk exists in respect of those amounts.
For further details of the Authority’s financial risk management objectives and policies, refer to Note 31.
- 4. Judgements made by management in applying accounting policies**
The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial report include:
– Adopting cost model for plant, equipment and infrastructure valuation.
– Adopting Revaluation model for land, building and works of art valuation.
– Application of stage of completion method for determining unearned revenue.
- 5. Key sources of estimation uncertainty**
The key estimates and assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:
– Useful lives of significant assets
– Long service leave – staff retention rates
– Annual and long service leave – inflation and discount rates

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Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

6. Disclosure of changes in accounting policies and estimates

Initial application of an Australian Accounting Standard

The Authority has applied the following Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 July 2006.

- a. AASB 2005-9 'Amendments to Australian Accounting Standards (AASB 4, AASB 1023, AASB 139 and AASB 132)' (Financial guarantee contracts). The amendment deals with the treatment of financial guarantee contracts, credit insurance contracts, letters of credit or credit derivative default contracts as either an 'insurance contract' under AASB 4 'Insurance Contracts' or as a 'financial guarantee contract' under AASB 139 'Financial Instruments: Recognition and Measurement'. The Authority does not undertake these types of transactions, resulting in no financial impact when applying the Standard.
- b. UIG Interpretation 4 'Determining whether an Arrangement Contains a Lease' as issued in June 2005. The Interpretation deals with arrangements that comprise a transaction or a series of linked transactions that may not involve a legal form of a lease but by their nature are deemed to be leases for the purposes of applying AASB 117 'Leases'. At balance sheet date, the Authority has not entered into any arrangements as specified in the Interpretation, resulting in no impact when applying the Interpretation.

The following Australian Accounting Standards and Interpretations are not applicable to the Authority as they have no impact or do not apply to not-for-profit entities.

| AASB Amendment | Affected Standards |
|-----------------------|---|
| 2005-1 | 'Amendments to Australian Accounting Standards' (AASB 139 – Cash flow hedge accounting of forecast intragroup transactions) |
| 2005-5 | 'Amendments to Australian Accounting Standards (AASB 1 and AASB 139)' |
| 2006-1 | 'Amendments to Australian Accounting Standards (AASB 121)' |
| 2006-3 | 'Amendments to Australian Accounting Standards (AASB 1045)' |
| 2006-4 | 'Amendments to Australian Accounting Standards (AASB 134)' |
| 2007-2 | 'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 (AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139)' – paragraph 9 |
| UIG 5 | 'Rights to interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds' |
| UIG 6 | 'Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment' |
| UIG 7 | 'Applying the Restatement Approach under AASB 129 Financial Reporting in Hyperinflationary Economies' |
| UIG 8 | 'Scope of AASB 2' |
| UIG 9 | 'Reassessment of Embedded Derivatives' |

Future Impact of Australian Accounting Standards not yet operative

The Authority cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the Authority has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued but are not yet effective. These will be applied from their application date:

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Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

- a. AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 and AASB 1038)'). This Standard requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative for the Authority's exposure to risks, enhanced disclosures regarding components of the Authority's financial position and performance, and possible changes to the way of presenting certain items in the financial statements. The Authority does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
- b. AASB 2005-10 'Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023, & AASB 1038)'. The amendments are as a result of the issue of AASB 7 'Financial Instruments: Disclosures', which amends the financial instrument disclosure requirements in these standards. The Authority does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
- c. AASB 101 'Presentation of Financial Statements'. This Standard was revised and issued in October 2006 so that AASB 101 has the same requirements as IAS 1 'Presentation of Financial Statements' (as issued by the IASB) in respect of for-profit entities. The Authority is a not-for-profit entity and consequently does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
- d. AASB 2007-4 'Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments (AASB 1, 2, 3, 4, 5, 6, 7, 102, 107, 108, 110, 112, 114, 116, 117, 118, 119, 120, 121, 127, 128, 129, 130, 131, 132, 133, 134, 136, 137, 138, 139, 141, 1023 & 1038)'. This Standard introduces policy options and modifies disclosures. These amendments arise as a result of the AASB decision that, in principle, all options that currently exist under IFRSs should be included in the Australian equivalents to IFRSs and additional Australian disclosures should be eliminated, other than those now considered particularly relevant in the Australian reporting environment. The Department of Treasury and Finance has indicated that it will mandate to remove the policy options added by this amending Standard. This will result in no impact as a consequence of application of this Standard. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.
- e. AASB 2007-5 'Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities (AASB 102)'. This amendment changes AASB 102 'Inventories' so that inventories held for distribution by not-for-profit entities are measured at cost, adjusted when applicable for any loss of service potential. The Authority does not have any inventories held for distribution so does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.
- f. AASB 2007-7 'Amendments to Australian Accounting Standards (AASB 1, AASB 2, AASB 4, AASB 5, AASB 107 & AASB 128)'. This amendment follows the issue of AASB 2007-4 'Amendments to Australian Accounting Standards arising from ED 151 and other Amendments' in April 2007. In addition to editorial amendments, this Standard removes the encouragement to paragraph AUS12.1 of AASB 107 to adopt a particular format for the cash flow statement, as it is no longer relevant due to the amendments made to AASB 107 by AASB 2007-4. The superseded implementation guidance accompanying AASB 4 is also deleted. The Authority does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 July 2007.

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Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

- g. AASB Interpretation 4 'Determining whether an Arrangement Contains a Lease (revised)'. This Interpretation was revised and issued in February 2007 to specify that if a public-to-private service concession arrangement meets the scope requirements of AASB Interpretation 12 'Service Concession Arrangements' as issued in February 2007, it would not be within the scope of Interpretation 4. At balance date, the Authority has not entered into any arrangements as specified in the Interpretation or within the scope of Interpretation 12, resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.
- h. AASB Interpretation 12 'Service Concession Arrangements'. This Interpretation was issued in February 2007 and gives guidance on the accounting by operators (usually a private sector entity) for public-to-private service concession arrangements. It does not address the accounting by grantors (usually a public sector entity). It is currently unclear as to the application of the Interpretation to the Authority if and when public-to-private service concession arrangements are entered into in the future. At balance sheet date, the Authority has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.
- i. AASB Interpretation 129 'Service Concession Arrangements: Disclosures (revised)'. This Interpretation was revised and issued in February 2007 to be consistent with the requirements in AASB Interpretation 12 "Service Concession Arrangements" as issued in February 2007. Specific disclosures about service concession arrangements entered into are required in the notes accompanying the financial statements, whether as a grantor or an operator. At balance sheet date, the Authority has not entered into any public-to-private service concession arrangements resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 January 2008.

The following Australian Accounting Standards and Interpretations are not applicable to the Authority as they have no impact or do not apply to not-for-profit entities.

| AASB Amendment | Affected Standards |
|-------------------------|--|
| AASB 8 | 'Operating Segments' |
| AASB 1049 | 'Financial Reporting of General Government Sectors by Governments' |
| AASB 2007-1 | Amendments to Australian Accounting Standards arising from AASB Interpretation 11 (AASB 2)' |
| AASB 2007-2 | 'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 (AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139)' – paragraphs 1-8 |
| AASB 2007-3 | 'Amendments to Australian Accounting Standards arising from AASB 8 (AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038)' |
| AASB 2007-6 | 'Amendments to Australian Accounting Standards arising from AASB 123 (AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12)' |
| AASB 123 | 'Borrowing Costs' |
| Interpretation 10 | 'Financial Reporting and Impairment' |
| Interpretation 11 | AASB 2 – Group and Treasury Share Transactions' |
| IFRIC Interpretation 13 | 'Customer Loyalty Programmes' |
| IFRIC Interpretation 14 | 'IAS 19 – The Asset Ceiling: Availability of Economic Benefits and Minimum Funding Requirements' |

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 \$ | 2006 \$ |
|-------------------------------|------------|------------|
| 7. Retail Shop Trading | | |
| SALES | 1,143,818 | 953,264 |
| Less: Cost of Sales | | |
| Opening Inventory | 144,107 | 135,782 |
| Purchases | 600,274 | 491,204 |
| | 744,381 | 626,986 |
| Closing Inventory | (170,266) | (144,107) |
| Cost of Goods Sold | 574,115 | 482,879 |
| GROSS TRADING PROFIT | 569,703 | 470,385 |
| Operating Expenses | | |
| Payroll & other staffing | 265,020 | 235,812 |
| Consumables | 43,876 | 24,180 |
| Depreciation | 18,948 | 20,513 |
| Total Operating Expenses | 327,844 | 280,505 |
| Other Income | | |
| Sundry | 93 | 321 |
| NET PROFIT | 241,952 | 190,201 |

Refer also note 2(l) 'Inventories' and Note 16 'Inventories'.

| | | |
|-------------------------|--------|-----------|
| 8. Other revenue | 95,270 | 1,538,270 |
|-------------------------|--------|-----------|

Included in the other revenue figure is \$20,841 in bank account interest. The comparative figure included a retrospective refund of \$1,208,850 in payroll tax following the Authority gaining an exemption from payroll tax during 2005-06.

9. Net gain/(loss) on disposal of non-current assets

Gains on Disposal of Non-Current Assets

| | | |
|--|---|----------|
| Plant and Equipment | - | 46,951 |
| Less accumulated depreciation | - | (19,272) |
| Book value of Plant and Equipment disposed | - | 27,679 |

Proceeds from Disposal of Non-Current Assets

| | | |
|---------------------------------|---|--------|
| Sale of Plant and Equipment | - | 29,000 |
| Trade-in of Plant and Equipment | - | 227 |
| Total proceeds | - | 29,227 |

| | | |
|--|---|-------|
| Gain on disposal of non-current assets | - | 1,548 |
|--|---|-------|

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 \$ | 2006 \$ |
|---|------------------|------------------|
| 9. Net gain/(loss) on disposal of non-current assets (continued) | | |
| <u>Costs of Disposal of Non-Current Assets</u> | | |
| During the period, the Authority approved the write-off and trade-in of a number of fixed assets. These assets consisted of various computing, communications and general equipment which were unserviceable, obsolete, lost or stolen. | | |
| (Refer Note 34 'Supplementary financial information' for details of lost/stolen assets). | | |
| Plant and Equipment | 171,542 | 62,593 |
| Less accumulated depreciation | (74,386) | (38,193) |
| Book value of Plant and Equipment written off | <u>97,156</u> | <u>24,400</u> |
| Infrastructure | 81,834 | 5,585 |
| Less accumulated depreciation | (14,460) | (788) |
| Book value of Infrastructure disposed | <u>67,374</u> | <u>4,797</u> |
| Buildings & Improvements | 4,000 | - |
| Less accumulated depreciation | - | - |
| Book value of Buildings & Improvements assets written-off | <u>4,000</u> | <u>-</u> |
| <u>Proceeds from Disposal of Non-Current Assets</u> | | |
| Trade-in of Plant and Equipment | <u>1,520</u> | <u>704</u> |
| Loss on disposal of non-current assets | <u>167,010</u> | <u>28,493</u> |
| Net loss on disposal of non-current assets | <u>167,010</u> | <u>26,945</u> |
| 10. Employee benefits expense | | |
| Wages and salaries (a) | 7,604,456 | 6,880,178 |
| Superannuation – defined contribution plans | 613,893 | 536,584 |
| Superannuation – defined benefit plans | 128,759 | 145,925 |
| Annual leave (b) | 832,077 | 787,022 |
| Long service leave (b) | 173,491 | 209,735 |
| Total | <u>9,352,676</u> | <u>8,559,444</u> |
| (a) includes the value of the fringe benefit to the employee plus the fringe benefits tax component. | | |
| (b) includes a superannuation contribution component. | | |
| Employment on-costs relating to workers' compensation premiums are included under 'Other employee related expenses' in the Income Statement. The employment on-costs liability is included at Note 23 'Provisions'. | | |
| 11. Depreciation | | |
| Buildings and improvements | 547,958 | 545,379 |
| Infrastructure | 750,534 | 733,213 |
| Plant, equipment and vehicles | 402,288 | 341,631 |
| Leased plant and equipment | 6,887 | 5,110 |
| Total depreciation | <u>1,707,667</u> | <u>1,625,333</u> |

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 | 2006 |
|---|------------|-----------|
| | \$ | \$ |
| 12. Finance costs | | |
| Interest paid to WA Treasury Corporation | – | 882,652 |
| Premium on early repayment of borrowings from WA Treasury Corporation | – | 137,029 |
| Finance lease finance charges | 2,029 | 1,721 |
| Total | 2,029 | 1,021,402 |
| 13. Capital user charge | 1,647,560 | 896,440 |
| <p>The capital user charge represents the opportunity cost of capital invested in the net assets of the Authority used in the provision of services. The charge is calculated on the net assets adjusted to take account of exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis and the charge is based on a rate of 8% set by the Government. The 2006-07 payment represents the final payment of the capital user charge as the State Government has now abolished the charge.</p> | | |
| 14. Grants and subsidies from State Government | | |
| <p>Service appropriations are accrual amounts reflecting the full cost of services delivered. The revenue from appropriations comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.</p> <p>The resources received free of charge relate to the secondment of a teacher from the Department of Education and Training.</p> <p>The liability assumed by the Treasurer relates to superannuation. The Pension Scheme and the pre-transfer benefit for employees who transferred to the Gold State Superannuation Scheme are unfunded. These liabilities are assumed by the Treasurer for reporting centrally. The annual movements in these liabilities are reported as an expense by the Authority in the Income Statement and this expense is matched by a notional revenue item, reflecting the liability assumed by the Treasurer.</p> | | |
| Service appropriations | 10,301,000 | 8,993,000 |
| Resources received free of charge | 78,719 | 32,244 |
| Liability assumed by the Treasurer | 2,979 | 542 |
| | 10,382,698 | 9,025,786 |
| 15. Cash and cash equivalents | | |
| <u>Unrestricted</u> | | |
| Cash at Bank | 1,991,986 | 1,123,478 |
| Cash on hand | 13,009 | 11,430 |
| Total unrestricted cash | 2,004,995 | 1,134,908 |
| <u>Restricted</u> | | |
| <p>Restricted cash and cash equivalents represent cash resources for which the use is restricted, wholly or partially by regulations or other externally imposed requirements. The Authority is the recipient of a number of grants which are restricted in their use according to the terms of the grant. The Authority has also made provision to cover the unfunded additional pay which occurs every 11 years, the next being 2015.</p> | | |
| Grant Funds | 54,692 | 169,883 |
| 27th Pay allocation for 2015 | 100,000 | 50,000 |
| Total Restricted cash | 154,692 | 219,883 |
| Total cash and cash equivalents | 2,159,687 | 1,354,791 |

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 \$ | 2006 \$ |
|------------------------|------------|------------|
| 16. Inventories | | |
| Inventories comprise: | | |
| Retail Shop Inventory | 170,266 | 144,107 |
| | 170,266 | 144,107 |

Refer also Note 2(l) 'Inventories' and note 7 'Retail Shop Trading'.

17. Amounts receivable for services

This asset represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability. During the period, the Authority drew down \$1,670,000 from the asset replacement holding account for work associated with the elephant exhibit upgrade project (\$1,600,000) and computer equipment purchases (\$70,000).

Represented by:

| | | |
|-------------|-----------|-----------|
| Current | 870,000 | 2,470,000 |
| Non-Current | 5,015,000 | 3,182,000 |
| | 5,885,000 | 5,652,000 |

The current portion of the asset relates to the amounts expected to be drawn down for asset replacement during the next 12 months. The current portion includes \$800,000 for the elephant exhibit upgrade and \$70,000 for computer equipment.

18. Receivables

| | | |
|-----------------------|---------|---------|
| Trade Debtors | 156,236 | 251,319 |
| GST Receivable | 307,290 | 179,411 |
| Workers' Compensation | 28,988 | 39,343 |
| Restaurant Dividend | 31,325 | 31,323 |
| Prepayments | 50,714 | 50,457 |
| | 574,553 | 551,853 |

(i) Credit Risk Exposure

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.

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

| | | |
|----------------------------|---------|---------|
| Government agencies | 126,518 | 49,410 |
| Australian Taxation Office | 307,290 | 179,411 |
| Total | 433,808 | 228,821 |

(ii) Net Fair Values

The Authority considers the carrying amounts of receivables approximate their net fair values.

Refer also Note 2(m) 'Receivables' and note 31 'Financial Instruments'.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 \$ | 2006 \$ |
|--|-------------|-------------|
| 19. Property, plant and equipment | | |
| Land: | | |
| At fair value | 1,755,000 | 1,461,000 |
| Buildings and Improvements: | | |
| At fair value | 11,349,205 | 9,568,164 |
| Accumulated Depreciation | (192,607) | (129,161) |
| Total Buildings and Improvements | 11,156,598 | 9,439,003 |
| Works in Progress at fair value | 33,190 | 585,376 |
| Total Buildings and Improvements | 11,189,788 | 10,024,379 |
| Infrastructure: | | |
| At cost | 16,196,640 | 15,632,592 |
| Accumulated Depreciation | (3,355,023) | (2,618,949) |
| | 12,841,617 | 13,013,643 |
| Works in Progress at cost | 1,814,222 | - |
| Total Infrastructure | 14,655,839 | 13,013,643 |
| Total Land, Buildings and Infrastructure | 27,600,627 | 24,499,022 |
| Plant, Equipment and Vehicles: | | |
| At cost | 3,448,227 | 3,158,261 |
| Accumulated Depreciation | (2,004,543) | (1,676,641) |
| Total Plant, Equipment and Vehicles | 1,443,684 | 1,481,620 |
| Works of Art: | | |
| At fair value | 153,524 | 108,998 |
| Accumulated Depreciation | - | - |
| Total Works of Art | 153,524 | 108,998 |
| Leased Plant and Equipment: | | |
| At capitalised cost | 45,936 | 45,936 |
| Accumulated Depreciation | (11,997) | (5,110) |
| Total Leased Plant & Equipment | 33,939 | 40,826 |
| Total Plant & Equipment | 1,631,147 | 1,631,444 |
| Total Property, Plant and Equipment | 29,231,774 | 26,130,466 |

The valuation of land is on the basis of current use and is revalued annually by the Western Australian Land Information Authority (Valuation Services). The valuation of land reported above was performed during the year ended 30 June 2007 and was based on valuations provided as at 1 July 2006.

The valuation of buildings and improvements is on the basis of fair value, determined by reference to recent market transactions and the valuer performs a physical site inspection every three years. The valuations are in accordance with an annual independent valuation by Valuation Services. The valuation of buildings and improvements reported above was performed during the year ended 30 June 2007 and was based on valuations provided as at 1 July 2006. The cost of acquisition between the physical inspection every three years is considered to approximate their fair value.

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Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

19. Property, plant and equipment (continued)

The valuation of works of art is on the basis of fair value, determined by reference to recent market transactions and performed every three years. The valuation of works of art reported was performed during the year ended 30 June 2006 and initially recognised at 30 June 2006. The valuations are in accordance with an independent valuation by Bonhams & Goodman. The cost of acquisitions between revaluation periods is considered to approximate their fair value.

Assets other than land, buildings and works of art are valued at the cost of acquisition.

Refer also Note 2(f) 'Property, plant and equipment'.

Reconciliations of carrying amounts of property, plant and equipment at the beginning and end of the reporting period are set out below.

| | Land | Buildings & Improve-ments | Plant, Equipment & Vehicles | Works of Art | Infra-structure | Leased Assets | Total |
|--------------------------------------|-----------|---------------------------|-----------------------------|--------------|-----------------|---------------|-------------|
| 2006/07 | | | | | | | |
| Carrying amount at start of year | 1,461,000 | 10,024,379 | 1,481,620 | 108,998 | 13,013,643 | 40,826 | 26,130,466 |
| Additions | – | 610,710 | 461,508 | 44,526 | 2,401,128 | – | 3,517,872 |
| Revaluation increments/ (decrements) | 294,000 | 1,165,633 | – | – | – | – | 1,459,633 |
| Depreciation | – | (547,958) | (402,288) | – | (750,534) | (6,887) | (1,707,667) |
| Asset class transfers | – | (58,976) | – | – | 58,976 | – | – |
| Write-offs | – | (4,000) | (97,156) | – | (67,374) | – | (168,530) |
| Carrying amount at end of year | 1,755,000 | 11,189,788 | 1,443,684 | 153,524 | 14,655,839 | 33,939 | 29,231,774 |

| | Land | Buildings & Improve-ments | Plant, Equipment & Vehicles | Works of Art | Infra-structure | Leased Assets | Total |
|--------------------------------------|-----------|---------------------------|-----------------------------|--------------|-----------------|---------------|-------------|
| 2005/06 | | | | | | | |
| Carrying amount at start of year | 1,386,000 | 8,318,037 | 1,423,515 | 20,761 | 13,643,166 | – | 24,791,479 |
| Additions | – | 1,026,925 | 451,817 | 33,298 | 108,486 | 45,936 | 1,666,462 |
| Revaluation increments/ (decrements) | 75,000 | 1,224,796 | – | 54,939 | – | – | 1,354,735 |
| Depreciation | – | (545,379) | (341,631) | – | (733,213) | (5,110) | (1,625,333) |
| Asset class transfers | – | – | – | – | – | – | – |
| Write-offs | – | – | (52,081) | – | (4,796) | – | (56,877) |
| Carrying amount at end of year | 1,461,000 | 10,024,379 | 1,481,620 | 108,998 | 13,013,643 | 40,826 | 26,130,466 |

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 | 2006 |
|---|---------|---------|
| | \$ | \$ |
| 20. Impairment of assets | | |
| There were no indications of impairment of property, plant and equipment at 30 June 2007. | | |
| The Authority held no goodwill or intangible assets with an indefinite useful life during the reporting period and at reporting date there were no intangible assets not yet available for use. | | |
| Any surplus assets at 30 June 2007 have been classified as non-current assets held for sale or written-off. | | |
| 21. Payables | | |
| Trade Payables | 197,393 | 177,077 |
| PAYG Tax Payable | 68,334 | 64,915 |
| FBT Payable | 8,056 | 6,543 |
| | 273,783 | 248,535 |

All the above payables are current liabilities and there are no non-current payables at reporting date.

Refer also Note 2(o) 'Payables' and Note 31 'Financial Instruments'.

22. Borrowings

The Authority has finance lease arrangements for two items of plant & equipment.

Current

| | | |
|---|-------|-------|
| Finance lease liabilities (secured) (a) | 6,770 | 6,283 |
| | 6,770 | 6,283 |

Non-current

| | | |
|---|--------|--------|
| Finance lease liabilities (secured) (a) | 27,995 | 34,765 |
| | 27,995 | 34,765 |

| | | |
|-------|--------|--------|
| Total | 34,765 | 41,048 |
|-------|--------|--------|

(a) Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

The carrying amounts of non-current assets pledged as security are:

| | | |
|----------------------------|--------|--------|
| Finance leases | | |
| Leased plant and equipment | 33,939 | 40,826 |
| | 33,939 | 40,826 |

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 \$ | 2006 \$ |
|--|------------|------------|
| 23. Provisions | | |
| <u>Current</u> | | |
| Employee benefits provision | | |
| Annual leave (a) | 817,096 | 789,849 |
| Purchased leave (a) | 4,502 | 6,815 |
| Long service leave (b) | 376,422 | 275,575 |
| | 1,198,020 | 1,072,239 |
| Other provisions | | |
| Employment on-costs (c) | 32,973 | 29,511 |
| | 1,230,993 | 1,101,750 |
| <u>Non-Current</u> | | |
| Employee benefits provision | | |
| Long service leave (b) | 334,055 | 390,573 |
| | 334,055 | 390,573 |
| Other provisions | | |
| Employment on-costs (c) | 9,194 | 10,750 |
| | 343,249 | 401,323 |
| Total current & non-current provisions | 1,574,242 | 1,503,073 |

(a) Annual and purchased leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

| | | |
|--|---------|---------|
| Within 12 months of balance sheet date | 718,247 | 691,461 |
| More than 12 months after balance sheet date | 103,351 | 105,203 |
| | 821,598 | 796,664 |

(b) Long service leave liabilities have been classified as current where this is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

| | | |
|--|---------|---------|
| Within 12 months of balance sheet date | 376,422 | 275,575 |
| More than 12 months after balance sheet date | 334,055 | 390,573 |
| | 710,477 | 666,148 |

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs associated with workers' compensation premiums. The provision is measured at the present value of expected future payments.

The associated expense is included under 'Other employee related expenses' in the Income Statement.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 | 2006 |
|--|------------|------------|
| | \$ | \$ |
| <u>Movements in Other Provisions</u> | | |
| Movements in each class of provisions during the year, other than employee benefits, are set out below: | | |
| <u>Employment on-costs provision</u> | | |
| Carrying amount at start of year | 40,261 | 108,052 |
| Additional provisions recognised/(derecognised) | 29,995 | (42,514) |
| Payments/other sacrifices of economic benefits | (28,089) | (25,277) |
| Carrying amount at the end of the year | 42,167 | 40,261 |
| 24. Accrued expenses | | |
| Accrued expenses consists of: | | |
| Accrued Salaries and Wages | 82,549 | 89,492 |
| Total | 82,549 | 89,492 |
| The accrued salaries and wages figures includes an amount of \$50,000 which is the estimated amount of back pay associated with award rate increases applicable for 2006-07 but not paid as at balance sheet date. | | |
| 25. Unearned income | | |
| Unearned income consists of: | | |
| Friends of Perth Zoo Memberships | 342,075 | 236,255 |
| Grants and sponsorships | 187,341 | 164,980 |
| Other | 3,254 | 3,692 |
| Total | 532,670 | 404,927 |
| 26. Equity | | |
| <u>Contributed Equity</u> | | |
| Balance at start of year | 19,739,220 | 2,137,220 |
| Contributions by owners | | |
| Capital contributions (i) | 530,000 | 17,602,000 |
| Balance at end of year | 20,269,220 | 19,739,220 |
| (i) Capital contributions (appropriations) have been designated as contributions by owners in TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' and are credited directly to equity. | | |
| <u>Asset Revaluation Reserve</u> | | |
| Balance at start of year | 4,917,854 | 3,563,119 |
| Revaluation increment – Land | 294,000 | 75,000 |
| Revaluation increment – Buildings and Improvements | 1,165,633 | 1,224,796 |
| Revaluation increment – Works of Art | – | 54,939 |
| Transfers to Retained Earnings | (4,798) | – |
| Balance at end of year | 6,372,689 | 4,917,854 |
| <u>Retained Earnings</u> | | |
| Balance at start of year | 6,889,068 | 4,327,312 |
| Result for the period | 1,987,496 | 2,561,756 |
| Transfers from Asset Revaluation Reserves | 4,798 | – |
| Balance at end of year | 8,881,362 | 6,889,068 |

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 | 2006 |
|--|--------------------|--------------------|
| | \$ | \$ |
| 27. Notes to the Cash Flow Statement | | |
| <u>Reconciliation of cash</u> | | |
| Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows: | | |
| Cash on hand | 13,009 | 11,430 |
| Cash at bank | – | 94,705 |
| Trust account funds held at Treasury | 2,146,678 | 1,248,656 |
| Total cash and cash equivalents | <u>2,159,687</u> | <u>1,354,791</u> |
| <u>Reconciliation of loss before grants & subsidies from State Government to net cash used in operating activities</u> | | |
| Loss before grants and subsidies from State Government | (8,395,202) | (6,464,030) |
| Non-cash items: | | |
| Donated assets | (33,016) | (74,945) |
| Gains on disposal of non-current assets | – | (1,548) |
| Depreciation | 1,707,667 | 1,625,333 |
| Superannuation liability assumed by the Treasurer | 2,979 | 542 |
| Resources received free of charge | 78,719 | 32,244 |
| Loss on disposal of non-current assets | 167,010 | 28,493 |
| (Increase)/decrease in assets: | | |
| Increase in inventories | (26,159) | (8,325) |
| (Increase)/decrease in receivables | 105,436 | (48,544) |
| Increase in prepayments | (257) | (29,355) |
| Increase/(decrease) in liabilities: | | |
| Increase in annual leave provision | 27,247 | 99,677 |
| Increase/(decrease) in purchased annual leave provision | (2,313) | 2,177 |
| Increase in long service leave provision | 44,329 | 52,324 |
| Increase/(decrease) in other provisions | 1,906 | (67,791) |
| Increase/(decrease) in payables | 1,179 | (109,807) |
| Increase in unearned income | 127,743 | 46,267 |
| Decrease in accrued expenses | (6,943) | (200,510) |
| Net GST (payments)/receipts | (114,346) | 7,490 |
| Net change in GST in receivables/payables | (13,533) | 9,500 |
| Net cash used in operating activities | <u>(6,327,554)</u> | <u>(5,100,808)</u> |
| <u>Non-cash financing and investing activities</u> | | |
| During the financial year, the Authority acquired assets with an aggregate fair value of \$33,016 by means of donations and insurance claims. These acquisitions are not reflected in the Cash Flow Statement. | | |
| <u>Financing facilities</u> | | |
| At the reporting date, the Authority had no approved borrowings facilities, including those associated with capital works projects. | | |

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 | 2006 |
|--|---------|---------|
| | \$ | \$ |
| 28. Commitments | | |
| <u>Capital expenditure commitments</u> | | |
| The estimated amount of commitments for contracted capital works in progress at 30 June 2007 not provided for in the financial statements was \$1,626,238 (2006 – \$868,998). The amount is payable within one year. | | |
| <u>Finance lease commitments</u> | | |
| Minimum lease payments commitments in relation to finance leases are payable as follows: | | |
| Within 1 year | 8,312 | 8,312 |
| Later than 1 year and not later than 5 years | 29,478 | 37,790 |
| Minimum finance lease payments | 37,790 | 46,102 |
| Less future finance charges | (3,025) | (5,054) |
| Present value of finance lease liabilities | 34,765 | 41,048 |
| The present value of finance leases payable is as follows: | | |
| Within 1 year | 6,770 | 6,283 |
| Later than 1 year and not later than 5 years | 27,995 | 34,765 |
| Present value of finance lease liabilities | 34,765 | 41,048 |
| Included in the financial statements as: | | |
| Current (note 22) | 6,770 | 6,283 |
| Non-current (note 22) | 27,995 | 34,765 |
| | 34,765 | 41,048 |

The Authority has the option to purchase leased assets at their agreed fair value on expiry of the lease. These leasing arrangements do not have escalation clauses, other than in the event of payment default. There are no restrictions imposed by the leasing arrangements on other financing transactions. Certain finance leases have a contingent rental obligation, however these are not material when compared to the total lease payments made.

29. Explanatory statement

The following explanations are provided in accordance with Treasurer's Instruction 945. Significant variations are considered to be those greater than \$50,000 and greater than 10%.

(A) Significant variances between estimate and actual results for the financial year

Reasons for significant variations between actual revenue and expenditure and the Estimates contained in the Budget Statements are detailed below. 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. The variances below are based on comparing the total revenue and expenditure from ordinary activities and then identifying significant variances according to the categories in these financial statements.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 Actual \$ | 2007 Estimate \$ | Variation \$ |
|---|----------------------|------------------------|-----------------|
| 29. Explanatory statement (continued) | | | |
| Revenue | | | |
| (i) <u>Retail shop sales</u> Increased admission numbers during the period assisted in increasing the number of customers to the shop and level of sales. | 1,143,818 | 899,350 | 244,468 |
| (ii) <u>Grants/sponsorships/donations/fundraising</u> Due to a bequest received during the period and higher than expected revenue from the sale of paw print products associated with fundraising. | 1,102,044 | 931,000 | 171,044 |
| (iii) <u>Memberships & adoptions</u> Due to higher than expected growth in the sales of Friends of Perth Zoo memberships during the period. Membership income increased by 23% over the previous year to \$527,963. The Friends of Perth Zoo membership provides unlimited free entry to the Zoo and other benefits for an annual membership fee. | 578,123 | 502,350 | 75,773 |
| Expenses | | | |
| (iv) <u>Cost of retail shop sales</u> An increased level of inventory purchases was required to meet the higher than expected level of retail shop sales during the period. The sales increased due to higher than expected admission numbers. | 574,115 | 511,300 | 62,815 |
| (v) <u>Other employee related expenses</u> The lower than expected costs were the result of the workers' compensation premium increase being less than originally estimated. | 649,448 | 864,030 | (214,582) |
| (vi) <u>Maintenance & upkeep</u> Due to delays in completing some maintenance projects during the period. The level of asset capitalisation associated with some major maintenance works also resulted in lower than expected amounts being expensed to the Income Statement during the period. | 1,579,627 | 1,915,715 | (336,088) |
| (vii) <u>Loss on disposal of non-current assets</u> Due to the demolition of bird aviaries as part of redevelopment works associated with Perth Zoo's Master Plan. The acquisitions of new veterinary and audio visual equipment during the period involved the trade-in, write-off and gifting of obsolete and surplus assets. The Zoo's ongoing program to replace obsolete computer equipment and the replacement of assets via insurance claims also contributed to the value of assets written-off during the period. | 167,010 | - | 167,010 |

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Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

29. Explanatory statement (continued)

(B) Significant variances between actual results for the financial year and prior year actual results

Reasons for significant variations between actual revenue and expenditure and the corresponding item of the preceding year are detailed below.

| | 2007 Actual \$ | 2006 Actual \$ | Variation \$ |
|--|----------------------|----------------------|-----------------|
| Revenue | | | |
| (i) <u>Retail shop sales</u> | 1,143,818 | 953,264 | 190,554 |
| Increased admission numbers during the period assisted in increasing the number of customers to the shop and level of sales. | | | |
| (ii) <u>Memberships & adoptions</u> | 578,123 | 468,431 | 109,692 |
| Due to continued increase in the Friends of Perth Zoo memberships during the period. Membership income increased by 23% over the previous year to \$527,963. The Friends of Perth Zoo membership provides unlimited free entry to the Zoo and other benefits for an annual membership fee. Membership growth was assisted by the ongoing cross promotional opportunities with a corporate sponsor during the period. | | | |
| (iii) <u>Events & educational activities</u> | 294,136 | 244,032 | 50,104 |
| Due to increased revenue from commercial behind the scenes tours and venue hire associated with functions. The revenue from commercial behind the scenes tours contributes to Perth Zoo's support of important insitu conservation projects. | | | |
| (iv) <u>Other revenue</u> | 95,270 | 1,538,270 | (1,443,000) |
| Due to \$1.2m retrospective refund of payroll tax received in 2005-06 following the granting of an exemption from payroll tax. The 2005-06 figure also included registration revenue associated with Perth Zoo hosting the 2006 Regional Association of Parks and Aquaria (ARAZPA) annual conference. | | | |
| Expenses | | | |
| (v) <u>Cost of retail shop sales</u> | 574,115 | 482,879 | 91,236 |
| Increased inventory purchases were required to meet the demand from increased sales in the retail shop. Gross sales in the shop increased by 20% and the net profit of the shop increased by 27% over the previous financial year. | | | |

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 Actual \$ | 2006 Actual \$ | Variation \$ |
|--|-------------------------------|-------------------------------|-------------------------|
| (vi) <u>Other employee related expenses</u> Due to increased costs in areas such as the workers' compensation premium, staff travel, conference attendance fees, study assistance, staff training and fringe benefits tax. The project to reintroduce a Perth Zoo bred orang-utan into a protected sanctuary in Bukit Tigapuluh National Park Indonesia and other ongoing insitu conservation initiatives also involved additional overseas travel during the period. | 649,448 | 497,484 | 151,964 |
| (vii) <u>Finance costs</u> Due to the retirement of the Authority's debt portfolio with WA Treasury Corporation in 2005-06. The only remaining finance costs are those associated with finance leases of plant and equipment assets. | 2,029 | 1,021,402 | (1,019,373) |
| (viii) <u>Administration</u> Due to the increased level of grant and subsidies paid to external organisations involved in insitu conservation initiatives supported by Perth Zoo. There were also a number of projects undertaken during the period that required professional advice in areas such as information technology and strategic planning. | 1,375,542 | 1,213,706 | 161,836 |
| (ix) <u>Capital user charge</u> Due to increased net asset base during the period. The capital user charge is a Government charge of 8% on the Authority's net asset base. The 2006-07 payment is the final payment of this charge as the State Government has now abolished the charge. | 1,647,560 | 896,440 | 751,120 |
| (x) <u>Animal operational expenses</u> Due to increased animal transaction costs due to release of Perth Zoo bred orang-utan into protected sanctuary in Bukit Tigapuluh National Park Indonesia. Also due to increased costs associated with fruit and vegetables, fodder and veterinary supplies. | 602,486 | 475,404 | 127,082 |

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Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 Actual \$ | 2006 Actual \$ | Variation \$ |
|---|-------------------------------|-------------------------------|-------------------------|
| (xi) <u>Advertising and promotion</u> Due to increased media advertising to promote Perth Zoo and its events and activities This included promoting the 50th Birthday celebrations of Perth Zoo's female Asian Elephant, Tricia. There was also increased advertising associated with Perth Zoo's membership and fundraising activities. The increasing membership numbers has also impacted on printing costs associated with Perth Zoo's quarterly member's magazine "News Paws". Initiatives associated with rebranding the Zoo's retail shop as "Zoonique" also commenced during the period. | 510,944 | 390,894 | 120,050 |
| (xii) <u>Loss on disposal of non-current assets</u> Due to the demolition of bird aviaries as part of redevelopment works associated with Perth Zoo's Master Plan. The acquisitions of new veterinary and audio visual equipment during the period involved the trade-in, write-off and gifting of obsolete and surplus assets. The Zoo's ongoing program to replace obsolete computer equipment and the replacement of assets via insurance claims also contributed to the value of assets written-off during the period. | 167,010 | 28,493 | 138,517 |

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Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

30. SEGMENT (SERVICE) INFORMATION

INDUSTRY SEGMENTS:

Treasurer's Instruction 1101 requires that information be provided for agreed services of the Authority as printed in the Treasurer's Annual Budget Statements.

| | Visitor Services | | Community Education and Awareness | | Wildlife Collection Management | | Total | |
|--|------------------|------------------|-----------------------------------|------------------|--------------------------------|-------------------|-------------------|-------------------|
| | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 |
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| INCOME | | | | | | | | |
| Admissions | 322,800 | 376,974 | 561,067 | 526,823 | 4,861,936 | 4,455,772 | 5,745,803 | 5,359,569 |
| Retail shop sales | 1,143,818 | 953,264 | – | – | – | – | 1,143,818 | 953,264 |
| Grants/sponsorships/ donations/fundraising | 886,539 | 887,282 | – | – | 215,505 | 156,448 | 1,102,044 | 1,043,730 |
| Memberships & adoptions | 50,160 | 40,972 | – | – | 527,963 | 427,459 | 578,123 | 468,431 |
| Restaurant | 428,475 | 394,438 | – | – | – | – | 428,475 | 394,438 |
| Rides, maps, commissions & hire | 259,431 | 253,844 | – | – | 60,904 | 57,394 | 320,335 | 311,238 |
| Events & educational activities | 238,590 | 190,512 | 55,546 | 53,520 | – | – | 294,136 | 244,032 |
| Car parking | 65,898 | 66,982 | – | – | – | – | 65,898 | 66,982 |
| Other revenue | 93,662 | 1,494,893 | – | 3,318 | 1,608 | 40,059 | 95,270 | 1,538,270 |
| Gains on disposal of non-current assets | – | 1,548 | – | – | – | – | – | 1,548 |
| Total Income | 3,489,373 | 4,660,709 | 616,613 | 583,661 | 5,667,916 | 5,137,132 | 9,773,902 | 10,381,502 |
| EXPENSES | | | | | | | | |
| Cost of retail shop sales | 574,115 | 482,879 | – | – | – | – | 574,115 | 482,879 |
| Employee benefits expense | 2,707,236 | 2,499,274 | 808,802 | 618,925 | 5,836,638 | 5,441,245 | 9,352,676 | 8,559,444 |
| Other employee related expenses | 180,655 | 128,933 | 41,473 | 29,762 | 427,320 | 338,789 | 649,448 | 497,484 |
| Maintenance & upkeep | 560,144 | 570,152 | 106,461 | 86,233 | 913,022 | 997,668 | 1,579,627 | 1,654,053 |
| Depreciation expense | 523,953 | 470,157 | 109,770 | 108,008 | 1,073,944 | 1,047,168 | 1,707,667 | 1,625,333 |
| Finance costs | 591 | 290,874 | 142 | 67,364 | 1,296 | 663,164 | 2,029 | 1,021,402 |
| Administration | 642,700 | 535,873 | 111,128 | 110,932 | 621,714 | 566,901 | 1,375,542 | 1,213,706 |
| Capital user charge | 480,277 | 255,287 | 115,215 | 59,123 | 1,052,068 | 582,030 | 1,647,560 | 896,440 |
| Animal operational expenses | 996 | 2,170 | 114 | 699 | 601,376 | 472,535 | 602,486 | 475,404 |
| Advertising and promotion | 388,920 | 252,893 | 30,048 | 27,437 | 91,976 | 110,564 | 510,944 | 390,894 |
| Loss on disposal of non-current assets | 29,489 | 8,114 | 6,639 | 1,879 | 130,882 | 18,500 | 167,010 | 28,493 |
| Total Expenses | 6,089,076 | 5,496,606 | 1,329,792 | 1,110,362 | 10,750,236 | 10,238,564 | 18,169,104 | 16,845,532 |
| Loss before grants & subsidies from State Government | (2,599,703) | (835,897) | (713,179) | (526,701) | (5,082,320) | (5,101,432) | (8,395,202) | (6,464,030) |

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Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

SEGMENT DESCRIPTIONS:

Visitor Services

Perth Zoo aims to maximise visitation by providing a quality and unique 'value-for-money' attraction that provides recreation, education and commercial facilities set in ecologically themed botanic gardens.

Community Education and Awareness

Perth Zoo aims to promote clear conservation messages to the community. This is achieved by providing educational programs and publications, interpretation and information services that educate the community about conservation issues. The Zoo's commercial activities are also underpinned by conservation messages.

Wildlife Collection Management

The conservation value of the wildlife collection will be optimised by effective management, selection, captive breeding, breeding for re-introduction and provision of research opportunities.

GEOGRAPHICAL SEGMENTS:

The Zoological Parks Authority operates within one geographical segment (Western Australian public sector).

31. FINANCIAL INSTRUMENTS

Financial Risk Management Objectives and Policies

Financial instruments held by the Authority are cash and cash equivalents, loans and finance leases, 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:

Credit Risk

All financial assets of the Authority are unsecured. The majority of the Authority's credit sales for products and services are made to regular recognised customers with an appropriate credit history. In addition, receivables balances are monitored monthly and on an individual basis to ensure that the Authority's exposure to bad debts is minimised. Amounts owing by other government agencies are guaranteed and therefore no credit risk exists in respect to those amounts.

In respect of other financial assets the carrying amounts represent the Authority's maximum exposure to credit risk in relation to those assets and there are no significant concentrations of credit risk.

Liquidity Risk

The Authority has appropriate cash flow management strategies and processes to ensure that sufficient funds are available to meet its commitments.

Cash flow interest rate risk

The Authority is only exposed to interest rate risk in relation to interest bearing cash at bank and has no borrowings other than finance leases that are subject to fixed interest rates.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

Interest Rate Risk Exposure

The following table details the Authority's exposure to interest rate risk as at balance sheet date.

| | Weighted Average Effective Interest Rate | Variable Interest Rate | Fixed Interest Rate Maturity | | | | | More than 5 Years | Non Interest Bearing | Total |
|------------------------------|--|------------------------------|------------------------------|----------------|----------------|-----------------|--------------|-------------------------|----------------------------|------------------|
| | | | Within 1 Year | 1-2 Years | 2-3 Years | 3-4 Years | 4-5 Years | | | |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| 30 June 2007 | | | | | | | | | | |
| Financial Assets | | | | | | | | | | |
| Cash and cash equivalents | 6.16% | 327,563 | – | – | – | – | – | – | 1,832,124 | 2,159,687 |
| Receivables | | – | – | – | – | – | – | – | 574,553 | 574,553 |
| | | 327,563 | – | – | – | – | – | – | 2,406,677 | 2,734,240 |
| Financial Liabilities | | | | | | | | | | |
| Payables | | – | – | – | – | – | – | – | 273,783 | 273,783 |
| Borrowings | 7.50% | – | 6,770 | 7,296 | 7,863 | 12,836 | – | – | – | 34,765 |
| | | – | 6,770 | 7,296 | 7,863 | 12,836 | – | – | 273,783 | 308,548 |
| Net financial assets | | 327,563 | (6,770) | (7,296) | (7,863) | (12,836) | – | – | 2,132,894 | 2,425,692 |

| | Weighted Average Effective Interest Rate | Variable Interest Rate | Fixed Interest Rate Maturity | | | | | More than 5 Years | Non Interest Bearing | Total |
|------------------------------|--|------------------------------|------------------------------|----------------|----------------|----------------|-----------------|-------------------------|----------------------------|------------------|
| | | | Within 1 Year | 1-2 Years | 2-3 Years | 3-4 Years | 4-5 Years | | | |
| | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | |
| 30 June 2006 | | | | | | | | | | |
| Financial Assets | | | | | | | | | | |
| Cash and cash equivalents | 5.07% | 241,676 | – | – | – | – | – | – | 1,113,115 | 1,354,791 |
| Receivables | | – | – | – | – | – | – | – | 551,853 | 551,853 |
| | | 241,676 | – | – | – | – | – | – | 1,664,968 | 1,906,644 |
| Financial Liabilities | | | | | | | | | | |
| Payables | | – | – | – | – | – | – | – | 248,535 | 248,535 |
| Borrowings | 7.50% | – | 6,283 | 6,770 | 7,296 | 7,863 | 12,836 | – | – | 41,048 |
| | | – | 6,283 | 6,770 | 7,296 | 7,863 | 12,836 | – | 248,535 | 289,583 |
| Net financial assets | | 241,676 | (6,283) | (6,770) | (7,296) | (7,863) | (12,836) | – | 1,416,433 | 1,617,061 |

Fair Values

The carrying amount of financial assets and liabilities recorded in the financial statements are not materially different from their net fair values.

No financial assets and financial liabilities held by the Authority are readily traded on organised markets in standardised forms.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

32. Remuneration of members of the Accountable Authority and senior officers

| | 2007 | 2006 |
|---|----------|----------|
| <u>Remuneration of Members of the Accountable Authority</u> | | |
| The number of members of the Accountable Authority, whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are: | | |
| \$0 – \$10,000 | 9 | 7 |
| \$10,001 – \$20,000 | 1 | 1 |
| The total remuneration of the members of the Accountable Authority is: | \$30,459 | \$32,755 |

The superannuation included here represents the superannuation expense incurred by the Authority in respect of the members of the Accountable Authority.

No members of the Accountable Authority are members of the Pension Scheme.

Remuneration of Senior Officers

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

The figures include current employees and officers that terminated employment during the period.

The number of senior officers, other than senior officers reported as members of the Accountable Authority, whose total fees, salaries, superannuation and other benefits for the financial year, fall within the following bands:

| | | |
|---|-----------|-----------|
| \$30,001 – \$40,000 | – | 1 |
| \$60,001 – \$70,000 | 1 | – |
| \$80,001 – \$90,000 | – | 1 |
| \$90,001 – \$100,000 | 1 | – |
| \$100,001 – \$110,000 | 2 | 2 |
| \$110,001 – \$120,000 | 1 | 1 |
| \$180,001 – \$190,000 | – | 1 |
| \$190,001 – \$200,000 | 1 | – |
| The total remuneration of senior officers is: | \$685,852 | \$624,908 |

The superannuation included here represents 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.

33. Remuneration of the Auditor

Remuneration to the Auditor General for the financial year is as follows:

| | | |
|--|----------|----------|
| Auditing the accounts, financial statements and performance indicators | \$50,000 | \$37,000 |
| | <hr/> | <hr/> |
| | \$50,000 | \$37,000 |

The expense is included under 'Administration' expenses in the Income Statement.

Financial Statements

Zoological Parks Authority Notes to the Financial Statements for the Year Ended 30 June 2007

| | 2007 | 2006 |
|---|----------|--------|
| | \$ | \$ |
| 34. Supplementary financial information | | |
| The following items have been written off by the Accountable Authority: | | |
| <u>Write-Offs</u> | | |
| Assets written off | 155,498 | 20,443 |
| Bad debts written off by the Accountable Authority | 446 | 1,650 |
| Damaged retail shop stock | 4,176 | 3,235 |
| Cashier shortages written off by the Accountable Authority | 1,205 | 1,389 |
| | 161,325 | 26,717 |
| <u>Losses Through Theft, Defaults and Other Causes</u> | | |
| During the period some equipment was reported stolen or missing. At reporting date, proceeds for an insurance claim for \$2,130 relating to the replacement of three damaged two-way radios had not been finalised. | | |
| Lost/stolen public property written off by the Accountable Authority | 5,354 | 8,038 |
| Amount recovered through insurance proceeds | (14,186) | - |
| | (8,832) | 8,038 |
| <u>Gifts of Public Property</u> | | |
| During the period the Authority gifted some obsolete veterinary equipment and wheelchairs to not-for-profit organisations involved in animal and community welfare projects. | | |
| Gifts of public property provided by the Authority | 6,158 | 4,796 |
| | 6,158 | 4,796 |
| 35. Events occurring after the balance sheet date | | |
| Nil. | | |

Performance Indicators

Zoological Parks Authority Certification of Performance Indicators For The Year Ended 30 June 2007

We hereby certify that the 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 financial year ended 30 June 2007.



Peter Metcalfe
Chairperson

27 August 2007



Andrew Thompson
Deputy Chairperson

27 August 2007

Performance Indicators Information

Mission

The agency's mission is to advance the conservation of wildlife and to change community attitudes towards the preservation of life on earth.

Vision

A world where diversity of species and habitats is secure.

Community Service Charter

To provide for the community of Western Australia, wholesome, value for money, recreational services, whilst striving towards self-sufficiency and continuous improvement to the quality of services delivered.

Funding Objectives

Funding for the year was received in accordance with the following Outcomes and Services.

Outcome 1:

Promote positive community attitudes towards the understanding and appreciation of wildlife and environmental conservation.

Service 1: Visitor services

Service description: Perth Zoo aims to maximise visitation by providing a quality and unique "value for money" attraction that provides recreation, education and commercial facilities set in ecologically themed botanic gardens.

Service 2: Community education and awareness

Service description: Perth Zoo aims to promote clear conservation messages to the community. This is achieved by providing educational programs and publications, interpretation and information services that educate the community about conservation issues. The Zoo's commercial activities are also underpinned by conservation messages.

Outcome 2:

Conservation of wildlife

Service 3: Wildlife collection management

Service description: The conservation value of the wildlife collection will be optimised by effective management, selection, captive breeding, breeding for re-introduction and provision of research opportunities.

Performance Indicators Information

Effectiveness and Efficiency Indicators

Outcome 1:

Promote positive community attitudes towards the understanding and appreciation of wildlife and environmental conservation.

This outcome is measured by surveying our customers to gauge the extent to which the Zoo communicates its conservation message. The following indicators are designed to measure the extent to which Perth Zoo has been able to positively influence people's attitudes towards the conservation of wildlife and the environment.

Effectiveness Indicators

To obtain information in relation to effectiveness indicators 1.1 and 1.2, Synovate was commissioned by Perth Zoo to conduct customer research in May 2007. Intercept surveys were conducted with randomly selected Zoo patrons over 16 years of age. Details of the sampling, response rates and sampling error are as follows:

| | 2004 | 2005 | 2006 | 2007 |
|-----------------|---------|---------|---------|---------|
| Population* | 528,880 | 550,105 | 597,027 | 612,925 |
| Desired Sample | 500 | 500 | 500 | 500 |
| Achieved Sample | 500 | 503 | 500 | 500 |
| Response Rate | 50.71% | 57.75% | 57.27% | 50.05% |
| Sampling Error | ±4.5% | ±4.5% | ±4.5% | ±4.5% |

* Population is based on annual visitors to Perth Zoo

Performance Indicators Information

Effectiveness Indicators (continued)

1.1. The Zoo as an educational/learning experience

| “Perth Zoo’s exhibits and displays educate visitors about conservation problems facing wildlife.” | 2004 Actual | 2005 Actual | 2006 Actual | 2007 Actual | 2007 Target |
|---|-------------|-------------|-------------|-------------|-------------|
| Agree | 88% | 87% | 91% | 95% | 90% |
| Neither agree/disagree | 7% | 7% | 5% | 2% | 5% |
| Disagree | 3% | 4% | 2% | 1% | 5% |
| Don't know | 2% | 2% | 2% | 2% | – |

Note to this Indicator

The results continue to show a positive trend with 95% of those surveyed considering that Perth Zoo provides an educational/learning experience. The Zoo has continued to improve the content and delivery of its formal and informal educational programs. These programs are aimed at students, schools and the general community. Improvements to exhibit signage, the upgrade of the Perth Zoo website and development of new interpretation hubs such as Bukit Station which focuses on conservation issues facing Asian rainforest species are examples of projects during the period that are aimed at supporting this indicator.

1.2 Conservation of the Environment

| “Perth Zoo encourages people to be more conscious about the conservation of the environment.” | 2004 Actual | 2005 Actual | 2006 Actual | 2007 Actual | 2007 Target |
|---|-------------|-------------|-------------|-------------|-------------|
| Agree | 77% | 67% | 89% | 94% | 80% |
| Neither agree/disagree | 14% | 18% | 7% | 2% | 15% |
| Disagree | 5% | 8% | 2% | 2% | 5% |
| Don't know | 4% | 7% | 2% | 2% | - |

Note to this Indicator

In 2004, respondents were asked to indicate their level of agreement with the statement “The Zoo promotes changes in lifestyle which can help the conservation of wildlife and the environment”. In 2005, the statement was changed to “The Zoo promotes changes in lifestyle which can help the environment” in order to focus more broadly on the Zoo’s impact on visitors’ perception of work in environmental matters.

In 2006, the statement was further revised to “Perth Zoo encourages people to be more conscious about the conservation of the environment”. The same question was used in the most recent 2007 survey and the indicator has continued the positive trend of the previous year with a very high level of respondents agreeing with this statement. The Zoo continues to focus and promote a variety of environmental conservation issues to the community including the importance of habitat protection.

Performance Indicators Information

Efficiency Indicators

Service 1: Visitor Services

1.3 Cost of Services per Customer

The total cost of delivering Perth Zoo's three services are used to calculate this indicator. Efficiency would be demonstrated by this indicator remaining constant or reducing over time, as admission numbers increase.

| | 2004 Actual | 2005 Actual | 2006 Actual | 2007 Actual | 2007 Target |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Total customers admitted to the Zoo | 528,880 | 550,105 | 597,027 | 612,925 | 570,000 |
| Total cost of services (\$000's) | \$14,809 | \$16,251 | \$16,793 | \$18,169 | \$18,440 |
| Average cost per customer | \$28.00 | \$29.54 | \$28.13 | \$29.64 | \$32.35 |

Note to this Indicator

The high level of admission numbers and lower level of costs during the period resulted in a lower than expected cost per admission. Following the positive admission figures in 2005-06, the admission target was revised up to 590,000 from the original target of 570,000. While some events over the summer season did not meet expected admission numbers, there was a positive trend in general admissions during the period. The continuing growth in revenue from the Friends of Perth Zoo memberships has increased the percentage of visitation from members from 9% in 2005-06 to 14% of visitors in 2006-07 and this program also results in repeat visitation by members.

Service 2: Community Education and Awareness

1.4 Operating Expenditure per Participant

Efficiency would be demonstrated by this indicator remaining relatively constant or reducing, as the Zoo's education programs develop and participation increases.

| | 2004 Actual | 2005 Actual | 2006 Actual | 2007 Actual | 2007 Target |
|--|----------------|----------------|----------------|----------------|----------------|
| Number of participants in formal education programs | 57,603 | 60,420 | 61,053 | 62,666 | 62,000 |
| Costs of providing all Perth Zoo formal education programs (\$000's) | \$1,066 | \$992 | \$1,058 | \$1,365 | \$1,482 |
| Average cost per participant | \$18.51 | \$16.41 | \$17.32 | \$21.79 | \$23.90 |

Note to this Indicator

This indicator relates to the number of participants in formal education programs run by the Zoo. These education programs include lessons provided to visiting school students, formal educational activities for the general public and formal teaching programs associated with undergraduate and post graduate veterinary courses.

Performance Indicators Information

Efficiency Indicators (continued)

There was an increase of participants in both the veterinary courses and formal teaching activities for the students and the general public and the total of 62,666 participants was above the target set for 2006-07. The cost of providing the education programs did not increase to the extent expected due to the lower than expected level of total Zoo operating costs during the period. These lower costs combined with the higher than expected participant numbers resulted in the average cost per participant being below the target.

Outcome 2:

Conservation of wildlife.

Effectiveness Indicators

2.1. Number of offspring produced by threatened animals for re-introduction

Perth Zoo aims to successfully breed threatened animals for future re-introduction into their natural environments. These species are all part of programs managed by the Department of Environment and Conservation through the Recovery Team process species recovery plan.

| | 2004 Actual Animals Produced | 2005 Actual Animals Produced | 2006 Actual Animals Produced | 2007 Actual Animals Produced | 2007 Target |
|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|----------------|
| Western Swamp Tortoise | 47 | 71 | 35 | 26 | 40 |
| Numbat | 13 | 14 | 12 | 12 | 15 |
| Dibbler | 52 | 57 | 43 | 37 | 42 |
| TOTAL | 112 | 142 | 90 | 75 | 97 |

Note to this Indicator

The number of animals bred during the period was lower than expected due to several Western Swamp Tortoise eggs failing to hatch. Some Dibbler pairings failed to produce offspring and some pairings of Dibblers proved incompatible, resulting in lower than expected Dibbler births. Numbat breeding numbers were the same as last year and slightly below the target.

Performance Indicators Information

Effectiveness Indicators (continued)

2.2. Percentage of species in the animal collection that are part of a regionally managed program where the Perth Zoo has complied with that program

The Zoo's collection plan is a strategic planning document that outlines Perth Zoo's current and future animal collection requirements and associated management actions. The collection plan is reviewed annually and proposed actions negotiated with the Australasian Regional Association of Zoological Parks and Aquaria (ARAZPA) institutional members.

Perth Zoo aims to comply with all agreed actions in regional animal management programs. Coordination amongst member institutions of ARAZPA is one of the cornerstones of Perth Zoo's animal management.

| | 2004 Actual | 2005 Actual | 2006 Actual | 2007 Actual | 2007 Target |
|---|----------------|----------------|----------------|----------------|----------------|
| Number of species in Perth Zoo animal collection | 218 | 218 | 214 | 196 | 221 |
| Number of species in the animal collection that are part of a regional management program | 35 | 39 | 37 | 32 | 39 |
| Percentage of species in the animal collection that are part of a regional management program | 16% | 18% | 17% | 16% | 18% |
| Number of species where Perth Zoo has complied with the regional management program | 35 | 39 | 37 | 30 | 39 |
| Percentage of species where Perth Zoo has complied with the regional management program | 100% | 100% | 100% | 94% | 100% |

Note to this Indicator

The decrease in total numbers of species over previous years is the result of the gradual phasing out of some species in Perth Zoo's animal collection. There were also some changes to reporting levels from sub-species to species after the original target was set that has impacted on the variance to the target. Another contributing factor to the lower species level is that some acquisitions of new species planned to occur during the period were deferred while the Zoo finalised some strategic planning reviews associated with its animal collection.

The number of species in the animal collection that are part of a regional management program declined during the period and was below the target. This was due to some unplanned transfers of species to other organisations, the downgrading of the Celebes Macaque to a non-managed species and the planned acquisitions of two species not occurring during the period.

Perth Zoo did not entirely fulfil its commitment to the management plans of two species. The management plans of the Cotton-topped Tamarin and the African Painted Dog species were for no breeding. Despite the use of contraceptives, both species bred during the period. However the failure of the contraceptives should be considered an event outside the normal control of the animal management process.

Performance Indicators Information

Efficiency Indicators

Service 3: Wildlife Collection Management

3.3 Cost of each species in the Perth Zoo animal collection

| | 2004 Actual | 2005 Actual | 2006 Actual | 2007 Actual | <i>2007 Target</i> |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| Number of species maintained within the animal collection | 218 | 218 | 214 | 196 | 221 |
| Total cost of maintaining all species within the animal collection (\$000's) | \$9,554 | \$9,981 | \$10,177 | \$10,751 | \$11,059 |
| Average cost of maintaining each species in the animal collection | \$43,827 | \$45,785 | \$47,557 | \$54,853 | \$50,042 |

Note to this Indicator

The cost of maintaining each species has increased from 2005-06. This is mainly due to the reduction in number of species during the period. The lower than expected species numbers resulted in the average cost per species being higher than the target.

Other Financial Disclosures

Pricing Policies of Services Provided

Perth Zoo's admission prices are reviewed annually as part of the State Budget process. Any recommended increases by the Zoological Parks Authority Board require the approval of the Minister responsible for the Authority. The Authority has discretion over pricing for other goods and services rendered. An increase in Perth Zoo admission prices, from 1 July 2006, was approved as part of the 2006-07 Budget. Admission prices are advertised on the Perth Zoo website.

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 and donations. The Zoo undertook \$3.4 million worth of capital works in 2006-07. Details of the major completed works and works in progress are outlined below.

Completed Capital Projects

A new Sun Bear exhibit was completed in January 2007 at a total cost of \$960,000 of which \$427,000 was spent in 2006-07. The project was funded from internally generated donations, fundraising and sponsorships including over \$360,000 raised through the Zoo's Project Sun Bear public fundraising initiative (launched in March 2004).

Other capital works projects totalling \$284,000 were also completed during the reporting period using internally generated funds. These projects included improvements to the Perentie exhibit, construction of off-exhibit Meerkat holding yards, an upgrade of the African Painted Dog off-exhibit yards, replacement of audio visual equipment in the theatre, security system upgrades and improvements to office facilities.



New Sun Bear exhibit

Government funded capital works expenditure in 2006-07 included \$70,000 for the purchase of computer equipment, \$34,000 for veterinary equipment (the balance of a \$70,000 allocation for this purpose), and the final \$60,000 of a \$70,000 allocation for a security upgrade business plan.

The Zoo also received State Government annual capital funding of \$500,000 for ongoing maintenance projects. These funds enable the Zoo to undertake higher cost restoration maintenance works. The total budget was committed in 2006-07 with nearly \$400,000 spent on projects by 30 June 2007 including:

- structural maintenance work on the Rainforest Retreat suspension bridge
- re-roofing of the Zoo's historic carousel shelter
- re-thatching viewing shelters in the African Savannah
- work on the rhinoceros holding yard fencing
- resurfacing of the Australian Wetland and Rainforest Retreat pathways
- replacing shade sails over the tiger exhibit viewing areas
- extensive painting of buildings

Other Financial Disclosures

Capital Works in Progress

Construction work on the second stage of the Asian Elephant exhibit redevelopment began in January 2007, with completion expected in December 2007. The total budget for the project is \$5.2 million of which \$1.7 million was spent in 2006-07, bringing the total expenditure on the project at year end to \$3.9 million. The remaining \$1.3 million of the project budget is expected to be required to complete the project in 2007-08.

Work continued on the Sumatran Orang-utan exhibit redevelopment with preparations for the installation of the final eight orang-utan climbing structures in July 2007. Detailed design work began for the final stage of this project including roof-top visitor viewing, with construction expected to start in early 2008. In 2006-07, \$270,000 was spent on the project including \$66,000 from donations and sponsorships, and \$203,000 from the Government's capital contribution for the project (\$2.2 million over three years). The remaining \$2 million of these capital funds is expected to be required to complete the project by 2008-09.

In September 2006, the State Government approved capital works funding of \$1.86 million over two years for a new perimeter fence for the Zoo. During the reporting period, \$85,000 was spent finalising detailed design work for the project in preparation for tendering the construction works. The balance of \$1.77 million will be required to complete construction of the new fence in 2007-08. Due to escalating costs, additional funding for this project will be sought from the State Government in 2007-08.

Other Financial Disclosures

Employment and Industrial Relations

Staff Profile

Perth Zoo employed 235 people in 2006-07 (196 in 2005-06) representing 155 full time equivalents (146 in 2005-06). The high head count to FTE ratio reflects the Zoo's commitment to more flexible work practices and the use of different staffing arrangements to meet relief requirements and the seasonal demands of the Zoo's education and holiday programs. The use of casual staffing pools provides employment opportunities for students studying in relevant fields to gain hands on experience in their chosen careers and professions. The staff turnover rate in 2006-07 was 13.7% (19 permanent staff) compared to 11.4% in 2005-06 (16 permanent staff).

| Employee Profile | 2005-06 | 2006-07 |
|---------------------------|---------------------------------|---------------------------------|
| Permanent Full time | 104 | 104 |
| Permanent Part time | 36 | 37 |
| Fixed-Term Full time | 9 | 22 |
| Fixed-Term Part time | 7 | 9 |
| Casual | 37 | 53 |
| Trainee | 1 | 2 |
| Cadets | 0 | 3 |
| Other (Attached/Secondee) | 2 | 5 |
| TOTALS | 196 (146 FTEs) | 235 (155 FTEs) |

Other Financial Disclosures

Employment and Industrial Relations (continued)

Staff Development and Recruitment

Perth Zoo continued to provide support for staff undertaking nationally accredited vocational education and training programs. The Zoo also continued its Professional Development Assistance Program which recognises the value of non-traditional development opportunities such as volunteer in-situ conservation work.

In addition, the Zoo provided a total of 3067 hours of formal training to staff in 2006-07 (3416 hours in 2005-06) at a cost of \$114,367 (\$116,921 in 2005-06). This does not include on-the-job training, formal study outside of work hours or professional development/conference attendance.

Perth Zoo's key employee training and development statistics for 2006-07 are detailed in the table below.

| | |
|--|-----------------------------------|
| Total training hours provided to staff | 3067 |
| Average hours per FTE | 19.8 |
| Total training costs | \$114,367 |
| Average training investment | \$487 per person \$738 per FTE |
| Number of staff receiving Study Assistance | 6 |
| Number of staff receiving Professional Development Assistance | 14 |
| Number of staff supported to undertake Certificate III in Captive Animals | 10 |
| Number of staff supported to attend/make presentations at professional conferences | 19 |

Other staff development initiatives in 2006-07 included:

- Introduction of FISH! – a cultural change program that looks at fundamental elements of workplace behaviour;
- Roll-out of a Leadership Development Program for senior management including 360 assessments and follow-up individual coaching programs;
- Updating of performance management documents to give more emphasis to appropriate behaviour and personal effectiveness as key competencies;
- Support for the participation of two Directors in the Pathways to Leadership program as part of the Zoo's commitment to leadership development;
- A review of the Zoo's approach to succession planning to actively promote acting opportunities within the Zoo and assist staff with the development of phased retirement options;
- Continuation of the Reframing The Future Project to develop in-house assessors and trainers.

The Zoo also funded the provision of accredited training in first aid, occupational safety and health, and equipment operation.

Other Financial Disclosures

Employment and Industrial Relations (continued)

Perth Zoo's recruitment and selection policies and procedures aim to attract and retain the most suitably qualified and experienced people. During the year, the Zoo:

- Upgraded its web-based recruitment information and revised its induction program to help promote the benefits of Zoo employment, celebrate the accomplishments of staff and market the Zoo as an employer of choice;
- Updated job descriptions to incorporate the Zoo's new strategic plan and promote a values-based approach to recruitment;
- Participated in the National Indigenous Cadetship Program.



Indigenous Cadet Stacy Maxted

Industrial Relations

Under the Government Officers Salaries, Allowances and Conditions General Agreement 2006, ratified in 2006-07, Perth Zoo administrative staff received a 4.5% pay increase in August 2006, backdated to March 2006, and a 4% pay increase in March 2007.

During the year, negotiations began on new public sector-wide industrial agreements for staff covered by the Building Trades (Government) Award and Engineering Trades (Government) Award. The proposed agreements, expected to be ratified in 2007-08, include pay increases of 8.7% and 6.8% respectively with a provision for back pay to January 2007.

Negotiations also began on a new Zoological Parks Authority (Operations) General Agreement 2007. The agreement, expected to be ratified in 2007-08, covers keeping staff, veterinary nurses, park management officers, maintenance attendants and cleaners. The proposed agreement includes pay increases in accordance with public sector-wide salary negotiations with a provision for back pay to January 2007.

Workers' Compensation

| | 2005-06* | 2006-07 |
|---|----------|---------|
| Number of claims | 30 | 23 |
| Number of lost time injuries (LTI) | 10 | 11 |
| Estimated average number of lost days/LTI | 33.83 | 23.18 |
| Severity rate | 20 | 9.09 |
| Frequency rate | 40.97 | 46.15 |
| Estimated cost of claims incurred per \$100 wage roll | 3.5040 | 2.0243 |

* At the time of writing last year's annual report the number of claims lodged with accident dates in 2005-06 was 26. A further four claims were later lodged for that reporting year. These additional claims are included in the 2005-06 figures above.

Other Financial Disclosures

Employment and Industrial Relations (continued)

The most common injuries in 2006-07 were sprains, strains, minor cuts and abrasions and an increased incidence of animal bite/scratch related injuries.

The Zoo's Occupational Safety and Health Committee met regularly during 2006-07 to discuss and resolve issues raised by staff, review hazard reports, discuss injury trends and identify preventative measures to promote a safe working environment. Fifty hazards or incidents were reported during the year, up from 41 in 2005-06.

In 2006-07, as part of its commitment to safety and health in the workplace, the Zoo:

- Developed a customised "working and rescue at heights" program for delivery in 2007-08;
- Reviewed the Zoo's injury management approach, highlighting areas requiring improvement (these will be addressed in 2007-08);
- Began a review of mandatory refresher training in a range of high risk areas including knife and manual handling;
- Continued delivery of Zoonosis awareness sessions as part of staff inductions;
- Provided training in venomous snake handling to relevant reptile keeping staff;
- Installed a publicly accessible HeartStart defibrillator unit and provided training for key staff;
- Provided construction safety awareness training, in accordance with Worksafe requirements, to facilities and environmental services staff;
- Continued to provide preventative care programs for staff including flu vaccine clinics, access to vaccination programs for tetanus, rabies and hepatitis B and screening for tuberculosis and Q Fever.

Personal leave taken due to illness totalled 7093 hours in 2006-07. Although the total hours increased from 6629 in 2005-06, the average per FTE was virtually unchanged with 5.72 personal leave (illness) days per FTE in 2006-07 compared to 5.71 days in 2005-06.

Thirteen employees accessed the Zoo's Employee Assistance Program which provides a confidential counselling service. A total of 39 sessions were delivered by the service provider.

Governance Disclosures

Insurance Premiums Paid to Indemnify Members of the Board

Perth Zoo takes out 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 \$10,601 to the annual premium with Board members and senior management staff making a small individual contribution.

Other Legal Requirements

Electoral Act 1907

In compliance with section 175ZE of the Electoral Act 1907, the Authority reports that it incurred the following expenditure during the financial year in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

Total expenditure for 2006-07 was \$439,195. Expenditure was incurred in the following areas:

| | |
|--|------------------|
| Expenditure with Advertising Agencies | Nil |
| Expenditure with Market Research Organisations Synovate Pty Ltd | \$43,205 |
| Expenditure with Polling Organisations | Nil |
| Expenditure with Direct Mail Organisations Disco Direct Mailing Service Poster Girls Northside Logistics & Finishers Templar Distribution Stick-Up Poster Distribution | \$29,720 |
| Expenditure with Media Advertising Organisations Media Decisions WA Marketforce Productions Marketforce Australia Australian Associated Press Seek Ltd Email Media | \$366,270 |
| Total Expenditure | \$439,195 |

Other Legal Requirements

Compliance with Public Sector Standards and Ethical Codes Public Sector Management Act 1994 Section 31 (1)

The following compliance issues arose during 2006-07:

Public Sector Standards: A breach claim against the Recruitment, Selection and Appointment standard, held over from 2005-06 pending investigation by the Office of Public Sector Standards, was dismissed in July 2006. A further claim against the same standard was received during the year and subsequently dismissed in February 2007.

WA Code of Ethics: No claims were lodged.

Perth Zoo Code of Conduct: Four breaches of conduct were reported during the year. Following investigation, one of the claims was substantiated and appropriate action taken.

Initiatives in 2006-07 to prevent non-compliance included:

- Circulation of the revised WA Code of Ethics to all staff and a staff presentation on the subject. Senior management were also encouraged to discuss the Code with their teams.
- Modification of recruitment and selection procedures to improve notification procedures.
- Modification of selection criteria across Job Description Forms to encourage a broader field of suitable applicants.
- Support for Perth Zoo management to attend forums on human resource management standards, particularly those pertaining to recruitment, selection and appointment.

Information on standards and codes of conduct is included on the Zoo's intranet and is an important part of the induction program for new staff. Perth Zoo's Code of Conduct will be reviewed in 2007-08.

Other Legal Requirements

Equal Employment Opportunity Outcomes

Perth Zoo's goal of attracting a more culturally diverse and indigenous workforce was realised in 2006-07, as demonstrated in the Zoo's workforce diversity profile in the table below.

| | % Actual Representation | Equity Index | 2007 Target (%) | % Above/ Below Target |
|--|-------------------------|--------------|-----------------|-----------------------|
| Women in Management (Tiers 2 & 3) | 61.5 | 125 | 55.5 | 6.0 |
| People from Culturally Diverse Backgrounds | 9.6 | 112 | 8.7 | 0.9 |
| Indigenous Australians | 2.5 | – | 1.0 | 1.5 |
| People with Disabilities | 4.1 | – | 6.1 | –2.0 |
| Youth | 18.3 | N/A | 17.3 | 1.0 |

Key equal employment opportunity initiatives in 2006-07 included:

- Support for staff involvement in international in-situ conservation projects to help increase understanding of cultural issues and sensitivities. Twelve staff received support through the Zoo's Professional Development Assistance program.
- Providing training in assisting learners with special needs. Eight supervisors responsible for on-the-job-training of team members received this training.
- Providing supervisors and managers with training in mentoring and coaching to improve their ability to meet the needs of individual team members.
- Modification of recruitment advertising practices to improve the Zoo's reach to diverse target groups, particularly youth and indigenous people.
- Participation in the National Indigenous Cadetship Program with the placement of three cadets at Perth Zoo.
- Modification of Job Description Forms to include equal employment opportunity as an accountability item for all positions at Perth Zoo.
- Attendance by senior management at Women in Leadership forums.
- Support for two senior female staff members in the Pathways to Leadership Program.
- Support for the secondment of a senior Perth Zoo manager as part of the Women in Management secondment program managed by the Office of Equal Employment Opportunity.

Looking forward, the Zoo will be developing a comprehensive Indigenous Strategy to align the promotion of indigenous interests with Perth Zoo's business objectives. To support its indigenous cadets and apprentice, the Zoo is also investigating the delivery of indigenous cultural awareness training for Zoo staff and the establishment of a formal mentoring program for indigenous staff.

In 2007-08, Perth Zoo will continue to actively encourage the attraction and retention of women, youth and culturally and linguistically diverse staff. There will be a particular focus on looking at new ways of attracting staff with disabilities.

Other Legal Requirements

Disability Access and Inclusion Plan Outcomes

(Disability Services Act 1993, S29)

In 2006-07, Perth Zoo continued to implement its 2004-2008 Disability Services Plan and completed a new Disability Access and Inclusion Plan (DAIP) for the period 2007-2011. The new DAIP will replace and build on the Disability Services Plan to ensure that people with disabilities can access services in a way that allows increased independence, opportunities and inclusion within the community.

Zoo activities and initiatives in 2006-07 that relate to the six desired Disability Access and Inclusion Plan outcomes included:

Outcome 1: People with disabilities have the same opportunities as other people to access the services of, and any events organised by, a public authority:

- Free admission for carers to increase access for people with disabilities;
- Continued implementation of wide recruitment strategies to include people with disabilities;
- Quarterly meetings of the Perth Zoo Disability Services Group to look at specific accessibility issues and incorporate these into the Disability Access and Inclusion Plan;
- Assessment of exhibits to address visibility issues for visitors in wheelchairs;
- Wheelchair access/area provided at concert events, as well as all-access toilet facilities close to the concert viewing area;
- School holiday activities for children with different levels of ability including written material (Zoo trails), craft, entertainers, talks and face painting;
- Behind the Scenes experiences for individuals or groups with disabilities.

Outcome 2: People with disabilities have the same opportunities as other people to access the buildings and other facilities of a public authority:

- Representation of the Zoo's Disability Services Group – through the Manager of Facilities and Environmental Services – in discussions and planning for new exhibits and visitor facilities to ensure issues related to access are considered;
- Re-surfacing of Rainforest Retreat pathways, providing improved accessibility for people in wheelchairs;
- Continued provision of seven ACROD parking bays within 50m of the Zoo entrance;
- Continued provision of low-cost or free-of-charge Zebra Car tours to elderly or frail community groups to improve access to the furthest corners of the Zoo and to make an all-of-zoo experience manageable;
- Provision of two electric wheelchairs for hire to individuals requiring mobility assistance during their visit;
- Continued maintenance of the Zoo's fleet of manual wheelchairs (which are provided free-of-charge to visitors requiring mobility assistance) including 10 new all-terrain chairs with left and right leg lifts and an extra-wide chair for people weighing over 120kg.

Other Legal Requirements

Disability Access and Inclusion Plan Outcomes (continued)

Outcome 3: People with disabilities receive information from a public authority in a format that will enable them to access the information as readily as other people are able to access it:

- Provision of essential product information in various forms including print, website (graphic and text-only) and recorded information line;
- Provision of education experiences for students with disabilities;
- Began work on the development of a Perth Zoo disability and access map in collaboration with the City of South Perth and the Department of Planning and Infrastructure;
- Provision of interpretation material in various forms including graphic signage, recorded messages and audio visual presentations with sub-titles.

Outcome 4: People with disabilities receive the same level and quality of service from the staff of a public authority as other people receive from the staff of that public authority:

- Continued development of staff skills to promote a positive, inclusive and harassment-free workplace culture;
- Provision of disability awareness training for customer service staff;
- In-service training on disability awareness for Perth Zoo volunteers.

Outcome 5: People with disabilities have the same opportunities as other people to make complaints to a public authority:

- Provision of various feedback options including in person, visitor comment cards, telephone, email, website and written correspondence.

Outcome 6: People with disabilities have the same opportunities as other people to participate in any public consultation by a public authority:

- Members of the Disability Services Group conducted focus-group work with people with disabilities to examine existing services and facilities;
- Inclusion of a random sample of the community via telephone and of Zoo visitors as part of formal market research. On-site researchers were briefed not to exclude people with evident disabilities and not to specifically target them.

Other Legal Requirements

Record Keeping

Perth Zoo's Record Keeping Plan, approved in April 2004, details the record keeping program for the agency including which records are to be created and how those records are to be kept. Measures to ensure compliance with the State Records Commission – Standard 2 Record Keeping Plans: Principle 6 – include:

- Updating record keeping systems as necessary and evaluating their efficiency and effectiveness not less than once every five years. A minor update of Perth Zoo's Record Keeping Plan is scheduled for 2007-08 with a full review scheduled for 2009.
- Providing information sessions on record keeping for existing and new staff. Throughout the year, existing staff were given the opportunity to attend record keeping training and information sessions. One-on-one information sessions were undertaken with relevant employees. Records staff had the opportunity to attend external training.
- Conducting an annual review of the record keeping training program to ensure efficiency and effectiveness.
- Providing record keeping induction programs throughout the year for all new employees, addressing their roles and responsibilities to ensure compliance with the Record Keeping Plan.

Government Policy Requirements

Corruption Prevention

The Zoo has a comprehensive risk management program and addresses fraud and corruption issues as part of its annual sectional risk assessment process. Over the past two years, the Zoo has been implementing an Action Plan resulting from its assessment, in 2005, of fraud and corruption risks. Actions in 2006-07 included:

- Securing State Government funding for a new perimeter fence and associated security infrastructure (project to be completed in 2007-08);
- Addition of access control systems to the maintenance workshops;
- Revision of IT security policy and procedures;
- Updating of financial and purchasing manuals;
- Revision of staff inductions to include security procedures and risk management;
- New tender protocols;
- New keying and clearance procedures for donation boxes;
- Introduction of microdot identification of portable office equipment.

Perth Zoo has an Audit Committee to oversee risk management and corporate governance improvements.

Sustainability

Perth Zoo has an active sustainability agenda reflected in the Authority's Master Plan and Sustainability Action Plan. Endorsed by the Zoological Parks Authority Board, the Zoo's Sustainability Action Plan and Sustainability Management Policy are in line with the State Government's Sustainability Strategy and Sustainability Code of Practice for Government Agencies.

Sustainability and environmental principles are applied to the selection of contractors supplying goods and services under State Government Common Use Arrangements. This includes selecting tenderers who demonstrate their ability to meet Energy Star compliance and who state beneficial policies regarding recycling and reuse of packaging boxes and other packaging materials. Perth Zoo considers the environmental impact in all phases of the procurement process when undertaking the purchase and disposal of goods in order to:

- Manage the risk to the broader environment;
- Foster the development of products and processes that have a positive environmental impact; and
- Provide an example to business, industry and the community on promoting the use of low environmental impact goods and services.

Government Policy Requirements

Sustainability (continued)

Sustainable environmental and business management activities undertaken by the Zoo in 2006-07 included:

- Implementation of actions from the Sustainable Transport Plan (developed in 2006) including construction of a bicycle parking facility for staff to secure personal bikes, improvement of shower facilities for staff riding to work, and the introduction of Transperth Smart Rider cards for staff to use public transport for business trips wherever practical;
- An audit of the Zoo's scheme water use and a review of the site's groundwater irrigation system with the aim of identifying and planning for infrastructure upgrades that will enable significant improvement in water use efficiencies (these initiatives were undertaken with the support of the Water Corporation as part of the Zoo's involvement in the Water Wise Business program);
- Adoption by the Zoo shop of a new retail merchandising philosophy to guide future stock purchases to ensure products are consistent with the Zoo's mission and values, and to educate visitors about the impact they can have on conservation through their purchases and general consumption;
- Further reduction in the number of petrol powered vehicles used at the Zoo (four petrol powered vehicles were replaced with electric vehicles);
- Continuation of recycling programs for waste produced within the Zoo including animal manure, green waste, paper, cardboard, glass, plastics, aluminum, steel, printer cartridges and fluorescent light tubes;
- Replacement of the incandescent light globes on the carousel with energy efficient compact fluorescent globes.

Other actions and progress in complying with the Sustainability Code of Practice included:

- Working collaboratively with other agencies including the Department of Environment and Conservation, universities and the WA Museum on recovery and research programs for threatened native species including amphibians.
- Expansion of the Zoo's release-to-the wild program for threatened native species to include the release of a Perth Zoo born Sumatran Orang-utan into a protected national park in Indonesia as part of a reintroduction program.
- Agreement with the Indonesian Government to support conservation projects in Sumatra and Java.
- Opening of a new interpretive hub in the Asian rainforest zone of the Zoo and other new interpretive signage emphasising conservation and sustainable practices.
- Review of the Zoo's support to non-government in-situ conservation groups to strengthen the Zoo's effectiveness in conservation.
- Use of market research reports and customer feedback to increase our understanding of whether the Zoo's services and facilities meet visitor expectations.
- Continuing to raise staff awareness of the range of sustainability issues and their contributions and responsibilities.
- Continuing to work closely with the Perth Zoo Docent Association which makes a significant contribution to the Zoo and to the visitor experience.

Appendix – Publications

Perth Zoo web site at www.perthzoo.wa.gov.au

FOI Information Statement

Zoological Gardens Board Annual Reports prior to 2000-01 (held in the National Library, State Library of Western Australia and university libraries in Western Australia)

Zoological Gardens Board 2000-01 Annual Report
(available in PDF format by request at www.perthzoo.wa.gov.au)

Zoological Gardens Board 2001-02 Annual Report
(available for viewing or downloading at www.perthzoo.wa.gov.au)

Zoological Parks Authority 2001-02, 2002-03, 2003-04, 2004-05 and 2005-06 Annual Reports
(available for viewing or downloading at www.perthzoo.wa.gov.au)

News Paws magazine (containing conservation and visitor services news for Perth Zoo members and for sale to the public – published quarterly)

Zoo-E-News (electronic newsletter for general public)

Zooed News (electronic newsletter distributed to teachers)

Zoo-E-News (electronic newsletter for the tourism industry)

E-friends (electronic newsletter distributed to Zoo Friends members)

Education schools program promotional poster

Night Stalk promotional material

Various brochures and leaflets

Unless otherwise specified, the above publications are available from Perth Zoo at 20 Labouchere Road, South Perth, Western Australia.