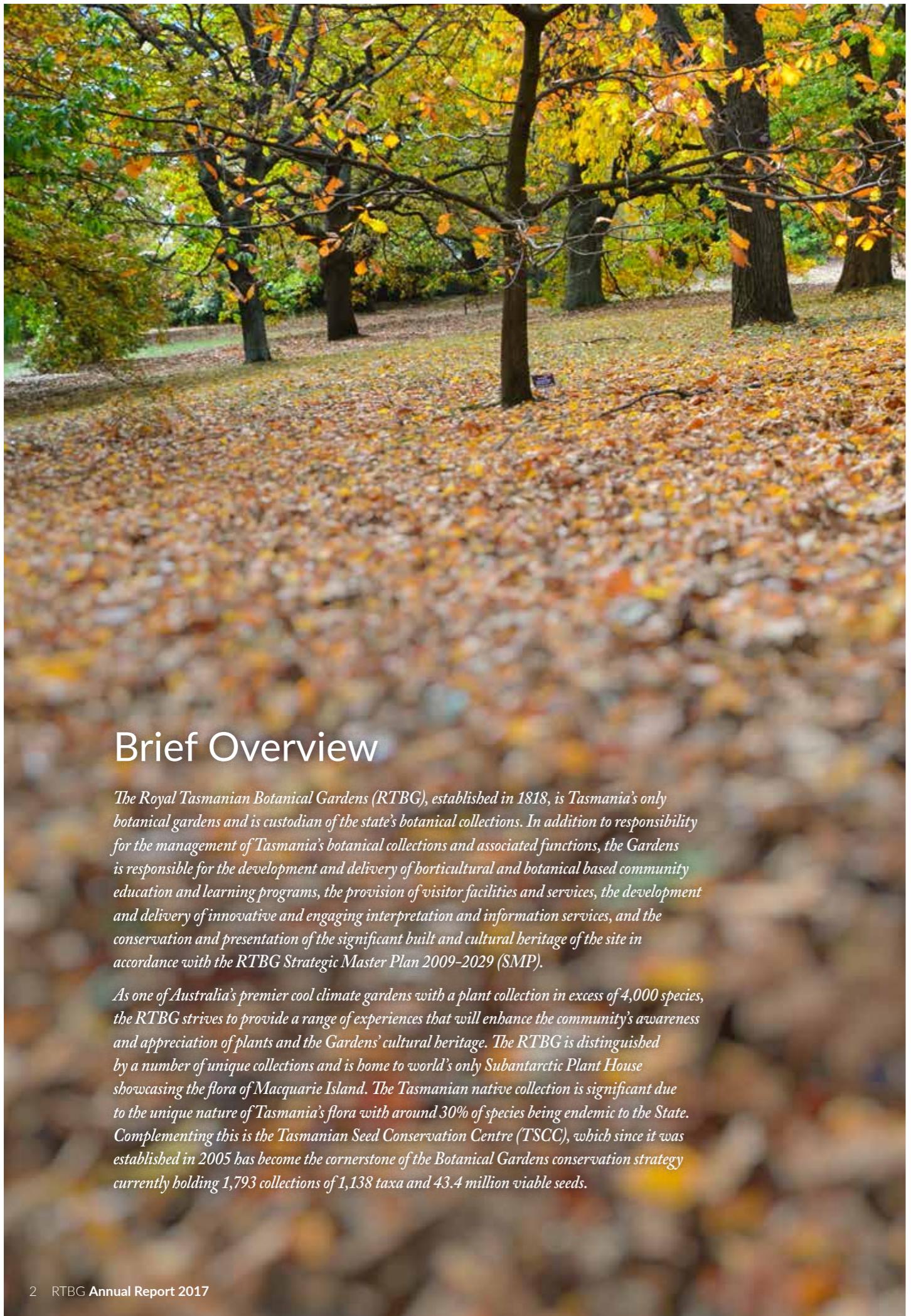




Royal Tasmanian Botanical Gardens
Annual Report 2017





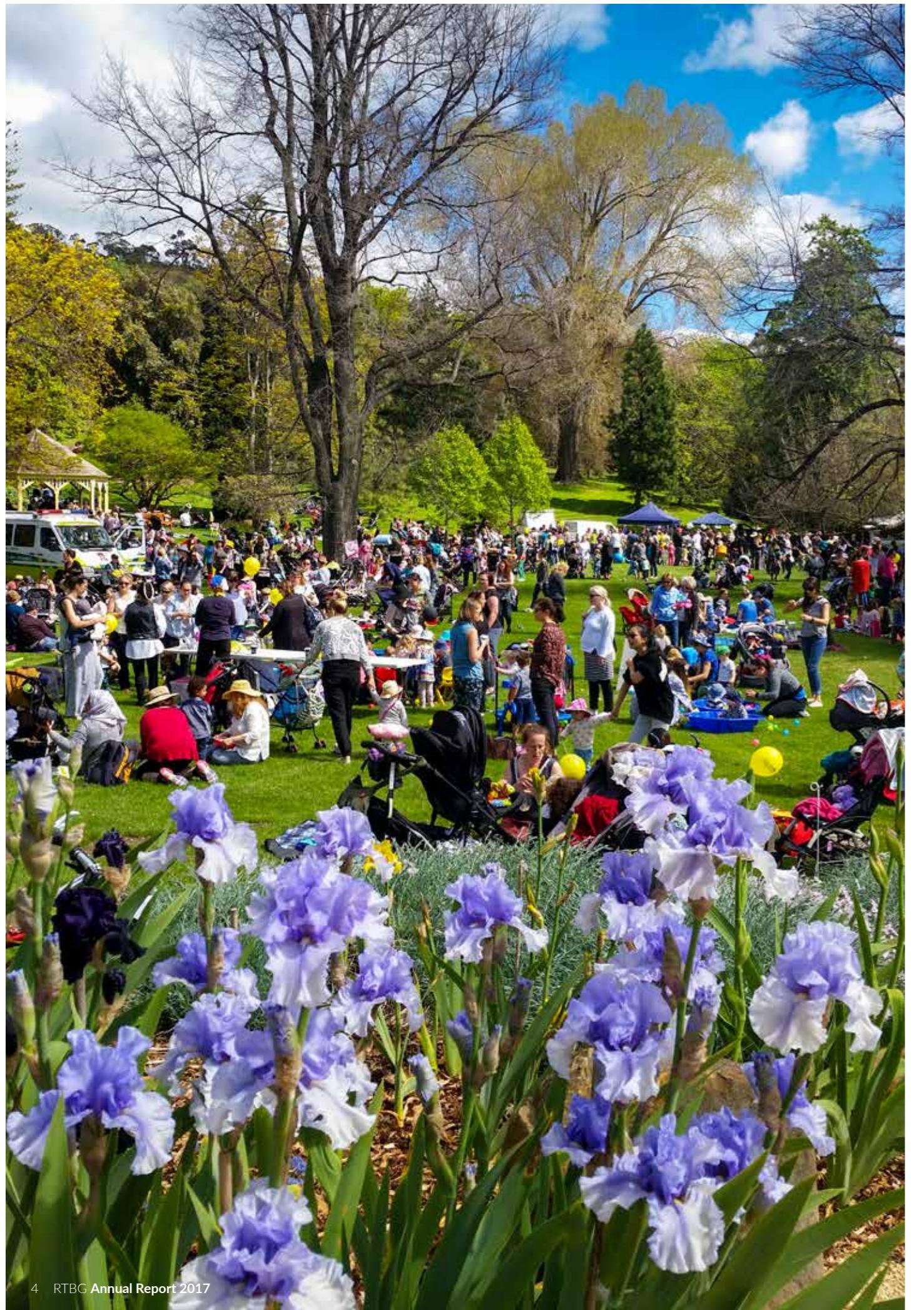
Brief Overview

The Royal Tasmanian Botanical Gardens (RTBG), established in 1818, is Tasmania's only botanical gardens and is custodian of the state's botanical collections. In addition to responsibility for the management of Tasmania's botanical collections and associated functions, the Gardens is responsible for the development and delivery of horticultural and botanical based community education and learning programs, the provision of visitor facilities and services, the development and delivery of innovative and engaging interpretation and information services, and the conservation and presentation of the significant built and cultural heritage of the site in accordance with the RTBG Strategic Master Plan 2009-2029 (SMP).

As one of Australia's premier cool climate gardens with a plant collection in excess of 4,000 species, the RTBG strives to provide a range of experiences that will enhance the community's awareness and appreciation of plants and the Gardens' cultural heritage. The RTBG is distinguished by a number of unique collections and is home to world's only Subantarctic Plant House showcasing the flora of Macquarie Island. The Tasmanian native collection is significant due to the unique nature of Tasmania's flora with around 30% of species being endemic to the State. Complementing this is the Tasmanian Seed Conservation Centre (TSCC), which since it was established in 2005 has become the cornerstone of the Botanical Gardens conservation strategy currently holding 1,793 collections of 1,138 taxa and 43.4 million viable seeds.

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Foreword from the Chairman

This will be my last foreword as Chair of the Board of the Botanical Gardens, my term comes to an end later this year. Once again it is a pleasure to present this report on behalf of the Board.

Steady progress has been made during the year, we operated within budget as the material in the Report shows and we are at last in a position to make positive steps towards fulfilling significant infrastructure proposals in the Strategic Master Plan. We have regularly faced the challenge of operating within budget and maintaining and renewing the living collections of the Gardens and the heritage infrastructure within.

The tasks of operating the Gardens and maintaining their botanical integrity have been ably undertaken by our excellent staff, generously assisted by our teams of volunteers. The task of maintaining the Gardens and keeping the extensive resource of our living collections relevant and appealing to our growing visitor numbers is a real challenge and we are fortunate to have staff and volunteers who devote themselves to the task with such enthusiasm. One of the real pleasures of undertaking this role has been my regular contact with staff and volunteers whose sense of commitment to the Gardens and their pleasure in participating in their upkeep greets you at every turn.

The Gardens will always require a financial commitment from Government towards base operational cost while also, hopefully, providing an injection of capital which will achieve a level of sustainability through infrastructure enhancement for better commercialisation of operations.

This year our visitor numbers continued to rise, exceeding 460,000 and, as I said last year, the Gardens are probably the most visited public asset in the State. The Board and Management continue to explore commercialisation prospects within the Gardens which will ensure an appropriate return from the 'users', our visitors.

The nature of a Botanical Garden sets it apart from other parks and themed facilities in the State, and for this reason we will always require a level of support from the public purse. But, as outlined in proposals to the Minister throughout the year the Board is hopeful of eventually achieving a level of return from facilities we will provide for visitors which will ensure the sustainability of the Gardens, without imposing an entrance fee which would be the simple expedient to achieving a return from visitors as opposed to taxpayers.

Next year will be the bicentenary of the establishment of the Gardens, the second oldest in Australia, and we will mark that historic occasion with a calendar of activities which not only showcases the Gardens through the four seasons, but also emphasises the work undertaken within the Gardens which ensures the continuity of the unique botanical assets of Tasmania and the maintenance of our collections from other regions. We will also identify the role of the Gardens within the community with the publication of a book covering this aspect of the Gardens contribution to community wellbeing and the cultural heritage of the State.

I take this opportunity to acknowledge the work of the members of the Board and the support they have given me during the year, along with that of the Director, Gary Davies, and our talented and hard working staff, along with the Friends and volunteers of the Gardens, whose contributions are essential to the continued operation of the Gardens.

During the year the Gardens has continued to receive support and encouragement from the Department, DPIPWE, and our Minister, initially the Hon Matthew Groom, MHA and, following Cabinet changes in the latter part of the year, the Premier and Acting Minister, the Hon Will Hodgman MHA. I thank them personally and on behalf of the Board for their support.

It remains for me to conclude by thanking the people of Tasmania, especially our regular visitors and supporters, whose attendance at and interest in the Gardens makes it all worthwhile.

Dr. Damian Bugg AM QC.
Chairman

Director's Highlights of the Year

The Royal Tasmanian Botanical Gardens (RTBG) is an exceptional Garden and highly valuable destination that conserves and develops our living collections and heritage, creates and delivers an exemplary and enlightening visitor experience and thriving organisational culture.

Overall it has been a highly successful year as the Gardens has accomplished a great deal and at the same time achieved our outcomes within the budget.

The RTBG has achieved an operating surplus for the financial year through each of the Sections undertaking good fiscal discipline.

In the latter stage of the year the RTBG was able to secure additional funding from various sources including:

- \$33,000 from the Hobart City Council.
- \$75,000 committed additional funding from the Premier for the Bicentenary.
- \$42,000 from the Friends of the Gardens specifically for the Lily Pond Project.

Visitor numbers for the financial year set another record with a visitation of 460,000. This equates to 17,000 more visits than last year. Donations received for the year were \$141,000 including gate donations of \$85,000 giving an increase of \$7,000 compared to the same period last year.

The Royal Tasmanian Botanical Gardens will celebrate its Bicentenary in 2018. This anniversary provides the opportunity to celebrate the important milestone and role that the RTBG plays in Tasmania, and reinforce its intrinsic value as a leading and contemporary cool climate Gardens and a place where locals and the broader community can engage.

Plans for the Bicentenary are in full swing and were formalised by the establishment of a Bicentenary Working Group comprised of RTBG staff and Board members.

A Project Plan has been endorsed and the calendar of activity is being developed to capture the breadth of activity across the calendar year, with a communications plan also in development.

Major projects have also been established with numerous works being undertaken both major and minor in order to improve and enhance the Gardens for the Bicentenary year.

One of the major priorities is to enhance the visitor experience and it has been

recognised that the long term requirement is a physical presence at the main entrance to guide the visitor journey and enable a comprehensive understanding of the profile of visitors to the Gardens.

In order to start the process an early feasibility stage of the visitor infrastructure project has been undertaken. This includes a detailed plan that has identified all the areas that present opportunity of re-development.

This includes a main gate project and is a long term initiative, thus an interim process will be established to better manage and assess the visitor experience in the short term.

Two other key projects have been initiated, both of which have gone through the planning approval stage and currently finalising the appointment of building contractors. These projects are the Lily Pads Project and the Sustainable Learning Centre Project. The Lily Pads Projects involves the construction of three circular viewing decks which will replace the existing decking at the Lily Pond and produce a better facility for the public and for events and functions.

The Sustainable Learning Centre Project involves the redevelopment of the existing Education POD into a new outdoor classroom and updated facilities, all of which will contribute to the integration of the building within the Tasmanian Community Food Garden.

The production of a Bicentennial book has commenced and is being Project managed through the Department of Primary Industries, Parks, Water and Environment. We are grateful to the Department for their support.

An external Stakeholder Engagement Committee has also been established to provide strategic oversight in the activity and create external 'ambassadors' of the key messages for the Bicentenary.

The Business Enterprise Section was established this year to assist the RTBG to increase its self-generated funding. To achieve this we have commenced strategies aimed at increasing donations and self-generated income including the further development of RTBG commercial products and services. This has resulted in achieving a solid increase in revenue from last year in particular with the restaurant performing well above the budget target and generating \$175,000 in revenue.

The Business Enterprise Unit had a focus on the establishment of a strategic framework to underpin future planning and activity. This includes creating a 4 year 'map' with the first tier aiming to build the foundation with a focus on brand development, research and consumer acquisition strategies as well as an initial increase on revenue and yield per visitor.

The Gardens has hosted an array of events with the largest being the Carols by Candlelight where we hosted some 8,000 people. As part of the Gardens Autumn Celebration we hosted the successful community celebration of Peter Cundall's 90th Birthday in partnership with ABC Radio Hobart.

In order to improve financial management and reporting, the RTBG has transferred its bookkeeping processes from in-house using the MYOB finance system, to DPIPWE Finance Division using the Finance One System.

A strategic approach to working in partnership with volunteers and the Friends of the RTBG is also in progress, particularly in regards to the commercial operations of buggy and cruise ship tours to better support the invaluable work and assistance of volunteers as well as increase yield and management of revenue streams.

In the Gardens Operations area, a substantial new planting was implemented during March 2017 in the bed above the Conservatory. This work forms part of numerous new displays that are being developed for the bicentenary celebrations in 2018. The annual plant sale in October 2016 drew excellent crowds with final sales figures reaching approximately \$50,000.

New landscaping work above the lily pond has been undertaken including the installation of stone retaining walls, a deck and a new gravel path to provide better access to the area, along with new planting areas beneath some of the Gardens most impressive mature trees.

The 40th anniversary of Hobart's sister city relationship with Yaizu in Japan was celebrated with a tree planting by the mayors of both cities in the Japanese Garden in February 2017. Visiting horticulturists from Yaizu instructed RTBG staff on the fine points of traditional Japanese pruning and large-scale works in the garden included the rebuilding of the Yatsuhashi Bridge.

The summer collecting program on Macquarie Island almost doubled the quantity of seed of Macquarie Island species held in the Tasmanian Seed Conservation Centre. Over 550,000 viable seed were collected, including 4,500 of the critically endangered endemic Macquarie cushion, *Azorella macquariensis*.

Achievement such as these are accomplished during the year through strong team work and an enormous amount of hard work.

I take this opportunity to recognise the Chairman of the board Damian Bugg, the Board, staff, Friends of the Gardens and volunteers of the gardens for their continued unselfish dedication and commitment to ensuring the Gardens continue to remain such an iconic place to visit.

The Tasmanian Orchid Conservation and Research Program had a successful year with flowering for the first time of rare and endangered Caladenia seedlings. The program continues to implement critical recovery actions and research for threatened Tasmanian orchids both in the laboratory and in the field.

Achievements such as those accomplished this year are a result of team work and an enormous amount hard work.

I would like to thank our patron Her Excellency Professor The Honourable Kate Warner AM, Governor of Tasmania and I take this opportunity to recognise the Chairman of the Board Damian Bugg, the Board, staff, Friends of the Gardens and volunteers for their continued unselfish dedication and commitment to ensuring the Gardens continue to remain such an iconic place to visit.

Gary Davies
Director

Vision, Mission and Values

Vision

Create and maintain an exceptional Garden that enriches Tasmania's social and cultural life, showcases and contributes to the conservation of the flora of Tasmania and educates the community about the importance of plants.

Mission

We sustainably manage the Royal Tasmanian Botanical Gardens, conserve and develop our living collections and heritage, and create and deliver an exemplary and enlightening visitor experience and thriving organisational culture.

Values

In achieving its vision and mission, the RTBG is committed to a range of values that will guide its operation. These values include:

- Sustainability;
- Pursuit of excellence;
- Fair dealing in commercial and community service;
- Social and environmental consciousness;
- Scientific inquiry and integrity;
- Public accessibility and responsiveness;
- Staff involvement in planning and programs;
- Recognition of, and assistance for, friends, volunteers and supporters;
- Administrative efficiency and accountability; and
- Respect and recognition for employees and all other stakeholders.

Goals

- To promote the Gardens and engage with the Tasmanian Community including a successful bicentenary that the community values
- The strategic management of thriving living collections
- A quality environment that provides an exemplary visitor experience
- Partnerships that deliver maximum value for the Gardens
- Our people and culture deliver a quality visitor experience
- A sustainable, self-supporting enterprise

Governance

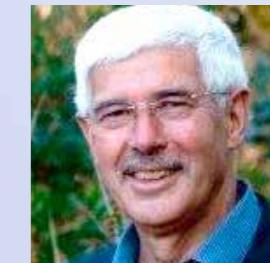
The RTBG is a State Government statutory organisation, governed by the Royal Tasmanian Botanical Gardens Act 2002 and is administered by the Department of Primary Industry, Parks, Water and the Environment (DPIPWE). The seven-member RTBG Board is appointed by, and reports to, the Minister for the Environment, Parks and Heritage.

The Board is responsible for managing, conserving and enhancing the Royal Tasmanian Botanical Gardens in accordance with the Act.

Current Board Members as at 30 June 2017

Damian Bugg – Chair
Doug Davey
Paul Oxley
Therese Taylor

Tim Baker
Beth Mathison
Jo Bailey



How We Operate

Staff

In 2016-2017 the RTBG had 28.96 full-time equivalent (FTE) staff including apprentices and trainees. Salaries utilised 94% of the Government Appropriation, and around 69% of the global budget (Government Appropriation and RTBG generated revenue).

The RTBG recognises and values the wealth of experience and knowledge of our staff, which have helped to develop and manage these gardens. The RTBG manages its human resources in line with staff requirements, the *State Service Act 2002* and DPIPWE policies and guidelines ensuring that staff policies and procedures are consistent and fair.

Asset Management

The RTBG maintains a register of all assets exceeding \$1,000 in accordance with Treasury requirements and a general register for assets less than \$1,000. Database records are also provided for specialist collections including the seedbank, plants, library and herbarium. A computerized point of sale system provides an inventory of all retail stock.

Acquisitions, disposals and write-offs are recorded. An Asset Register Valuation has valued the RTBG's assets at over \$14m. The Strategic Conservation and Asset Management Plan determine the priorities and nature of works for the maintenance of assets within the Gardens.

Risk Management

The RTBG takes a proactive approach to Risk Identification and Mitigation, and has developed a Risk Profile and comprehensive Risk Mitigations Strategies associated with all aspects of operations. The RTBG manages risk through participation in the whole of government risk management fund for staff worker's compensation coverage. Public liability, professional indemnity, motor vehicle and personal accident risks are managed through brokered insurance policies.

Managing Diversity

The RTBG is committed to the principles and values of diversity in the workplace and maintains relevant statistics in response to workplace initiatives.

Workplace Health and Safety

The RTBG is committed to providing a safe and healthy workplace through adherence to relevant legislation and implementation and monitoring of appropriate work practices. A WH&S Committee provides a representative and professional development opportunity for all staff to be actively involved in a wide range of Gardens-related WH&S matters. The Committee meets monthly and records outcomes and recommendations to RTBG management. It also implements regular WH&S site audits and reviews procedures and work practices.

Worker's compensation claims are actively managed through DPIPWE and the Department's contract rehabilitation services, which have provided invaluable assistance to staff with active worker's compensation claims.

Introduction to Each Business Unit

The Royal Tasmanian Botanical Gardens' organisational structure comprises four separate business units. The area of responsibility for each unit is detailed below.

Major Projects, Science, Interpretation and Education

The Tasmanian Seed Conservation Centre sub-unit is responsible for the long-term conservation of the Tasmanian flora through collection, storage and germination research.

The Botanical Resources sub-unit is responsible for the documentation of the plant collections and plant health protocols and monitoring. Responsible for maintenance of the ancillary library, herbarium and archival collections. Assistance with plant research through grants, conservation collections.

The Interpretation and Education sub-unit is responsible for interpretation of the Gardens and the delivery of school and community / public learning programs, community engagement, and the coordination of staff and volunteer training.

Gardens Operations

This Unit is responsible for the management of horticultural and botanical operations including the development and maintenance of the Gardens plant collections and displays, heritage landscapes including garden elements and lawns, waste management, student work place training and event support. The unit is also responsible for the implementation of major Capital Investment Projects and other infrastructure projects throughout the RTBG estate, including the day to day and programmed maintenance of assets and infrastructure under the control of the RTBG.

Business Enterprise

This Unit is responsible for the business enterprise and marketing components of the Gardens.

The Business Enterprise unit incorporates Visitor Services including management of the Botanical Shop and the Licensee delivering the catering products through Succulent Restaurant and Sprout Café.

The Marketing and Promotions area is responsible for delivering the content of the annual marketing plan and undertaking ad hoc promotions, media liaison, event management, sponsorship and publications. It has a focus on facilitating and supporting revenue generating business units as required and an additional focus of developing and maintaining the RTBG website and social media sites.

Business Services

This Unit is responsible for providing support to financial management, human resources coordination, business administration services and Board services.



Goals and Objectives

RTBG Senior Management and the Board identified new goals and current objectives to more strongly align the RTBG with its core business. The new goals and objectives are:

To promote the Gardens and engage with the Tasmanian Community (including a successful bicentenary that the community values)

1. To define, prioritise and fund strategic and appealing bicentenary projects
2. To develop strategic partnerships that deliver value to the Bicentenary
3. To promote and engage with the Tasmanian community in Bicentenary celebrations

The strategic management of thriving living collections

4. To maintain, sustain and develop the living collections
5. To maintain and develop the Botanical Estate
6. To maintain our commitment to plant conservation programs

A quality environment that provides an exemplary visitor experience

7. To improve the experience for visitors in the Gardens
8. To improve visitor access to the Gardens
9. To deliver high quality interpretation to visitors based on core values
10. To facilitate use of the Gardens for creative and targeted education opportunities
11. To ensure environmental sustainability of the Gardens

Partnerships that deliver maximum value for the Gardens

12. To achieve a collaborative, focused approach with Friends, Volunteers and Support groups
13. To deliver mutual benefits with key strategic partners
14. To engage the corporate sector in the Gardens

Our people and culture deliver a quality visitor experience

15. To attract, develop and retain skilled and appropriate staff
 16. To develop Volunteer capability and their contribution to the Gardens
- A sustainable, self-supporting enterprise**
17. To maximise revenue to support Gardens' development
 18. To investigate new revenue opportunities
 19. To increase the contribution of philanthropy to the Gardens resources
 20. To operate under an effective governance model

Business Unit Outcomes 2016-2017

Major Projects, Science, Interpretation and Education

Bicentenary Major Projects

Two major projects for the 200th anniversary of the Gardens in 2018 have progressed through the initial planning stages. The Lily Pads Project will provide an elegant new dimension to the Lily Pond which is one of the Gardens most popular visitation points. The Lily Pads will be three circular platforms that reach over the pond from the pathway to near water level with the platforms diminishing in size as they near the water. As well as providing a unique new area to view the pond and surrounds, the Lily Pads will be a venue for special occasions, events and ceremonies. The Friends of the RTBG have generously donated \$42,000 towards the project and a sizeable bequest to the RTBG by the late Ruby Tung Yep has also been allocated to the Lily Pads Project. To date the design plans have been finalised and with a construction period of approximately six weeks, the aim is for completion in late 2017 with an official launch early in the bicentennial year.

The Sustainable Learning Centre Project will redevelop the former Education Pod to become an integral part of the Tasmanian Community Food Garden (TCFG) and the RTBG's community engagement programs. The renovation of the building and surrounding area will support the activities of the TCFG by providing a range of differently scaled meeting venues, external working and teaching spaces with a conveniently sited toilet with external access. The architectural plans have been finalised with the expectation the project will take four to five months to complete once a contractor has been engaged.

Tasmanian Seed Conservation Centre

It has been a productive year with 83 collections delivering over 2.6 million viable seeds this collection season which brings the total seed number currently in storage up to 43.4 million viable seeds. Highlights of the fieldwork season included the discovery of a new population of the threatened plant *Stackhousia pulvinaris* increasing both the number of plants and the range by 65km. The first observation of *Cardamine tryssa* in Tasmania in over 130 years was made, resurrecting a species previously believed to be extinct in Tasmania. This is the second observation and herbarium specimen for the state, and sixth specimen for Australia. The final collection for the 16/17 year saw the collection of 9.6kg of seed material (approximately 24,000 seeds) from *Telopea truncata* from Platform Peak north of Hobart. This increases the number of Telopea provenances in the Seedbank to three.

Three new volunteers have been inducted and are being trained to assist in the Seedbank. The TSCC now has 11 active volunteers. Ongoing testing and germination trials resulted in 439 tests on 91 collections set up this year bringing the total number of tests to 7,568 on 1,141 collections. This year has seen the 'best so far' results for the germination of stone-fruited Ericaceae a group that is notoriously difficult to germinate. These results hint at the possibility of developing a more general germination protocol that will be of benefit to other conservation practitioners working with this plant group.

Botanical Resources

The Horticultural Botanist Natalie Tapson spent three months to the end of March 2017 on Macquarie Island collecting seed for the TSCC. 550,000 seeds were collected from 13 species, including 4,500 seed of critically endangered *Azorella macquariensis*. Plants of the orchid *Corybas sulcatus* have been added to the RTBG Macquarie Island collection, the Gardens now holds both the Island's endemic orchid species. Flowering specimens of *Poa astonii*, a new species for Macquarie Island, were collected for the Tasmanian Herbarium.

A bicentenary project to produce a coffee table book celebrating the Gardens 200 years will be available for sale in December 2017. The bicentenary book project was initiated and funded by DPIPWE with the aim of producing a quality publication with contributions from the general public. With a call for public submissions, personal images and reflections will feature along with historic and current images sourced from the RTBG. To date most of the RTBG contribution has been to research and provide input into the text of the book.

Another bicentenary project is an art exhibition to open in 2018 by Botaniko Art Group featuring key plants from the Gardens' history. Botaniko's members have selected species from a list of eighteen RTBG plants that have an interesting story to tell from some point in the Gardens' 200 year history.

Interpretation and Education

More than 500 students of all ages have undertaken formal paid sessions at the Gardens over the last year, all programs have had excellent feedback with many schools repeating visits each year. There has been strong interest in subjects such as plant adaptations and water in the environment. Other groups, clubs and professional organisations have participated in a range of onsite learning activities throughout the year.

There has been a steady increase in the number of volunteers with six new volunteer inductions being held through this period and over 45 new volunteers added to the database with a total of 135 volunteers are now registered. A new roving "Gardens volunteer" category was introduced. New volunteer learning sessions are being developed and are starting to be delivered through late August, September and November 2017.

The RTBG website was updated with the development of more than twenty new web pages and the Facebook page continued to engage the public with numerous articles about the Gardens throughout the year.

A number of on-ground interpretation projects have enhanced the visitor experience. An initial entrance invigoration plan was developed which included various new interpretation concepts and designs. This in turn helped inform the interpretation planning for the new front gate Visitors Services Hub. A new interactive swivel action interpretive column and flat panel about the iconic Tasmanian endemic Huon pine was designed and installed in the Tasmanian Section.

Work is well underway with funding from TasWater for interpretation of the Resilient Garden comprised of the succulent bed and cactus area. It will consist of a range of creative interpretation and artwork panels as well as visual enhancements of existing structures in the area. The work will be installed in September 2017. The project also includes a small landscape irrigation project that demonstrates water efficient irrigation techniques. A horticulture and water video including the production of scripts has been produced, and is being filmed. It is scheduled to be completed in late October 2017.

Tasmanian Orchid Conservation and Research Program

The Orchid Program under guidance by Drs Magali Wright and Nigel Swarts has produced another 200 seedlings this year from five nationally listed threatened orchids which are being maintained at the RTBG. We saw flowering of *Caladenia saggicola* in the previous season and many more seedlings will flower for the first time this season. These plants will eventually be used for display in the RTBG Conservatory to raise awareness about the extinction risks facing many Tasmanian species. Volunteers from the Friends of the RTBG and Threatened Plants Tasmania provided strong support to the program both in the laboratory and the glasshouse and in the field under the NRM Threatened Flora Link Program. The Orchid Program aims to implement ex situ recovery actions identified in the Tasmanian Threatened Orchid Flora Recovery Plan.

The Program recently completed two large projects funded by the Herman Slade Foundation and the Australian Orchid Foundation and continues to seek funding support for future conservation and research activities. The Program receives significant national and international exposure through conference presentations and publication in high quality peer reviewed journals. Nigel Swarts co-authored the recently endorsed revision of the Tasmanian Threatened Orchid Recovery Plan and a book titled 'Conservation Methods for Terrestrial Orchids' published by J Ross publishing.

Business Unit Outcomes 2016-2017

Gardens Operations

Numerous works to reinvigorate the living collections were undertaken in 2016/17. New landscaping work above the Lily Pond commenced in the first week of July, carried out by members of the Eastern Team along with the two trainees. Stone retaining walls and a new gravel path were installed to provide better access to the area, along with new planting areas beneath some of the Gardens' most impressive mature trees. All construction components of this work were completed by late August, with planting carried out in the following weeks.

Work commenced on the removal of a hedge of overgrown *Photinia robusta* along the RTBG / Government House boundary in November 2016. These plants had long outgrown their original space along the fenceline and were compromising surrounding plants. In late 2016, the decision was made to remove the Potager Garden which was located in the Eastern Section. It was determined that this garden had served its purpose as a training area for horticulture students and the space that it occupied will be used to accommodate new tree planting as part of the ongoing development in this area.

A substantial new planting scheme was implemented during March 2017 in the long bed running along the roadway above the Conservatory. The concept involves a combination of hedged planting supported by ornamental grasses and small flowering trees. This work forms part of numerous new displays that have been developed for the bicentenary celebrations in 2018.

Seven tree species from the Gondwana collection were planted in December 2016 in the lawn area on the eastern side of the Eardley Wilmot Wall. This planting marked the start of further plantings planned for this part of the Gardens as part of the development of a Gondwana species arboretum.

Contract arborists were used to carry out tree work throughout the year. Works included the removal of a large blackwood growing near the Lily Pond in June. This specimen had been identified as a public safety risk due to a substantial amount of decay in the upper canopy. Healthy wood from the lower part of the trunk has been saved, and milled for future use.

Assessment of the RTBG tree collection was undertaken by Element Tree Services in January 2017 as part of the development of a Tree Management Plan for the future care and maintenance of approximately 1400 trees on the RTBG estate. The results from this assessment have been compiled to provide a guide for the short and long term management requirements of the RTBG tree collection.

The Nursery continued to maintain the housed collections including the Subantarctic Plant House and Conservatory and to propagate specimens for the in-ground collection. Maintenance of the seed orchards, Tasmanian orchid conservation project plants and conservation collections has been another important aspect of their work during the year. Nursery staff were also heavily involved in the logistics of the provision of equipment and support to the *Azorella macquariensis* conservation program on Macquarie Island.

The annual plant sale was held on Oct 13 & 15, 2016. Excellent crowds and sales again made this a very successful event. Ongoing sales of remaining stock were strong through the Botanical Shop, which added to the final sales figures reaching approximately \$50,000.

Community engagement is an important role of the Gardens Operation team. The Tasmanian Schools Canteen Association held their inaugural visit to the RTBG Community Food Garden on October 27, as part of a new initiative that will see the group using the garden to provide an opportunity for canteen managers and school garden coordinators to learn about the growing and use of fresh produce in their respective schools.

ABC Television's Gardening Australia team continued their regular filming program in the Tasmanian Community Food Garden throughout the year. This continues to be a great source of national exposure for the RTBG.

As part of the fortieth anniversary of the City of Hobart and Yaizu City, Japan, sister city relationship, the RTBG hosted three horticulturists from Yaizu in the Japanese Garden who worked with RTBG horticulturists. The Japanese gardeners focussed on pruning many specimens in the garden and carefully demonstrated their pruning techniques to our staff. On the 5th of February 2017 the Gardens hosted a tree planting ceremony and luncheon for the commemoration of the anniversary of the sister city relationship.

The Assets and Infrastructure team were kept very busy during the year, attending to a variety of work including routine and reactionary work, as well as planned development projects around the Gardens. Work included removal of the dividing wall in the Banksia room and installation of a new air-conditioning system to this room, in August 2016 which has improved the feel and outlook of this space. Repairs and replacement of stone work to the walls of the Conservatory were carried out in November 2016.

An automatic gate to the northern service area was installed and this has provided easier access to the Gardens Operations' service and storage areas and will result in less vehicle movement through the Gardens. This upgrade has resulted in a marked reduction in vehicle movement and disruption to the visitor experience.

Installation of a free WiFi service was undertaken during December 2016. This initiative was implemented through the Department of State Growth with the intention of installing free WiFi facilities in many major tourist destinations throughout Tasmania. The Assets and infrastructure team oversaw the installation of the NBN into the Gardens in the early part of 2017.

The Japanese Garden received much needed attention during the year with a variety of work carried out, including the replacement of the Yatsuhashi Bridge, repairs and replacements of pathways and installation of decorative steel bracing to the Tea House. This work was carried out with the generous support of the City of Hobart.

Business Enterprise

In the 2016/17 financial year, the Business Enterprise Business Unit was established, and is responsible for the commercial, philanthropic and marketing areas of the Royal Tasmanian Botanical Gardens.

Donations are an important revenue source for the RTBG and in 2016/17 a total of \$141,410 was received. This total includes \$85,223 in gate donations, \$42,000 from the Friends of the RTBG and \$14,187 in other donations, which includes seat and tree sponsorship, online and general donations.

The Licensee of Succulent Restaurant and Sprout Café completed the first full year of trade, with quarterly growth compared to the previous year and a total revenue for the RTBG of \$175,777. This includes a total of \$128,785 earned in Base Rent and the 12 Percentage Licence Fee, with an additional \$46,992 of the previous financial year paid in the 2016/17 financial year.

There has been cooperative marketing campaigns to build the awareness and patronage to the restaurant in 2016/17 including a radio campaign in May 2017 as well as print and online promotions.

The Botanical Shop generated \$458,303 in revenue in 2016/17, with this comprising \$431,821 in retail sales and a further \$26,482 in ticket sales to Theatre in the Gardens, tours, plants and produce. The shop also performs a number of non-financial yet important functions of the RTBG such as weekend reception and phone enquiries (including venue hire), customer's service and tourism information, complimentary wheelchair services, lost and found and donation collection.

Events are an effective way to trigger visitation, reach new audiences and position the RTBG as a culturally vibrant destination for locals and visitors to Tasmania. Events are also an important source of revenue through direct Licence Agreements with event organisers and third party suppliers and also through increased donations, retail and restaurant patronage. Overall events generated a total of \$28,515 (excluding Tomato Plant sale revenue) in 2016/17.

During 2016/17, the Gardens has hosted an array of events including the Annual Tomato Plant Sale, summer theatre in the Gardens delivered by Big Monkey and Directions Theatre, The City of Hobart Carols by Candlelight. The Gardens' Autumn Celebration comprised of a music concert, 'A Day on the Lawn', Ten Days on the Island's production by Blue Cow theatre of 'Frida and Derek', and the successful community celebration of Peter Cundall's 90th Birthday in partnership with the ABC Radio Hobart.

A number of community events in partnership with local charities were hosted at the Gardens including the annual Teddy Bears Picnic with Playgroup Tasmania as part of National Children's Week, The Royal Hobart Hospital Research Foundation Easter Egg Hunt and Family Picnic Day as well as National Eucalypt Day and Threatened Species Day events.

Business Unit Outcomes 2016-2017

Weddings and personal community events, as well as corporate hire of meeting areas also remains strong, generating a total income of \$44,129 in the financial year. A major development of the Lily Pond Area for the Bicentenary will provide an opportunity to highlight this component of the Gardens and create further bookings with corporate and wedding audiences. The RTBG continues to enjoy a partnership with Able Australia who rent 'The Burrow' on an annual basis as part of their community program.

Marketing activity in the Gardens has included 'always on' channels including online and social media as well as print advertising. The Royal Tasmanian Botanical Gardens has become members of Destination Southern Tasmania (including representation on the marketing sub-committee), as well as Business Events Tasmania. It has also maintained membership of the Tourism Industry Council Tasmania (TICT) and Blooming Tasmania.

The Royal Tasmanian Botanical Gardens was also a featured product in Tourism Tasmania's national '*Go Behind the Scenery*' marketing campaign in Autumn 2017, and was a content provider for the summer advocacy campaign '*Ask a Tassie Local*'.

A print media campaign promoting '*Autumn in the Gardens*' was initiated in March 2017, and ongoing PR opportunities gained significant media across the year.

It is recognised that there is a need for a strategic approach and coordinated marketing plan that connects the brand attributes of the RTBG. The RTBG is a complex product with a range of audiences and opportunities, and local advertising agency, Red Jelly, have been engaged to assist in reviewing the brand attributes, enabling a simplification and consistency of message in the marketplace. This process will be completed in October 2017, and will inform future marketing activity

In 2018, the Royal Tasmanian Botanical Gardens will celebrate its Bicentennial year, and planning for a series of celebrations, events and products to commemorate this significant milestone. This includes a Bicentennial Book, with significant community and media interest generated in February 2017 when the community were invited to contribute personal memories and experiences of the Gardens.

In addition to the internal Bicentenary Working Group, a Bicentennial Stakeholder Engagement Group has been established which will assist in the development of the Bicentennial schedule as well as provide updates and PR through these networks. The group comprises of representatives from Hobart City Council, TMAG, Tourism Tasmania, UTAS, Destination Southern Tasmania, Events Tasmania, ABC Radio and Friends of the Royal Tasmanian Botanical Gardens. Preparation of the Bicentennial celebrations across the duration of the year continues to be a focus for the RTBC.

Business Services

This year has seen many changes to the basic functions of the Business Services unit with a number of its areas of responsibility, including the Restaurant, Botanical Shop, Venue Hire and Donations now falling under the newly established Business Enterprise unit.

Business Services has been hosting a trainee for the past three years undertaking a Certificate III in Business. Congratulations to Bridgette Quinn on successfully completing this certificate on 1st September 2017. Bridgette is the third trainee to have completed this course.

In 2016, the Business Services unit commenced a review of its administrative processes with the goal of identifying where efficiencies could be gained. A key change arising from this review was that the RTBG financial accounts were incorporated into the DPIPWE Finance 1 accounting system from 1 July 2016.

replacing the FINCD system that had previously been maintained in-house at the Gardens. Whilst responsibility for the finances remains with RTBG, the bookkeeping processes are now managed by the DPIPWE Finance Unit. This has resulted in reduced workloads for the Business Services administrative staff, greater transparency of the RTBG finances to the RTBG Board and to DPIPWE, the lead Agency, whilst providing RTBG's business unit managers far greater controls over their individual budgets.

The 2017-18 year will see us investigating what other efficiencies can be gained through integrating services with DPIPWE. Records Management and Asset Management are two areas that will be looked at.

Bequests and Sponsorship

Tree Sponsorship Program

Tree sponsorship continued enabling valuable ongoing work to prevent the spread of diseases and maintain the trees in the Gardens. Exclusive sponsorship of significant trees in the Gardens is acknowledged with a plaque on the tree detailing the name of the sponsor.

The 2016-2017 Tree sponsors were:

Diane E Matthews	\$1,500	Southern Magnolia
S Cooper, G & I Fulton	\$1,000	Spotted Gum
Tony James & Stephanie Auchincloss	\$1,000	Golden Elm
Reijer & Toni Lenstra	\$1,000	Californian Redwood
Lyndall Ayers & Anne Geard	\$500	Dawn Redwood
Peter Stevenson	\$500	Norfolk Island Hibiscus
Total	\$5,500	

Mixed Border Garden

David & Peter Woodward	\$500	New Stage 4 Sign
Total	\$500	

Community Sponsorship & Grants

Friends of the Royal Tasmanian Botanical Gardens (FRTBG)	\$42,000	Lily Pads Project	Gary & Liz Davies	\$100	Lily Pad Project
Skills Tasmania Grant	\$38,000	Sustainable Learning Centre	David & Dannielle Hunt Suzanne Lewin	\$100	Lily Pad Project \$70 General Donation
Hobart City Council Grant	\$33,000	Bicentenary Projects	Andre Gomez	\$70	General Donation
Damian Bugg RTBG Board Chairman	\$13,057	Explorer Buggy	Trevor Glover Madeline Chung	\$50	General Donation \$50 General Donation
Australian Orchid Foundation Grant	\$11,500	Tasmanian Orchid Conservation	Robert Owen	\$50	General Donation
Australian Orchid Foundation Grant	\$10,000	Global Listing Project	Lenah Valley Garden Club	\$50	J. Wood Presentation
Perth Plant Propagation Grant	\$5,000	Natural Area Orchid Project	Lenah Valley Garden Club Claremont Garden Club	\$50	C. Lang Presentation \$30 General Donation
Westland Nurseries Grant	\$5,000	Orchid Conservation	Sharnee McDowell	\$20	General Donation
National Parks Australia Grant	\$1,090	Bush Blitz Project	Robin Taylor Anonymous	\$20	General Donation
Total	\$158,647			\$6,945	

General Sponsors

Mazurek Family	\$1,100	Memorial Seat
Stuart Clutterbuck	\$1,000	General Donation
Australian Peacekeeper & Peacemaker Veterans Association	\$735	General Donation
Hobart Twilight Markets	\$500	General Donation
M. Fontaine	\$500	General Donation
Seed Freaks	\$400	RTBG Seedbank
Laura Johns	\$300	General Donation
William Heap	\$250	General Donation
Wendy Witham	\$250	General Donation
Wayne Dawes	\$200	General Donation
Peter Richardson	\$200	General Donation
Carinya Kappler	\$200	General Donation
Dr Clare Roberts	\$150	General Donation
Roslyn Gibson	\$150	Memorial plaque
Elizabeth Darvell	\$120	Memorial plaque
Don Heazlewood	\$110	General Donation
John Evans	\$100	General Donation
Gary & Liz Davies	\$100	Lily Pad Project
David & Dannielle Hunt	\$100	Lily Pad Project
Suzanne Lewin	\$70	General Donation
Andre Gomez	\$70	General Donation
Trevor Glover	\$50	General Donation
Madeline Chung	\$50	General Donation
Robert Owen	\$50	General Donation
Lenah Valley Garden Club	\$50	J. Wood Presentation
Lenah Valley Garden Club	\$50	C. Lang Presentation
Claremont Garden Club	\$30	General Donation
Sharnee McDowell	\$20	General Donation
Robin Taylor	\$20	General Donation
Anonymous	\$20	General Donation
Total	\$6,945	

Our Supporters

The RTBG would like to acknowledge the generous assistance of government, industry and community partners who continue to provide invaluable financial and non-financial support to the Gardens.

Public Donations

The RTBG recognises the importance of access to the Gardens to the Tasmanian community. The degree of ongoing community support is evident in the level of donations made at various collection points located throughout the RTBG and through sponsorship programs for roses, memorial seats and trees.

Project Partnerships

In addition to the many anonymous public donors the RTBG also wishes to thank the following organisations and individuals for their support and collaboration with the following projects:

The Friends of the Royal Tasmanian
Botanical Gardens

The Friends of the RTBG continued to provide invaluable support in 2016-2017 through volunteerism and financial support. We gratefully acknowledge the generous support of this dedicated group of individuals. Of particular significance was the Friends' continued financial support with a donation of \$42,000 towards the Lily Pads Project.

Tasmanian Seed Conservation Centre (TSCC)

Royal Botanic Gardens Kew, Australian
Seed Bank Partnership, Tasmanian
Herbarium (TMAG), DPIPWE

The RTBG wishes to recognise and thank our Joint Partners in this major conservation initiative. In particular we wish to recognise the contribution of RBG Kew, not just for the provision of initial funding for the project, but also for their ongoing invaluable technical and scientific support at every stage of the project.

The development of the TSCC provides a critical "insurance policy" for Tasmanian flora into the future. The TSCC is especially grateful for the dedicated work of the seedbank volunteers.

The Tasmanian Orchid Conservation
and Research Program (TOCRP)

This program is focused to conserving Tasmania's rare and threatened orchids. Orchid specialists Dr Nigel Swarts and Dr Magali Wright volunteer their time to manage the Orchid program through UTAS.

The RTBG Nursery's work to conserve the rare and threatened *Lomatia tasmanica* is made possible through on going tissue culture research supported by the School of Biological Sciences at UTAS.

Hobart City Council - Annual Grant Program

Hobart City Council continued to provide valuable support both financially and in kind to assist various RTBG projects by way of its annual grant and through the aegis of our shared MOU.

Department of Justice - Corrective Services Labour and Training Program

The long-standing Corrective Services labour and training partnership program between the RTBG and the Department of Justice continued to provide valuable underpinning horticultural maintenance support work to the Gardens, while providing important educational and re-socialisation opportunities for minimum security inmates.

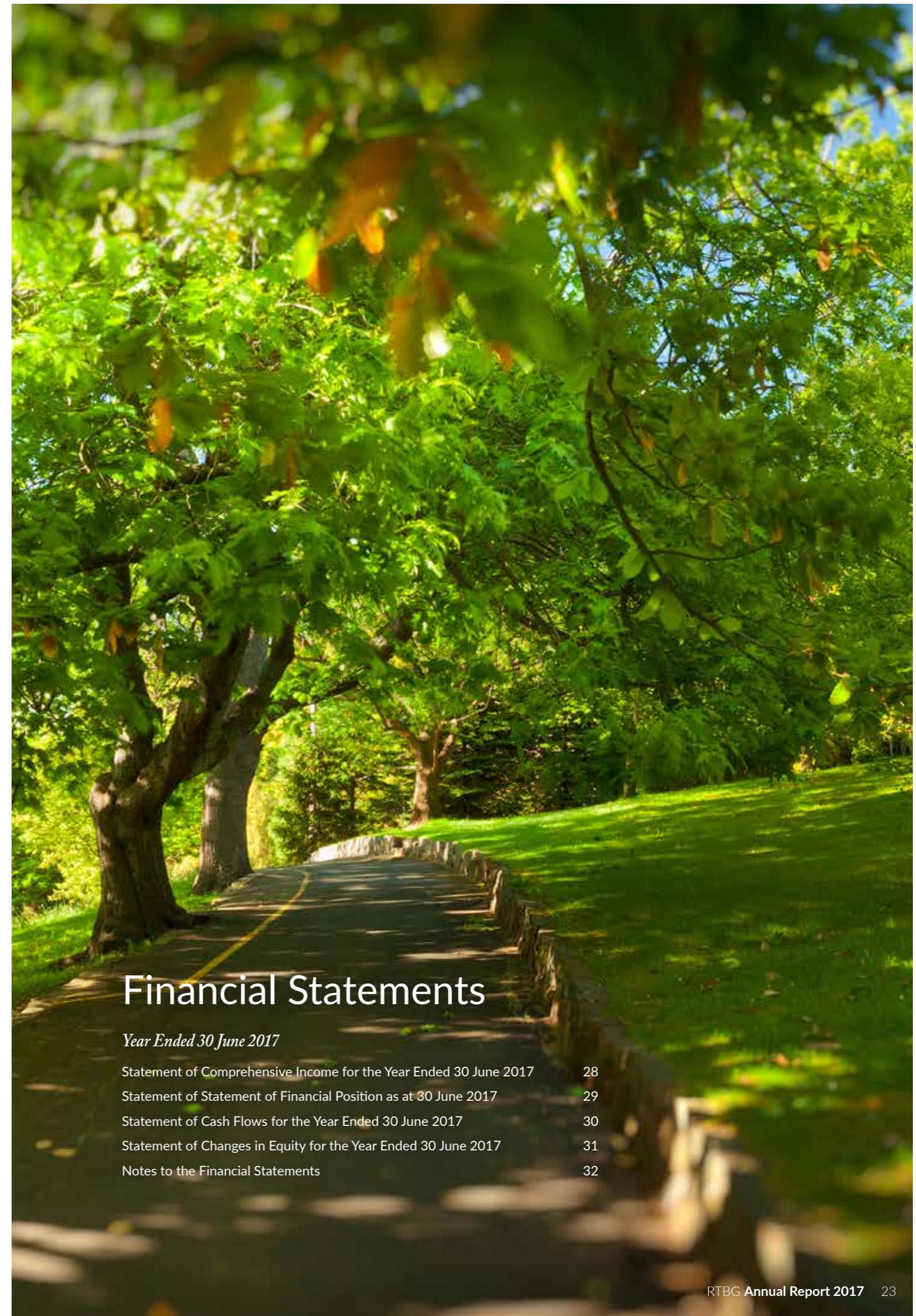
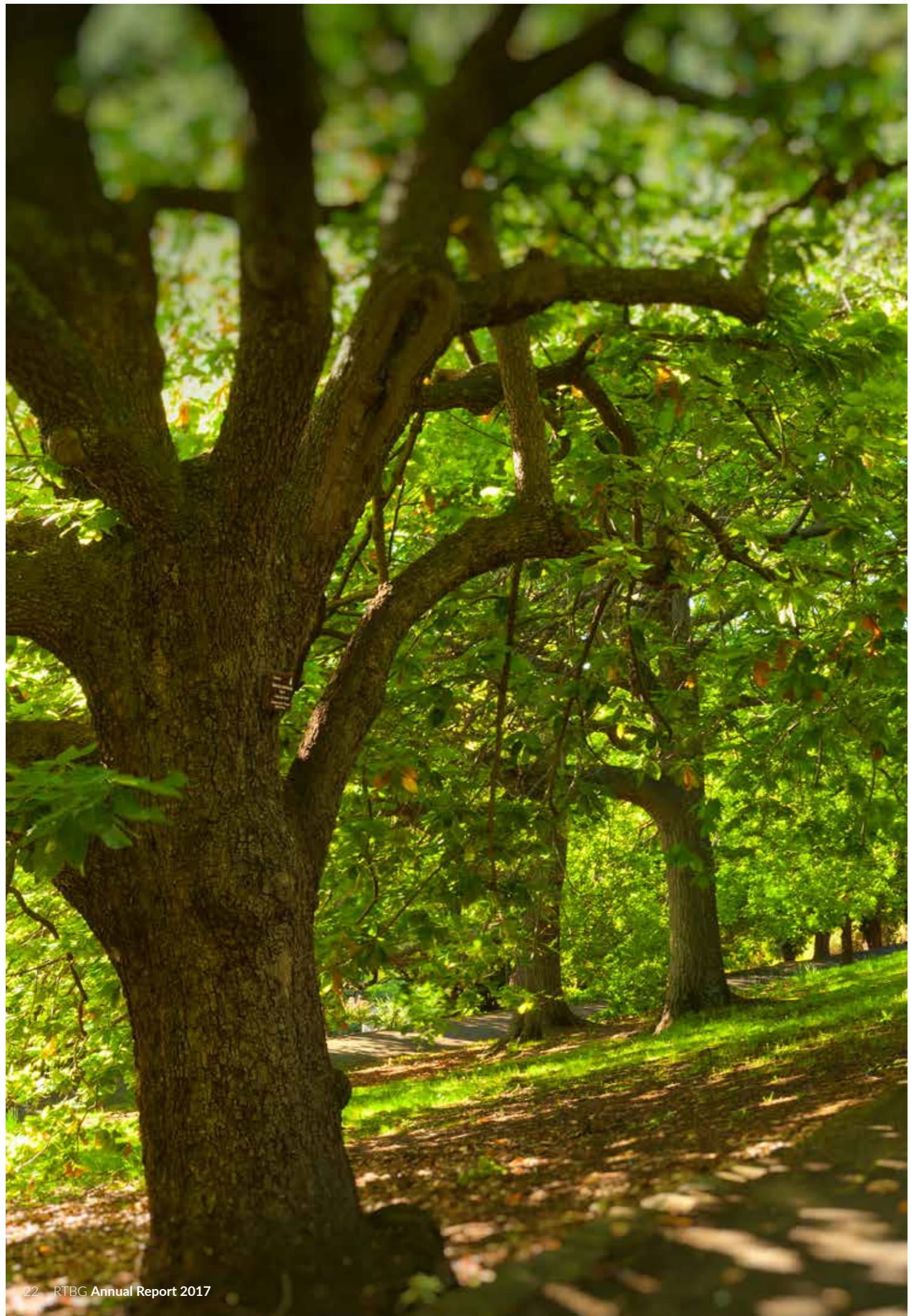
Nursery Programs

The RTBG Nursery's work to conserve the rare and threatened *Lomatia tasmanica* is made possible through ongoing tissue culture research supported by the School of Biological Sciences at UTAS.

Staff List as at 30 June 2017



EXECUTIVE	Visitor Services Retail Coordinator	Horticulturists	MAJOR PROJECTS, SCIENCE, INTERPRETATION AND EDUCATION
<i>Director</i>		David Eaves	
Gary Davies		Adam Lancaster	
<i>Deputy Director</i>		Kenneth Littler	
Mark Fountain		Megan Marrison	
BUSINESS SERVICES	Visitor Services Officer	Jeremy Patterson	
<i>Manager Business Services</i>	Les Winspear	Kathryn Saunders	
David Hunt	Else McAndrew (Casual)	Margot White	
<i>Business Services Assistant</i>			
Christine Santi			
<i>Business Services Trainee</i>			
Bridgette Quinn			
BUSINESS ENTERPRISE	GARDENS OPERATIONS	Horticulture Trainees	Archival Assistant
<i>Manager Promotions & Marketing</i>	Manager Gardens Operations	James Corrigan	Michael Lowe
Tory Ross	David Reid	Lachlan Girschik	
	BOTANICAL ESTATE	Estate Assistant	Tasmanian Seed Conservation Centre Seedbank Manager
	<i>Team Leaders</i>	Jeremy Robinson	James Wood
	David Marrison (Northern Team)		
	Anne Griffin (Eastern Team)		
	James Young (Estate)		
	Curators	ASSETS AND INFRASTRUCTURE	Manager Interpretation, Learning & Community Engagement
	Chris Lang	Maintenance Coordinator	Marcus Ragus
	Lorraine Perrins	Don Heazlewood	
	<i>Utility Officer</i>		
		Mark Johnson	
	Cleaners		
		Antony Moroni	
		Stephen Ross	



Financial Statements

Year Ended 30 June 2017

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Independent Auditor's Report

To the Members of Parliament

Royal Tasmanian Botanical Gardens

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of the Royal Tasmanian Botanical Gardens (the Authority), which comprises the statement of financial position as at 30 June 2017 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the statement of compliance by the Chairman of the Authority.

In my opinion, the accompanying financial report:

- (a) presents fairly, in all material respects, the financial position of the Authority as at 30 June 2017 and of its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Royal Tasmanian Botanical Gardens Act 2002* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

...1 of 3

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

Strive | Lead | Excel | To Make a Difference

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

Responsibilities of the Directors for the Financial Report

The directors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Royal Tasmanian Botanical Gardens Act 2002* and for such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority is to be dissolved by an Act of Parliament, or the directors intend to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial

...2 of 3

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report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

E R De Santi
Deputy Auditor-General
Delegate of the Auditor-General

Tasmanian Audit Office

15 September 2017
Hobart

ROYAL TASMANIAN BOTANICAL GARDENS BOARD OF MANAGEMENT DECLARATION

The accompanying Financial Statements of the Royal Tasmanian Botanical Gardens are in agreement with the relevant accounts and records and have been prepared in compliance with the Treasurer's Instructions issued under the provisions of the Financial Management and Audit Act 1990 to present fairly the financial transactions for the year ended 30 June 2017 and the financial position as at the end of the year.

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

Signed in accordance with a resolution of the Board of Management.

Dated this the thirteenth day of September 2017

On behalf of the Board

Signed:
Damian Bugg (Chairman)

...3 of 3

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
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Statement of Comprehensive Income for the Year Ended 30 June 2017

	2017 Budget	2017 Actual	2016 Actual
Note	\$	\$	\$
Revenue and other income from transactions			
Revenue from Government	2,665,000	2,665,000	2,684,000
Sales of goods and services	593,000	668,713	581,875
Interest	35,000	50,039	39,877
Other Revenue	80,000	238,294	222,478
Total revenue and other income from transactions	3,373,000	3,622,046	3,528,230
Expenses from transactions			
Employee Benefits	2,451,000	2,464,209	2,210,346
Depreciation and amortisation	303,000	317,041	311,505
Cost of Goods Sold	192,000	210,716	182,455
Supplies and consumables	718,000	740,747	1,261,535
Total Expenses from transactions	3,664,000	3,732,713	3,965,841
Net result from transactions (net operating balance)	(291,000)	(110,667)	(437,611)
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	-	-	-
Other comprehensive income			
Changes in Asset Revaluation Reserve	-	(281,579)	3,482,744
Comprehensive Result	(291,000)	(392,246)	3,045,133

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

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2 of the accompanying notes.

Statement of Statement of Financial Position as at 30 June 2017

	2017 Budget	2017 Actual	2016 Actual
Note	\$	\$	\$
Assets			
<i>Financial Assets</i>			
Cash and Deposits	5	695,000	911,336
Receivables	6	16,000	-
Other Financial Assets	7	-	68,360
		711,000	641,880
<i>Non-financial Assets</i>			
Inventories	8	91,000	83,012
Property, infrastructure and equipment	9	10,336,000	13,391,339
		10,427,000	13,474,351
Total assets	11,138,000	14,454,047	14,626,660
Liabilities			
Payables	10	69,000	94,592
Employee benefits	11	578,000	629,506
Other liabilities	12	-	61,280
Total liabilities	647,000	785,378	565,745
Net assets (liabilities)	10,491,000	13,668,669	14,060,915
Equity			
Reserves	21	10,895,000	14,096,421
Accumulated funds		(404,000)	(427,752)
Total equity	10,491,000	13,668,669	14,060,915

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

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2 of the accompanying notes.

Statement of Cash Flows for the Year Ended 30 June 2017

	2017 Budget Note	2017 Actual \$	2016 Actual \$
Cash Flow from Operating Activities			
<i>Cash inflows</i>			
Revenue from Government	2,665,000	2,665,000	2,684,000
Sales of goods and services	592,000	698,426	502,145
GST receipts	92,000	99,652	144,399
Interest received	35,000	50,039	39,723
Other cash receipts	98,000	288,167	216,084
Total cash inflows	3,482,000	3,801,284	3,586,351
<i>Cash outflows</i>			
Employee benefits	(2,451,000)	(2,369,002)	(2,274,986)
GST payments	(92,000)	(99,652)	(144,399)
Supplies and Consumables	(907,000)	(880,761)	(1,431,700)
Total cash outflows	(3,450,000)	(3,349,415)	(3,851,085)
Net cash from (used by) operating activities	19	32,000	451,869
			(264,733)
<i>Cash flows from investing activities</i>			
Payments for acquisition of non-financial assets	(10,000)	(92,136)	(31,545)
Proceeds from the disposal of non-financial assets	-	6,182	-
Net cash from (used by) investing activities	5	(10,000)	(85,954)
			(31,545)
Net increase (decrease) in cash and cash equivalents held	22,000	365,915	(296,278)
Cash and deposits at the beginning of the reporting period	673,000	545,422	841,700
Cash and deposits at the end of the reporting period	695,000	911,336	545,422

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

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in Note 2 of the accompanying notes.

Statement of Changes in Equity for the Year Ended 30 June 2017

	Note	Retained Earnings \$	Asset Revaluation Reserve \$	Total \$
Balance at 30 June 2015		120,526	10,895,256	11,015,782
Changes:				
Total Comprehensive Result		(437,611)	3,482,744	3,045,133
Balance at 30 June 2016	21	(317,085)	14,378,000	14,060,915
Changes:				
Total Comprehensive Result		(110,667)	(281,579)	(392,246)
Balance at 30 June 2017	21	(427,752)	14,096,421	13,668,669

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

Notes to the Financial Statements

1 Statement of Significant Accounting Policies

The following explains the significant accounting policies that have been adopted in the preparation of the financial report of the Royal Tasmanian Botanical Gardens (RTBG).

Objectives and Funding

The Royal Tasmanian Botanical Gardens (RTBG) is a State Government statutory organisation, governed by the *Royal Tasmanian Botanical Gardens Act 2002* and is administered by the Department of Primary Industry, Parks, Water and the Environment (DPIPWE). The seven-member RTBG Board is appointed by, and reports to, the Minister for Environment, Parks and Heritage. The Board is responsible for managing, conserving and enhancing the Royal Tasmanian Botanical Gardens in accordance with the Act.

The RTBG is Tasmania's only botanical gardens and is custodian of the state's botanical collections. In addition to responsibility for the management of Tasmania's botanical collections and associated functions, the Gardens is responsible for the development and delivery of horticultural and botanical based community education and learning programmes, the provision of visitor facilities and services, the development and delivery of innovative and engaging interpretation and information services, and the conservation and presentation of the significant built and cultural heritage of the site in accordance with the RTBG Strategic Master Plan 2009-2029.

An annual appropriation is received through DPIPWE accounting for 74% of the Garden's income in 2017, with the remaining funds being generated through RTBG programs and initiatives.

Basis of Accounting

The financial statements are a general purpose financial report and have been prepared in accordance with the requirements of the *Royal Tasmanian Botanical Gardens Act 2002*, Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB), and the Treasurer's Instructions issued under the provisions of the *Financial Management and Audit Act 1990*.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. The accounting policies are generally consistent with the previous year.

Compliance with the Australian Accounting Standards may not result in compliance with International Financial Reporting Standards, as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. RTBG is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

The Financial Statements have been prepared as a going concern. The continued existence of the RTBG in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament for the RTBG's administration and activities.

These Financial Statements are presented in Australian dollars, which is the RTBG's functional currency.

The following is a summary of the material accounting policies adopted by the RTBG in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Changes in Accounting Policies

The RTBG has adopted all of the new and revised accounting standards and interpretations issued by the Accounting Standards Board that are relevant to its operations and are effective for the current annual reporting period.

New and revised accounting standards adopted this year.

In the current year, the Department has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. These include:

- 2015/6 Amendments to Australian Accounting Standards
 - Extending Related Party Disclosures to Not for Profit Public Sector Entities – The objective of this Standard is to make amendments to AASB 124 Related Party Disclosures to extend the scope of that Standard to include not for profit public sector entities. This Standard applies to annual reporting periods beginning on or after 1 July 2016. The impact is increased disclosure in relation to related parties. There is no financial impact. Impact of new and revised

Accounting Standards yet to be applied

The following applicable Standards have been issued by the AASB and are yet to be applied:

- AASB 9 Financial Instruments and 2014-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) - the objective of these Standards is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant information to users of financial statements for their assessment of the amounts, timing, uncertainty of an entity's future cash flows, and to make amendments to various accounting standards as a consequence of the issuance of AASB 9. These standards apply to annual reporting periods beginning on or after 1 January 2018. Although the directors anticipate that the adoption of AASB 9 may have an impact on the company's financial instruments, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 15 Revenue from Contracts with Customers – The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. In accordance with 2015-8 Amendments to Australian Accounting Standards - Effective Date of AAS 15, this Standard applies to annual reporting periods beginning on or after 1 January 2019 for not-for-profit entities. Although the directors anticipate that the adoption of AASB 15 may have an impact on the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 16 Leases – The objective of this Standard is to introduce a single lessee accounting model and require a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to leases. Although the directors anticipate that the adoption of AASB 16 will impact the RTBG's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

- AASB 1058 Income of Not for Profit Entities - The objective of this Standard is to establish principles for not for profit entities that apply to transactions where the consideration to acquire an asset is significantly less than fair value principally to enable a not for profit entity to further its objectives, and the receipt of volunteer services. This Standard applies to annual reporting periods beginning on or after 1 January 2019. The impact is enhanced disclosure in relation to income of not for profit entities. Although the directors anticipate that the adoption of AASB 15 may have an impact on the company's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

Accounting Policies

(a) Income Tax

The RTBG is exempt from all forms of taxation except Fringe Benefits Tax and Goods and Services Tax.

(b) Property, Infrastructure and Equipment

Property, infrastructure and equipment is recorded at fair value less accumulated depreciation. All other Non current physical assets, including work in progress, are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis. Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality

of the related equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or build occupied. All applicable Non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land, being an asset with an unlimited useful life, is not depreciated. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. The estimated useful lives, residual values and depreciation method is reviewed at the end of each annual reporting period.

The depreciation rates used for each class of asset are:

Class of Fixed Asset	Depreciation Rate
Vehicles	10%
Computers	33%
Plant and Equipment	20-33%
Shop Fittings	25%
Roads & Paths	1.33-3.33%
Walls	0.2-5%
Fences & Gates	0.2-2.5%
Buildings	0.4-5%
Discovery Centre Interpretation	20%
Pergolas and Gardens Features	1-5%
Ponds and Water Features	2%
Water Services & Irrigation	1.25-4%
Stormwater	1-2%
Sewer	1%
Utility Services Infrastructure	4%

Asset Recognition Threshold

The asset capitalisation threshold adopted by RTBG is \$10 000 plus any other assets where it is considered appropriate. Asset valued at less than \$10 000 are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are significant in total).

(c) Revaluation of Property and Infrastructure

Valuation Basis

All assets, with the exception of plant & equipment and computers are measured on the fair value basis. Fair value is determined on the basis of an independent valuation prepared by external valuation experts. The fair values are recognised in the financial statements of the entity, and are reviewed at the end of each reporting period to ensure that the carrying value of land and buildings is not materially different from their fair values.

Revaluation increments and decrements arising from recognising land, buildings and Infrastructure at their fair values are offset against one another within the class of assets. Net revaluation increments in the carrying amounts of land, buildings and Infrastructure are recognised directly in the asset revaluation reserve, except to the extent that the increment reverses a decrement that was previously recognised as an expense in the net profit or loss in respect of the same class of assets, in which case the increment is recognised as revenue in net profit or loss. Net revaluation decrements in the carrying amounts of land, buildings and Infrastructure are recognised as an expense in profit or loss, except to the extent that the decrement reverses a previous revaluation increment in respect of the same class of assets credited directly to the asset revaluation reserve, in which case the decrement is debited directly to reserve to the extent that a credit exists in respect of the same class of assets.

All other non-current physical assets are recorded at historic cost less accumulated depreciation and accumulated impairment losses.

RTBG adopted a revaluation threshold of \$1 000. Assets are revalued on a rolling program of three years. In accordance with AASB116 Property Plant and Equipment, in years between valuations, indices will be supplied by qualified valuers to index valuations to fair value. The revaluation cycle will continue with Hydraulics and Garden Feature assets to be valued next financial year. Assets are revalued with sufficient regularity to ensure they reflect fair value at balance date.

(d) Employee Benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

Liabilities for salaries, wages and annual leave are recognised when an employee becomes entitled to receive a benefit. Other employee benefits are measured as the present value of the benefit at 30 June 2017, where the impact of discounting is material, and the amount expected to be paid is not material. A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Sick leave entitlements are not vested in employees and are not considered to give rise to a liability therefore no provision is made.

Superannuation contributions are made in accordance with the Public Sector Superannuation Reform Act 2016 and are charged as expenses when incurred.

(e) Cash

For the purpose of the Statement of Cash Flows, cash includes Cash on Hand, Cash at Bank and Short Term Deposits of 6 months or less.

(f) Revenue and Expenses

Appropriations, whether recurrent or capital, are recognised as revenues in the period in which the RTBG gains control of the appropriated funds. Except for any amounts identified as carried forward, control arises in the period of appropriation. Revenue from Government includes revenue from appropriations, appropriations carried forward under section 8A(2) of the Public Account Act 1986 and Items Reserved by Law. Grants payable by the Australian Government are recognised as revenue when the Department gains control of the underlying assets. Where grants are reciprocal, revenue is recognised as performance occurs under the grant. Where grants are reciprocal, revenue is recognised as performance occurs under the grant. Non-reciprocal grants are recognised as revenue when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer. Revenue from the provision of services is recognised upon the delivery of the service to customers.

Interest on funds invested is recognised as it accrues using the effective interest rate method.

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

(g) Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office. Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the Australian Taxation Office is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

(h) Payables

All payments for goods and services received by the RTBG are made by DPIPWE and settled in a monthly elimination process between DPIPWE and the RTBG. Outstanding payables at the end of financial year, including invoices received but not processed in the accounting period and goods and services received but not yet invoiced, are recognised in the RTBG financial statements at amortised cost, which due to the short settlement period, equates to face value.

(i) Receivables

All payments for goods and services supplied by the RTBG are received by DPIPWE and settled in a monthly elimination process between DPIPWE and the RTBG. The elimination process is on an accrual basis so RTBG has no outstanding receivables at the end of financial year.

(j) Inventories

Inventories held for distribution are valued at cost adjusted, when applicable, for any loss of service potential. Inventories acquired for no cost or nominal consideration are valued at current replacement cost. Inventories are recorded using the periodic system and are measured using the weighted average cost formula.

(k) Disposal of Non-Current Assets

Gains or losses from the sale of non-current assets are recognised when control of the assets has passed to the buyer.

(l) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

(m) Impairment of Assets

All non-financial assets are assessed to determine whether any impairment exists. Impairment exists when the recoverable amount of an asset is less than its carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use. The RTBG's assets are not used for the purpose of generating cash flows; therefore value in use is based on depreciated replacement cost where the asset would be replaced if deprived of it. All impairment losses are recognised in Statement of Comprehensive Income. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extend that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Judgements and Assumptions

In the application of Australian Accounting Standards, the RTBG is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the

period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods. Judgements made by the RTBG that have significant effects on the Financial Statements are disclosed in the relevant notes to the Financial Statements. This includes Note 1d for Employee Benefits. The RTBG has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

2 Explanations of Material Variances Between Budget and Actual Outcomes

Budget information refers to original estimates as disclosed in the 2016-17 Budget Papers and is not subject to audit. Variances are considered material where the variance exceeds 10 per cent of Budget estimate and \$70,000.

Statement of Comprehensive Income

		2017 Budget	2017 Actual	Variance \$	Variance %
Note		\$	\$	\$	%
Other Revenue	(i)	80,000	238,294	158,294	198
Sales of goods & services	(ii)	593,000	668,713	75,713	13

Notes to Statement of Comprehensive Income

- (i) Increase in overall donations plus one off donation of \$42,000 by Friends of the RTBG and a \$25,000 sponsorship by Taswater.
- (ii) Botanical Shop and plant sale revenue increased 20% on 2015-16 revenue.

(b) Statement of Financial Position

		2017 Budget	2017 Actual	Variance \$	Variance %
Note		\$	\$	\$	%
Assets					
Cash and Deposit	(i)	695,000	911,336	216,336	31
Prop, Infr. and Equip.	(ii)	10,336,000	13,391,339	3,055,339	30

Notes to Statement of Financial Position

- (i) Increase in revenues across all sectors including; Botanical Shop sales, plant sales, rent received, donation and sponsorship funding.
- (ii) The 2016-17 budget was created prior to the land revaluation in June 2016 that recognised an increase in land value of \$3,482,500.

Asset Reconciliation

Movement in the carrying amounts for each class of asset between the beginning and the end of the current financial year.

2017	Balance at beginning of year	Additions & Acquisitions	Disposals	Revaluation			Carrying Amount at end of year
				Increment/ (Decrement)	Depreciation Expense	Reallocation	
Land	5,400,000	-	-	-	-	-	5,400,000
Buildings	5,203,299	-	-	(642,312)	(153,622)	(388,942)	4,018,423
Roads/Paths	872,473	-	-	290,584	(29,219)	-	1,133,838
Walls	798,628	-	-	160,722	(31,945)	-	927,405
Fences/Gates	218,404	-	-	41,722	(4,368)	-	255,758
Pergolas/Garden Elements	214,377	-	-	(7,272)	(10,720)	-	196,385
Ponds/Water Features	350,409	-	-	10,092	(21,002)	-	339,499
Water Services/Irrigation	196,236	-	-	(1,966)	(7,850)	-	186,420
Stormwater	91,330	-	-	2,939	(4,702)	-	89,567
Sewer	244,092	-	-	2,838	(5,284)	-	241,646
Utility Services Infrastructure	204,927	-	-	(138,925)	(8,197)	388,942	446,747
Plant & Equipment	108,728	13,057	(5,080)	-	(40,133)	-	76,572
Computers	-	-	-	-	-	-	-
Work in progress	-	79,079	-	-	-	-	79,079
	13,902,903	92,136	(5,080)	(281,578)	(317,042)	-	13,391,339

2016

Land	1,917,500	-	-	3,482,500	-	-	5,400,000
Buildings	5,325,498	-	-	-	(122,199)	-	5,203,299
Roads/Paths	929,452	-	-	-	(56,979)	-	872,473
Walls	814,007	-	-	-	(15,379)	-	798,628
Fences/Gates	225,013	-	-	-	(6,609)	-	218,404
Pergolas/Garden Elements	230,731	-	-	-	(16,354)	-	214,377
Ponds/Water Features	371,411	-	-	-	(21,002)	-	350,409
Water Services/Irrigation	201,992	-	-	-	(5,756)	-	196,236
Stormwater	96,031	-	-	-	(4,701)	-	91,330
Sewer	249,376	-	-	-	(5,284)	-	244,092
Utility Services Infrastructure	214,532	-	-	-	(9,605)	-	204,927
Plant & Equipment	103,800	48,545	-	-	(43,617)	-	108,728
Computers	4,020	-	-	-	(4,020)	-	-
	10,683,363	48,545	-	3,482,500	(311,505)	-	13,902,903

10 Trade and Other Payables

	2017 \$	2016 \$
Trade Creditors	-	20,856
Accrued Expenses	83,694	15,256
Payroll Accruals	10,898	9,881
GST Payable on June BAS	-	(25,034)
TOTAL	94,592	20,959

11 Employee Benefits

CURRENT

Annual Leave	158,698	151,669
Long Service Leave	396,523	306,934
TOTAL	555,221	458,603
NON-CURRENT		
Long Service Leave	74,285	75,697
TOTAL	74,285	75,697
TOTAL LEAVE PROVISIONS	629,506	534,300

12 Other Liabilities

Income received in advance	61,280	8,636
Unallocated funds	-	1,850
TOTAL	61,280	10,486

13 Segment Information

The entity operates principally in one industry segment being the management of all functions particular to the operations of a botanic gardens wholly within the State of Tasmania.

14 Grant Commitments

These items have been included in the Statement of Comprehensive Income in the relevant years the grants were received. The grant monies are spent as specified in the appropriate grant deed , which may not be within the year the money is received.

Australian Orchard Foundation (AOF)	2017 \$	2016 \$
AOF Global Listing Project	-	10,000
AOF Tasmanian Orchid Conservation Project	11,500	-
Bush Blitz	1,091	-
Chairman's Staff Development Fund	16,494	18,286
Feeding the Future	-	18,059
Foreshore Revegetation Project	-	2,442
Front Gate Rejuvenation Project	-	5,000
Graeme Wood Foundation	40,000	40,000
Growing Orchids Project	-	63
Hermon Slade Foundation Grant	24,656	53,479
Hobart City Council Grant	33,000	-
Japanese Garden Project	11,248	18,015
Lily Pond Deck Project	14,037	-
Macquarie Island Azorella Conservation Project	-	100
MSB-ASBP Field Work Grant	25,816	25,816
Natural Area Orchid Project	9,787	6,146
NRM Grant	285	285
Orchid Conservation Project - Westland Nurseries	5,000	-
Seedbank	6,400	-
Seed Orchard Project	1,322	1,322
Sustainable Learning Centre	4,523	-
Tasmanian Community Food Garden	6,054	6,054
TOTAL	223,143	218,995

Additional to the sanctioned Grant funding detailed above, the RTBG has sanctioned \$342,000 of bequest funds to be used for special purposes.

Notes	2017 \$	2016 \$
15 Operating Lease Commitments		
Not later than 1 year	18,394	27,302
Later than 1 year and not later than 5 years	(i) 23,058	35,182
Later than 5 years	-	-
Total Lease Commitments	41,452	62,484

(i) The operating lease commitments includes 2x utility vehicles, a truck and office equipment leases. All amounts are shown exclusive of GST. The RTBG currently has no other material commitments to disclose.

16 Contingent Assets & Liabilities

The RTBG currently has no contingent assets or liabilities.

17 Economic Dependency

The Royal Tasmanian Botanical Gardens derives its revenue principally from Government funding.

18 Events Occurring After Balance Date

There have been no significant events subsequent to balance date which would materially alter the financial results shown in these financial statements.

19 Cash Flow Information

Reconciliations of Cash Flows from Ordinary Activities

Operations with Operating Result

Net operating balance	(110,667)	(437,611)
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Non Cash Flows in Operating Surplus

Depreciation	317,041	311,505
Profit on Sale of PPE	(1,102)	-
Donation of Vehicle	-	(17,000)
Bad and Doubtful Debts	-	278

Changes in Assets and Liabilities

(Increase)/Decrease in Receivables	29,713	(13,017)
(Increase)/Decrease in Prepayments	(1,796)	(19,658)
(Increase)/Decrease in Accrued Revenue	181	(47,088)
(Increase)/Decrease in Inventories	(1,135)	(10,448)
Increase/(Decrease) in Payables	73,633	(63,267)
Increase/(Decrease) in Employee Entitlements	95,207	21,087
Increase/(Decrease) in Other Liabilities	50,794	10,486
Net Cash provided by Operating Activities	451,869	(264,733)

20 Financial Instruments

Risk management policies

The RTBG has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

The Director has overall responsibility for the establishment and oversight of the RTBG's risk management framework. Risk management policies are established to identify and analyse risks faced by the RTBG, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

(a) Credit risk exposures

Credit risk is the financial loss to the RTBG if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets recorded in the Financial Statements, net of any allowances for losses, represents the RTBG's maximum exposure to credit risk without taking into account of any collateral or other security.

There has been no change to credit risk policy since the previous reporting period.

Based on historic payment behaviour and analysis of the underlying customers' credit ratings the RTBG currently believes that all debts due and payable at reporting date will be received, therefore no provision has been made for impairment.

The RTBG undertakes credit transactions with a large number of customers thereby avoiding the credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the RTBG will not be able to meet its financial obligations as they fall due. The RTBG's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they fall due.

The RTBG analyses its liquidity requirements daily via reconciliation of its operating bank account and analysis of upcoming accounts payable transactions.

The RTBG expects that all payables accrued as at 30th June 2017 will be paid within 30 days.

(c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk that the RTBG is exposed to is interest rate risk.

There has been no change to policies in relation to market risk since the previous reporting period.

At the reporting date, the interest rate profile of the RTBG's interest bearing financial instruments was:

	2017	2016
	\$	\$
Variable rate instruments		
Assets		
Cash	911,336	545,421
Total	911,336	545,421

Changes in the variable rates of 100 basis points at reporting date would have the following effect on the RTBG's profit or loss and equity:

Sensitivity analysis of the RTBG's exposure to possible changes in interest rates.

	Profit or Loss		Equity	
	100 Basis Point increase	100 Basis Point decrease	100 Basis Point increase	100 Basis Point decrease
	\$	\$	\$	\$
30 June 2017				
Cash	9,113	(9,113)	9,113	(9,113)
Net sensitivity	9,113	(9,113)	9,113	(9,113)
30 June 2016				
Cash	5,454	(5,454)	5,454	(5,454)
Net sensitivity	5,454	(5,454)	5,454	(5,454)

All financial assets are unsecured.

The carrying amounts of financial assets included in the statement of financial position represent the RTBG's maximum exposure to credit risk in relation to these assets. Where the RTBG has a right of set-off and intends to settle on a net basis, this set off has been reflected in the financial statements in accordance with accounting standards.

Net Fair Values

The net fair values for financial assets and liabilities approximates their carrying value. Financial assets consist of Cash and Trade and Other Receivables. Financial liabilities consist of Trade and other Payables.

21 Reserves

Property & Infrastructure

	\$
Asset Revaluation Reserve	14,378,000
Balance at 1 July 2016	(281,579)
Revaluation Increments	14,096,421
Balance at 30 June 2017	14,096,421

2016

Asset Revaluation Reserve

	\$
Balance at 1 July 2015	10,895,256
Revaluation Increments/ (Deccrements)	3,482,744
Balance at 30 June 2016	14,378,000

22 Additional Information

The principal place of business for the Royal Tasmanian Botanical Gardens is located at Queens Domain, Hobart, Tasmania.

