

WELLINGTON ZOO TRUST
FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2009

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Audit Report

To the readers of the Wellington Zoo Trust's financial statements and performance information for the year ended 30 June 2009

The Auditor-General is the auditor of the Wellington Zoo Trust (the Trust). The Auditor-General has appointed me, Andy Burns, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements and performance information of the Trust, on his behalf, for the year ended 30 June 2009.

Unqualified Opinion

In our opinion:

- The financial statements of the Trust on pages 6 to 32:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the Trust's financial position as at 30 June 2009; and
 - the results of its operations and cash flows for the year ended on that date.
- The performance information of the Trust on pages 34 and 35 fairly reflects the achievements measured against the performance targets adopted for the year ended 30 June 2009.

The audit was completed on 17 August 2009, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Trustees and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and performance information did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and performance information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and performance information. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Trustees;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all required disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and performance information.

We evaluated the overall adequacy of the presentation of information in the financial statements and performance information. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Trustees and the Auditor

The Trustees are responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Trust as at 30 June 2009 and the results of its operations and cash flows for the year ended on that date. The Trustees are also responsible for preparing performance information that fairly reflects service performance achievements for the year ended 30 June 2009. The Trustees' responsibilities arise from the Local Government Act 2002.

We are responsible for expressing an independent opinion on the financial statements and performance information and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and section 69 of the Local Government Act 2002.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with or interests in the Trust.



Andy Burns
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Matters Relating to the Electronic Presentation of the Audited Financial Statements and Performance Information

This audit report relates to the financial statements and performance information of Wellington Zoo Trust (the Trust) for the year ended 30 June 2009 included on the Trust's website. The Trust's Board is responsible for the maintenance and integrity of the Trust's website. We have not been engaged to report on the integrity of the Trust's website. We accept no responsibility for any changes that may have occurred to the financial statements and performance information since they were initially presented on the website.

The audit report refers only to the financial statements and performance information named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and performance information. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and performance information and the related audit report dated 17 August 2009 to confirm the information included in the audited financial statements and performance information presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Statement of Compliance and Responsibility

For the year ended 30 June 2009

Compliance

The Board and management of the Wellington Zoo Trust confirm that all the statutory requirements of the Local Government Act 2002 regarding financial and operational management have been complied with.

Responsibility

The Board and management of the Wellington Zoo Trust accept responsibility for the preparation of the annual Financial Statements and the judgements used in them.

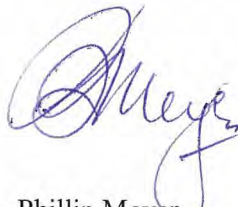
They also accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial reporting and performance information of the Wellington Zoo Trust.

In the opinion of the Board and management, the annual Financial Statements for the year ended 30 June 2009 fairly reflect the financial position, results of operations and service performance achievements of the Wellington Zoo Trust.



Denise Church
Chairperson

17 August 2009



Phillip Meyer
Chairperson Finance,
Audit and Risk Committee

17 August 2009



Karen Fifield
Chief Executive

17 August 2009

Statement of Financial Performance

	Note	Actual 2009 \$000	Actual 2008 \$000
INCOME			
Income	1	5,861	5,165
Finance Income	3	120	113
TOTAL INCOME		<u>5,981</u>	<u>5,278</u>
EXPENDITURE			
Operating Expenditure	2	4,897	4,620
Depreciation	5	9	14
Asset Vesting Expense	15	1,582	-
TOTAL EXPENDITURE		<u>6,488</u>	<u>4,634</u>
NET SURPLUS/(DEFICIT) before taxation	4	<u>(507)</u>	<u>644</u>
Income Tax Expense	10	-	-
NET SURPLUS/(DEFICIT) for the year		<u><u>(507)</u></u>	<u><u>644</u></u>
Normalised Operating Surplus/(Deficit)	4	166	204

Due to the timing differences between the receipt of capital grants and the vesting of the resultant assets in council, there will be fluctuations in the reported results. This normalised operating surplus/(deficit) shows the results without the impact of these transactions.

The accompanying notes form part of these financial statements

Statement of Changes in Equity

	Note	2009 \$000	2008 \$000
Equity Opening Balances			
Accumulated Funds and retained earnings		68	(136)
Restricted Funds		882	442
Total Equity-Opening Balance		<u>950</u>	<u>306</u>
Changes in Equity			
Retained Earnings			
Transfers from Retained Earnings	15	(909)	(440)
Transfers to Retained Earnings	15	1,582	-
Restricted Funds			
Transfers from restricted funds	15	(1,582)	-
Transfers to restricted funds	15	<u>909</u>	<u>440</u>
Net Income recognised directly in equity		-	-
Net surplus/(deficit) for the year to retained earnings		<u>(507)</u>	<u>644</u>
		(507)	644
Total recognised income and expense for the year		(507)	644
Total changes in equity		<u>(507)</u>	<u>644</u>
Equity Closing Balances			
Accumulated Funds and retained earnings		244	68
Restricted Funds		209	882
Total Equity-Closing Balance		<u>443</u>	<u>950</u>

The accompanying notes form part of these financial statements

For and on Behalf of the Board



Denise Church
Chairperson

17 August 2009



Phillip Meyer
Chairperson Finance,
Audit and Risk Committee
17 August 2009



Karen Fifield
Chief Executive

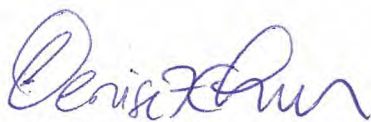
17 August 2009

Statement of Financial Position

	Note	2009 \$000	2008 \$000
ASSETS			
Current Assets			
Cash and cash equivalents	6	1,651	1,419
Trade and other receivables	7	625	236
Prepayments	7	22	1
GST Receivable	7	52	21
Inventories	8	47	44
		<u>2,397</u>	<u>1,721</u>
Non-Current Assets			
Property, Plant and Equipment	9	75	75
Work in Progress	9	76	54
		<u>151</u>	<u>129</u>
TOTAL ASSETS		<u>2,548</u>	<u>1,850</u>
LIABILITIES			
Current Liabilities			
Trade and other payables	11	1,480	388
Revenue in Advance	11	70	61
Monies held in Trust	11	85	37
Provision for other liabilities	13	-	-
Employee Benefits	12	425	375
		<u>2,060</u>	<u>861</u>
Non-Current Liabilities			
Employee Benefits	12	45	39
		<u>45</u>	<u>39</u>
TOTAL LIABILITIES		<u>2,105</u>	<u>900</u>
NET ASSETS		<u>443</u>	<u>950</u>
EQUITY			
Retained Earnings	14	234	68
Restricted Funds	15	209	882
TOTAL EQUITY		<u>443</u>	<u>950</u>

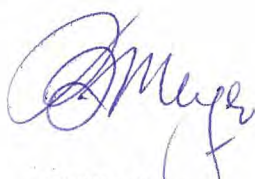
The accompanying notes form part of these financial statements

For and on Behalf of the Board



Denise Church
Chairperson

17 August 2009



Phillip Meyer
Chairperson Finance,
Audit and Risk Committee

17 August 2009



Karen Fifield
Chief Executive

17 August 2009

Statement of Cash Flows

	Note	2009 \$000	2008 \$000
Cash flows from operating activities			
Cash was provided from:			
Operating Revenue		5,510	5,129
Interest Received	3	120	113
Net GST Received		-	39
Cash was applied to:			
Payments to Suppliers and employees		(5,335)	(5,205)
Net GST Paid		(32)	-
Net cash inflow from operating activities	16	<u>263</u>	<u>76</u>
Cash flows from investing activities			
Cash was applied to:			
Purchase of Fixed Assets		(31)	(71)
Net cash (outflow) from investing activities		<u>(31)</u>	<u>(71)</u>
Cash flows from financing activities			
Net cash (outflow) from financing activities		<u>-</u>	<u>-</u>
Net Increase/(Decrease) in Cash and cash equivalents held		232	5
Cash and Cash equivalents at beginning of year		1,419	1,414
Cash and cash equivalents at end of year	6	<u>1,651</u>	<u>1,419</u>
<i>Made up of:</i>			
Cash and bank balances		1,251	319
Current Investments		400	1,100
Closing Cash Balance		<u>1,651</u>	<u>1,419</u>

The accompanying notes form part of these financial statements

Statement of Compliance with International Financial Reporting Standard

The financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to IFRS (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Statement of Significant Accounting Policies for the year ended 30 June 2009

Reporting Entity

The Wellington Zoo Trust (the Trust) is a charitable trust registered under the Charitable Trusts Act 1957 domiciled in New Zealand and is also a council-controlled organisation as defined under Section 6, Part 1 of the Local Government Act 2002, by virtue of the Council's right to appoint the Board of Trustees. The Trust was established on 1 July 2003 by the Wellington City Council.

The financial statements have been prepared in accordance with the requirements of the Charitable Trusts Act 1957 and section 69 of the Local Government Act 2002.

The Trust is reliant on the Wellington City Council (the Council) for the majority of its income and operates under a Contract for Services with the Council. The Contract for Services has been negotiated for a period of 3 years to 30 June 2012.

The primary objective of the Trust is to manage, administer, plan, develop, maintain, operate and promote the Wellington Zoo for the benefits of the inhabitants of Wellington and as an attraction to visitors to Wellington, not to make a financial return. Accordingly, the Trust has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards (NZIFRS).

Reporting Period

The reporting period for these financial statements is for the year ended 30 June 2009.

The financial statements were authorised for issue for the Board of Trustees on 17 August 2009.

Accounting Policies

The measurement basis applied is historical cost, modified by the revaluation of certain assets and liabilities as identified in this statement of accounting policies.

The accrual basis of accounting has been used unless otherwise stated. These financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless otherwise stated.

Judgements and Estimations

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Where material, information on the major assumptions is provided in the relevant accounting policy or will be provided in the relevant notes.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised when the revision affects only that period. If the revision affects both current and future periods, it is reflected in the current and future periods.

Judgements that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year, are discussed in the relevant notes.

Revenue

Grants received from the Wellington City Council are the primary source of funding to the Trust and are restricted for the purposes of the Trust meeting its objectives as specified in the trust deed. The Trust also receives other assistance for specific purposes, and these grants usually contain restrictions on their use.

Grants are recognised as revenue when they become receivable unless there is an obligation to return the funds if the conditions of the grant are not met. If there is such an obligation the grants are initially recorded as grants received in advance, and recognised as revenue when the conditions of the grant are satisfied.

Donated, subsidised or vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue.

Interest

Interest is accrued using the effective interest rate method.

Expenses

Grants and subsidies

Expenditure is classified as a grant if it results in a transfer of resources to another entity in return for past or future compliance with certain conditions relating to the operating activities of that entity. Grants expenditure includes any expenditure arising from a funding arrangement with another entity that has been entered into to achieve the objectives of the Trust. Grants are distinct from donations which are discretionary charitable gifts.

Where grants and subsidies are discretionary until payment, the expense is recognised when the payment is made. Otherwise, the expense is recognised when the specified criteria have been fulfilled and notice has been given.

Donated Services Recognition

The Trust benefits from the service of dedicated volunteers in the delivery of its activities. Due to the difficulty in determining the value of these donated services with sufficient reliability, donated services are not recognised in these financial statements.

Taxation

The Trust is registered as a Charitable Trust and is exempt from income tax under the Income Tax Act 2004. The Trust is not exempt from indirect tax legislation such as Goods and Services Tax and accordingly is required to comply with these regulations.

Goods and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

Financial Instruments

The Group classifies its financial assets and financial liabilities according to the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

Non Derivative Financial Instruments

Financial Assets

Loans and receivables comprise cash and cash equivalents and trade and other receivables.

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. Trade and other receivables are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method. Fair value is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date for loans of a similar maturity and credit risk. Trade and other receivables issued with duration less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired.

Cash and cash equivalents comprise cash balances and call deposits with up to three months maturity from the date of acquisition. These are recorded at their nominal value.

Financial liabilities

Financial liabilities comprise trade and other payables and borrowings. Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

Inventory

Inventories are recorded at the lower of cost (determined on a first-in first-out basis) or net realisable value. This valuation includes allowances for slow moving and obsolete stock. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Property, Plant and Equipment

Recognition

Property, plant and equipment consists primarily of operational assets. Expenditure is capitalised when it creates a new asset or increases the economic benefits over the total life of an existing asset. Costs that do not meet criteria for capitalisation are expensed.

The Trust also manages the construction and development of buildings, structures and enclosures on behalf of the Council. These assets are not recorded in the Trust's financial statements as ownership vests in the Council.

Measurement

Property, plant and equipment are valued at historical cost less accumulated depreciation and impairment losses.

The initial cost of property, plant and equipment includes the purchase consideration, and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended purpose. Subsequent expenditure that extends or expands the asset's service potential is capitalised.

Impairment

The carrying amounts of property, plant and equipment are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported in the Statement of Financial Performance, unless the asset is carried at a revalued amount in which case any impairment loss is treated as a revaluation decrease.

Disposal

Realised gains and losses arising from the disposal of property, plant and equipment are recognised in the Statement of Financial Performance in the period in which the transaction occurs.

Depreciation

Depreciation is provided on all assets owned by the Trust excluding assets under construction (work in progress). Depreciation is calculated on a straight line basis, to allocate the cost or value of the asset (less any residual value) over its useful life. The estimated useful lives of the assets are as follows:

Audio Visual Equipment	3 years
CCTV	3 years
Projector	5 years
Incubators	10 years
Shade Sail	10 years
Hospital Equipment	10 years
Garden Furniture	12.5 years
Living Room Furniture	15 years
Composter	10 years

Work in Progress

The cost of projects within work in progress is transferred to the relevant asset class when the project is completed and then depreciated. Borrowing costs are not capitalised.

Employee Benefits

A provision for employee benefits (holiday leave, long service leave, and retirement gratuities) is recognised as a liability when benefits are earned but not paid. The Trust recognises a liability and an expense for a one off payment where contractually obliged or where there is a past practice that has created a constructive obligation.

Holiday Leave

Holiday leave (annual leave, long service leave qualified for and time off in lieu) is calculated on an actual entitlement basis at the greater of the average or current hourly earnings in accordance with sections 16(2) & 16(4) of the Holidays Act 2003.

Long Service Leave and Retirement Gratuities

Long-service leave (not yet qualified for) and retirement gratuities have been calculated on an actuarial basis based on the likely future entitlements accruing to staff, after taking into

account years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and other contractual entitlements information. The present value of the estimated future cash flows has been calculated using an inflation factor and a discount rate. The inflation rate used is the annual Consumer Price Index to 31 March prior to year end. The discount rate used represents the Zoo's average cost of borrowing.

Other Contractual Entitlements

Other contractual entitlements include termination benefits. Termination benefits are recognised in the Statement of Financial Performance only when there is a demonstrable commitment to either terminate employment prior to normal retirement date or to provide such benefits as a result of an offer to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

Provisions

The Trust recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

Other Liabilities and Provisions

Other liabilities and provisions are recorded at the best estimate of the expenditure required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value

Contingent Assets and Liabilities

Contingent liabilities and contingent assets are disclosed in the notes to the financial statements. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote. Contingent assets are disclosed if it is probable that the benefits will be realised.

Equity

Equity is the residual interest in the Trust and is measured as the difference between total assets and total liabilities. The components of equity are retained earnings and restricted funds (special funds, trusts and bequests).

Restricted funds are those reserves that are subject to specific conditions of use whether under statute or accepted as binding by the Trust because of the specific reason for which the funds were provided. Transfers from these reserves may be made only for specified purposes or when certain specified conditions are met.

Statement of Cash Flows

The statement of cash flows is prepared using the direct approach subject to the netting of certain cash flows. Operating activities include cash received from all income sources of the Trust and record the cash payments made for the supply of goods and services. Investing activities relate to the acquisition and disposal of assets. Financing activities relate to transactions that change the equity and debt capital structure of the Trust.

Related Parties

Related parties arise where one entity has the ability to affect the financial and operating policies of another through the presence of control or significant influence. Related parties include Wellington City Council, Group, key management personnel and the governing body (Trust Board).

Directors' remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a director during the reporting period. The disclosures for the Trust include the remuneration of the Trustee board as they occupy the position of a member of the governing body of the Trust.

Comparative figures

The Trust has adopted the NZ equivalents to International Financial Reporting Standards.

Changes in Accounting Policies

There have been no changes in accounting policies. Uniform accounting policies have been applied on a consistent basis during the year. Any changes in accounting policies are approved by the Finance and Audit Committee of the Trust.

Notes to the Financial Statements

Note 1: Operating Revenue

	2009	2008
	\$000	\$000
Admissions	1,419	1,268
Sale of Goods	242	252
Other Corporate income	411	378
Contractual Income		
Ministry of Education	76	76
Wellington City Council Operating Grant	2,687	2,687
	<u>4,835</u>	<u>4,661</u>
Grants and Donations		
Wellington City Council Grant	21	-
New Zealand Lottery Grants Board	400	10
Koala Trust	11	7
Pelorus Trust	50	-
Trusts Charitable Foundation	5	-
Endeavour Foundation	5	-
Mainland Foundation	9	-
Lion Foundation	18	-
Caversham Trust	-	5
Community Trust of Wellington	-	100
Pub Charity	-	300
Perry Foundation	10	-
Classic Hits	7	9
Arataki Honey	12	-
Tip Top	20	-
Brian Whiteacre Trust	5	1
New Zealand Community Trust	200	-
Rotary Club of Wellington	38	6
Kirkcaldie and Stains Ltd	6	-
Estate Miss Margery Walton	-	2
Bequest (private)	-	20
General Donations	2	-
Estate Colin Webster Watson	50	-
Mrs Mauger	5	-
Donation (private)	10	-
Ministry for the Environment	-	6
Southern Trust	80	-
ANZ National Bank Staff Foundation	5	-
Dominion Post	12	10
Department of Conservation	2	-
Victoria University	29	-
Wellington Region Foundation	14	28
Total Grants and Donations	<u>1,026</u>	<u>504</u>
Total Revenue	<u><u>5,861</u></u>	<u><u>5,165</u></u>

Operating Revenue includes grants and bequests received for capital purposes of \$908,954. These grants were received for specific purposes. This revenue is transferred from Retained Earnings to Restricted Funds until it is needed.

Note 2: Expenditure on operating activities

	Note	2009 \$000	2008 \$000
Advertising		288	227
Auditor's remuneration:			
- Audit Services		18	18
Authorised entertainment		22	14
Consumables		306	300
Cost of goods sold		116	130
Direct costs		479	474
Insurance premiums		7	7
Materials and Services		260	254
Personnel costs		3,111	2,923
Trustee's remuneration	21	91	84
Utilities		199	189
Total Operating Expenditure		4,897	4,620

1. During the period Audit New Zealand provided assurance services in the following areas:

- audit fees for financial statement audit

2. Personnel costs include costs such as salaries, wages, leave and other employee earned compensation.

3. Direct costs include expenditure not separately disclosed, such as:

- professional costs
- travel
- administration costs
- animal collection maintenance
- vehicle fleet costs
- contracts

Note 3: Finance Income

	2009 \$000	2008 \$000
Finance Income		
Interest on Term Deposits	120	113
Total Finance Income	120	113

Note 4: Net Surplus

		2009	2008
		\$000	\$000
Net surplus/deficit from operations for the year	15	(507)	644
Income received for capital purposes which will be vested to Wellington City Council in the 2009/10 year		(909)	-
Income vested to Wellington City Council in the 2008/09 year	15	932	-
Income provided for vesting to Wellington City Council in the 2008/09 year	15	650	-
Income received for capital purposes which will be vested to Wellington City Council in the 2008/09 year	15	-	(440)
		<u>166</u>	<u>204</u>
Normalised Operating Surplus/(Deficit) for the year before taxation		166	204

Due to the timing differences between the receipt of capital grants and the vesting of the resultant assets in council, there will be fluctuations in the reported results. This note shows, for comparative purposes only, the results without the impact of these transactions.

Note 5: Depreciation

		2009	2008
		\$000	\$000
Plant		3	5
Furniture and Equipment		6	9
Total Depreciation		<u><u>9</u></u>	<u><u>14</u></u>

Note 6: Cash and cash equivalents

		2009	2008
		\$000	\$000
Bank Balances		1248	316
Cash on hand		3	3
Short Term deposits		400	1,100
Total Cash and cash equivalents		<u><u>1,651</u></u>	<u><u>1,419</u></u>

Note 7: Trade and other receivables

Current	Note	2009	2008
		\$000	\$000
Trade Receivables		459	93
Trade Receivables due from Wellington City Council	20	166	143
Less provision for impairment of trade receivables		-	-
Net Trade Receivables		<u>625</u>	<u>236</u>
GST Receivable		52	21
Prepayments		<u>22</u>	<u>1</u>
Total Current Trade and other receivables		<u>74</u>	<u>22</u>
Total Trade and other receivables		<u><u>699</u></u>	<u><u>258</u></u>

Provision for impairment of trade and other receivables

	2009	2008
	\$000	\$000
Opening Balance	-	-
Additional or increased provision made	-	-
Release of provision	-	-
Provision for impairment of trade and other receivables-closing balance	<u><u>-</u></u>	<u><u>-</u></u>

Further information on the collectability of trade and other receivables is contained in Note 17: Financial Instruments.

Note 8: Inventories

	2009	2008
	\$000	\$000
Inventory-Zoo Shop	47	44
Total Inventories	<u>47</u>	<u>44</u>

Note 9: Property, Plant and equipment

	2009 \$000	2008 \$000
Operational Assets		
Plant		
Plant at cost-opening balance	40	23
Accumulated depreciation	(14)	(9)
Total Plant -opening balance	<u>26</u>	<u>14</u>
Additions	-	17
Disposals	-	-
Depreciation Expense	(3)	(5)
Total plant-closing balance	<u>23</u>	<u>26</u>
Furniture and Equipment		
Furniture and Equipment at cost-opening balance	95	95
Accumulated Depreciation	(46)	(37)
Total Furniture and Equipment -opening balance	<u>49</u>	<u>58</u>
Additions	9	-
Disposals	-	-
Depreciation Expense	(6)	(9)
Total Furniture and equipment-closing balance	<u>52</u>	<u>49</u>
Total Operational Assets	<u>75</u>	<u>75</u>
Work in progress		
Work in progress at cost-opening balance	54	-
Additions	22	54
Capitalised to asset classes	-	-
Work In progress at cost-closing balance	<u>76</u>	<u>54</u>

Projects that will be vested to Wellington City Council are permanent structures or fixtures that are built by the Trust on land owned by the Wellington City Council.

Note 10: Taxation

	%	2009 \$000	%	2008 \$000
Surplus for the period excluding income tax		(507)		644
Prima facie income tax based on domestic tax rate	33.00%	(167)	33.00%	213
Effect of non-deductible expenses & tax exempt income	-33.00%	167	-33.00%	(213)
	0.00%	-	0.00%	-

Note 11: Trade and other payables

	Note	2009 \$000	2008 \$000
Income received in advance		70	61
Monies held in trust		85	37
Sundry Payables		86	69
Trade Payables		351	303
Trade Payables due to parent	20	<u>1,043</u>	<u>16</u>
Total Current trade and other payables		<u>1,635</u>	<u>486</u>
Total Trade and other payables		<u>1,635</u>	<u>486</u>

Note 12: Employee Benefits

	2009 \$000	2008 \$000
Payroll Accruals	88	75
Holiday Leave	204	167
Long Service Leave	-	-
Realignment and One off payment provision	133	133
Retirement Gratuities	<u>45</u>	<u>39</u>
Total employee benefits	<u>470</u>	<u>414</u>
Represented by:		
Current	425	375
Non-current	<u>45</u>	<u>39</u>
Total employee benefits	<u>470</u>	<u>414</u>

The retirement gratuities liability is a contractual entitlement for a reducing number of employees who having qualified with 10 years service will on retirement be entitled to a payment based on years of service and current salary. This entitlement has not been offered to new employees since 1991.

The gross retirement gratuities liability (inflation adjusted at 3.0 %) as at 30 June 2009, before discounting, is \$46,822 (2008: \$43,961). The discount rate used is 8.10%.

Note 13: Provision for other Liabilities

	2009 \$000	2008 \$000
Current		
Opening Balance	-	1
Additional provisions made during the year	-	-
Amounts used during the year	-	(1)
Total Current	<u>-</u>	<u>-</u>
Total provision for other liabilities	<u>-</u>	<u>-</u>

Note 14: Accumulated Funds and Retained Earnings

	Note	2009 \$000	2008 \$000
Accumulated Funds		-	-
Retained Earnings			
Opening Balance		68	(136)
Net surplus/(deficit)		(507)	644
Transfers from restricted funds	15	1,582	-
Transfers to restricted funds	15	(909)	(440)
Retained earnings-closing balance		<u>234</u>	<u>68</u>
Total accumulated funds and retained earnings		<u>234</u>	<u>68</u>

Note 15: Restricted Funds

	2009	2008
	\$000	\$000
Trusts and Bequests		
Opening Balance	882	442
Additional funds received	909	440
Funds utilised	(1,582)	-
Trusts and bequests-closing balance	<u>209</u>	<u>882</u>
These funds are represented by:		
Opening Balance	882	442
Transfers from retained earnings	909	440
Transfers to retained earnings	(1,582)	-
Restricted Funds-closing balance	<u>209</u>	<u>882</u>

The Trust has accumulated funds of \$100 contributed by Wellington City Council upon establishment of the Trust on 1 July 2003.

Note 16: Reconciliation of net surplus to Net cash flow from operating Activities

	2009 \$000	2008 \$000
Reported surplus/(deficit)	(507)	644
Add /(deduct) non cash items:		
Vesting of Assets	-	-
Movement in provision for impairment of doubtful debts		
Depreciation	9	14
Total non-cash items	<u>9</u>	<u>14</u>
Add/(deduct) movements in working capital		
(Increase)/Decrease in accounts receivable	(389)	(49)
(Increase)/Decrease in Inventory	(3)	4
(Increase)/Decrease in Prepayments	(21)	3
(Increase)/Decrease in GST Receivable	(31)	38
Increase/(Decrease) in accounts payable	1,092	(523)
Increase/(Decrease) in monies held in trust	48	8
Increase/(Decrease) in GST payable	-	-
Increase/(Decrease) in Other Liabilities	-	(1)
Increase/(Decrease) in Employee benefit liabilities	56	(63)
Increase/(Decrease) in Revenue in Advance	9	1
Total working capital movement	<u>761</u>	<u>(582)</u>
Net cashflow from operating activities	<u>263</u>	<u>76</u>

Note 17: Financial Instruments

The Zoo's financial instruments include financial assets (cash and cash equivalents, derivative financial instruments, loans and receivables, available-for-sale financial instruments, investments in subsidiaries and associates, and financial liabilities (payables that arise directly from operations and borrowings). Interest rate swaps are used to reduce exposure to fluctuations in interest rates arising on floating rate borrowings. The main purpose of the Zoo's financial instruments is to raise finance for the Zoo's operations.

As part of its normal operations, the Zoo is exposed to credit risk, interest rate risk and liquidity risk. The Zoo's exposure to these risks and the action that the Zoo has taken to minimise the impact of these risks is outlined below:

Fair Value

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arms length transaction. The fair values and carrying amounts of all financial instruments are detailed below by class:

Note 17: Financial Instruments (continued)

		2009		2008	
		Fair Value	Carrying Amount	Fair Value	Carrying Amount
		\$000	\$000	\$000	\$000
<i>Financial Assets</i>					
Cash and cash equivalents	6	1,651	1,651	1,419	1,419
Trade receivables, loans and other receivables					
-Trade Receivables	7	459	459	177	177
- Other Receivables	7	166	166	59	59
<i>Financial Liabilities</i>					
Payables		1,480	1,480	388	388

Credit Risk

Credit risk is the risk that a third party will default on its obligations to the Trust, therefore causing a loss. The Trust is not exposed to any material concentrations of credit risk. Receivables balances are monitored on an ongoing basis with the result that the Trust's exposure to bad debts is not significant. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

The Zoo's maximum exposure to credit risk at balance date is:

		2009	2008
		\$000	\$000
<i>Financial Assets</i>			
Cash and cash equivalents	6	1,651	1,419
Trade receivables, loans and other receivables			
-Trade Receivables	7	459	177
- Other Receivables	7	166	59
Total Financial Assets		<u>2,276</u>	<u>1,655</u>

The status of trade receivables at the reporting date is as follows:

Note 17: Financial Instruments (continued)

Trade and other receivables

Trade and other receivables

Not past due	7
Past due 0-3 months	7
Past due 3-6 months	7
Past due more than 6 months	7

Total trade and other receivables

2009		2008	
Gross Receivable	Impairment	Gross Receivable	Impairment
\$000	\$000	\$000	\$000
562	-	164	-
35	-	39	-
-	-	5	-
28	-	28	-
625	-	236	-

Liquidity risk

Liquidity risk is the risk arising from unmatched cash flows and maturities.

On a cash flow basis, the Trust maintains sufficient funds to cover all obligations as they fall due. Facilities are maintained in accordance with the Zoo's Treasury Management Policy and Guidelines.

The following table sets out the contractual cash flows for all financial liabilities that are settled on a gross cash flow basis. Contractual cash flows for financial liabilities comprise the notional amount and interest payment.

Trade and other payables

11

Total financial liabilities settled on a gross basis

2009				
Statement of Financial Position	Total Contractual Cashflows	0-12 months	1-2 years	1-2 years
\$000	\$000	\$000	\$000	\$000
1,480	1,480	1,480	-	-
1,480	1,480	1,480	-	-

Trade and other payables

11

Total financial liabilities settled on a gross basis

2008				
Statement of Financial Position	Total Contractual Cashflows	0-12 months	1-2 years	1-2 years
\$000	\$000	\$000	\$000	\$000
388	388	388	-	-
388	388	388	-	-

Note 17: Financial Instruments (continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Trust's financial instruments will fluctuate due to changes in market interest rates. The Trust is exposed to interest rate risk from its interest-earning financial assets. The Trust is risk averse and seeks to minimise exposure arising from its treasury activities. It does not undertake unnecessary investment or borrowing activity, nor is it speculative in the activity it undertakes; the overall intention being to avoid placing the capital value of individual investment and borrowing facilities at risk.

The effective interest rates and contractual re-pricing or maturity periods (whichever is earlier) of financial instruments are as follows:

		2009				
Statement of Financial Position	Total Contractual Cashflows	0-12 months	1-2 years	1-2 years		
\$000	\$000	\$000	\$000	\$000	\$000	
Variable rate instruments						
Cash and cash equivalents	6	1,651	1,651	-	-	
Total variable rate instruments		1,651	1,651	-	-	

		2008				
Statement of Financial Position	Total Contractual Cashflows	0-12 months	1-2 years	1-2 years		
\$000	\$000	\$000	\$000	\$000	\$000	
Variable rate instruments						
Cash and cash equivalents	6	1,419	1,419	-	-	
Total variable rate instruments		1,419	1,419	-	-	

Equity Management

The Zoo's equity includes accumulated funds and retained earnings, revaluation reserves and restricted funds which comprise special funds, reserve funds and trusts and bequests.

The Local Government Act 2002 requires the Zoo to manage its revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community.

Note 18: Commitments

The Trust had an operating lease commitment as at 30 June 2009. Payments due not later than one year \$44,000, payments due between one to two years \$6,000(2008: Nil)

Note 19: Contingencies

The Trust had no contingent liabilities as at 30 June 2009 (2008:Nil)

Note 20: Intra group transactions and balances

	2009 \$000	2008 \$000
Revenue for services provided by the Zoo to:		
Wellington City Council	1,665	93
	<u>1,665</u>	<u>93</u>
Revenue for services received by the Zoo from:		
Wellington City Council	4,135	3,186
	<u>4,135</u>	<u>3,186</u>
Current receivables owing to the Zoo from:		
Wellington City Council	166	143
	<u>166</u>	<u>143</u>
Current payables owing from the Zoo to:		
Wellington City Council	1,043	16
	<u>1,043</u>	<u>16</u>

Note 21: Related Party disclosures

	2009	2008
	\$000	\$000
Salaries and other short term employee benefits	922	790
Post-employment benefits	-	-
Other long term benefits	-	-
Termination benefits	-	-
Total Key Management Personnel Compensation	<u>922</u>	<u>790</u>

Key Management personnel include the Chief Executive, other senior management personnel and Trustees.

Trustee's Remunerations

Trustee's remuneration is any money, consideration or benefit received, receivable or otherwise made available, directly or indirectly, to a trustee.

The following people held office as, trustees of the Zoo during the reporting period. The aggregate remuneration paid to the Trustees during the year totalled \$91,000 (2008: \$83,700) and is disaggregated and classified as follows:

	2009	2008
	\$000	\$000
Trustee Remuneration		
Denise Frances Church	26	24
Lee Anthony Parkinson	13	12
Frances Helen Russell	13	12
Phillip James Meyer	13	12
Rosa Martin	13	12
Celia Wade- Brown	13	12
Total Trustee Remuneration	<u>91</u>	<u>84</u>

Related party transactions

During the year Trustees and key management, as part of a normal customer relationship, were involved in minor transactions with the Trust.

The Trust receives a grant from the Wellington City Council under a Contract for Services. In addition, the Wellington City Council receives/ (pays) amounts for the provision/ (receipt) of other goods and services. These other transactions are conducted on an arms-length basis. The amounts owing to/from related party balances are disclosed in note 20. Grants received from the Community Trust of Wellington of \$Nil (2008: \$100,000). Frances Russell who is a trustee of the Zoo is also the Executive Director of the Community Trust of Wellington. This transaction was also conducted on an arms-length basis.

Purchase of goods and services from the New Zealand Institute of Management \$258, (2008:\$6,928), these were supplied on normal commercial terms. There was no outstanding balance for unpaid invoices at year end (2008:\$Nil). Phillip Meyer who is a trustee of the Zoo is also a Director of the New Zealand Institute of Management.

Purchase of goods and services from the Young Enterprise Trust \$4,369, (2008:Nil), these were supplied on normal commercial terms. There was no outstanding balance for unpaid invoices at year end (2008:\$Nil). Phillip Meyer who is a trustee of the Zoo is also a Trustee of the Young Enterprise Trust.

The Trust also purchased services from the Australasian Regional Association of Zoos and Aquaria (ARAZPA). These services cost \$43,318 (2008:\$54,990) and were supplied on normal commercial terms. There is a nil balance outstanding for unpaid invoices at year end (2008:\$866) Karen Fifield who is the Chief Executive Officer of the Zoo is a Director of ARAZPA. .

Purchase of goods and services from the Tana Umaga Foundation \$Nil (2008:\$500) and were supplied on normal commercial terms. There is no outstanding balance for unpaid invoices at year end (2008:\$Nil). Frances Russell who is a trustee of the Zoo is also a Trustee of the Tana Umaga Foundation.

The Trust also purchased services from Volunteer Wellington. These services cost \$133 (2008:\$218) and were supplied on normal commercial terms. There is no outstanding balance for unpaid invoices at year end (2007:\$Nil). Beth Houston who is the Manager of Commercial Development of the Zoo was also a Trustee of Volunteer Wellington until February 2008.

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2008:\$Nil).

Note 22: Severance Payments

In accordance with the Schedule 10, section 19 of the Local Government Act 2002, the Zoo is required to disclose the number of employees who received severance payments during the year and the amount of each severance payment made.

Severance payments include any consideration (monetary and non-monetary) provided to any employee in respect of the employee's agreement to the termination of their employment with the trust. Severance payments exclude any final payment of salary, holiday pay and superannuation contributions.

For the year ended 30 June 2009, the Trust made one severance payment, \$27,636 (2008:6 employees), (2008: \$87,195).

Note 23: Events after balance date

There are no events after balance date that affect the financial statements prepared on pages 6 to 9 or the notes to the financial statements.

Statement of Intent Key Performance Indicators

For the year ended 30 June 2009

A Statement of Intent was prepared for 2008/09. The Statement of Intent was delivered to Wellington City Council on 28th February 2008 and approved by them on 27 June 2008 including the following performance indicators.

Measures	Target	Result	Narrative
Outstanding, intimate and unique visitor experiences			
ZCP Projects delivered on time, on budget- Hospital built within 10 to 15 months	Yes	Yes	Hospital Project completion date has not changed – November 2009. Expected to be completed within budget.
Collection Plan developed by September 08	Yes	Yes	Collection Plan was completed September 2008 and presented to the Trust Board 10 th September 2008
Projects to assess visitor learning	>2	5	Projects to assess visitor learning – Edy MacDonald's PhD research assessed visitor learning at Zoo - Market research undertaken by Commercial Development team to assess satisfaction with visitor experience.
School Learning outcomes-effectiveness	>97% teachers agree learning was effective	100%	100% teachers rated the learning programmes as having met or exceeded expectations
Number of school visits (students)	>14,700	15,549	15,549 students visited the Zoo
Industry Leadership			
> 5 staff involved with ARAZPA Committees or positions	>5	12	Simon Eyre – ASMP Committee, Misc. TAG convenor, Porcupine Species Coordinator, Green gecko sp contact, ARAZPA MAF contact, Meerkat Species Coordinator Karen Fifield – ARAZPA Board Member Katja Geschke – Veterinary advisor to misc. TAG and artiodactyl Sarah Satterthwaite – Education Advisor to Primate TAG Edy MacDonald – Research SAG convenor Barbara Blanchard - Tuatara studbook Mauritz Basson – Artiodactyl Husbandry Advisor, Accreditation Officer

Measures	Target	Result	Narrative
Financial sustainability			
Fundraising targets for ZCP met	\$569,150	\$488,152	Fundraising: Target for the first three years of the ZCP was \$1,756,900 and we have achieved \$2,287,750
Average retail income per visitor	>\$8.60	\$9.04	Average retail income per visitor = \$9.04
Increase total admissions by 2% each year on base year 2005/06 (170,116 visitors)	180,560	178,386	Final visitor numbers for the year were 178,386 with budget of 180,560 – 98.8% of target
Average income per visitor (excluding WCC grant)	\$11.71	\$13.29	Average income per visitor = \$13.29
Ratio of Trust generated income as % of WCC grant	79%	88%	Ratio of WZT generated income as 75% of WCC grant total = 88%
Average WCC subsidy per visitor	\$14.88	\$15.07	Average WCC subsidy per visitor = \$15.07
Zoo Crew memberships by June 2009	3000	2,718	Final Zoo Crew members are 2,718 – 90% of target – the target was very ambitious and, despite best efforts, we didn't meet it.
Valued and motivated staff			
All staff have PDP review	All staff have PDP review September 2008	Yes	All PDPs for permanent staff were in place and/or had been reviewed by September 2008
Staff Survey conducted	Staff Survey conducted October 2008	March 2009	Staff survey conducted in March 2009
Staff turnover (permanent staff)	<15% staff turnover	17.20%	Staff turnover was 17.2% for the year
Lead or participate in conservation and research programmes			
Conservation Programme Managed Species (% of total Collection)	>38%	44.1%	44.1% of collection linked to ASMP
Participation in conservation programmes	2	5	We participate in the following conservation programmes: Possum project with Victoria University Grand and Otago skink project with DoC Kaka breeding and release with CMAg and Maungatautau Sanctuary Sea lion project with DoC Anatolian Guard dog program with Cheetah Outreach
Lasting community support and participation			
Partnerships formed with written MOUs	>6 partnerships formed with MOUs	8	Partnerships with MOUs include: Arataki Honey, Department of Conservation – Grand Skinks and Otago Skinks, Massey University, Museum of NZ Te Papa Tongarewa, Radio Network Wellington, Saatchi and Saatchi, Fonterra Brands (Tip Top) Ltd, Victoria University of Wellington
Volunteer hours (FTE)	# volunteer hours for >5 FTE	5.05 FTE	Volunteer hours 5.05 FTE – 9,708 total hours for the year
Wellingtonians visiting the zoo	>49% Wellingtonians visiting the zoo	44%	44% of Wellingtonians said that they had visited the Zoo in the past 12 months