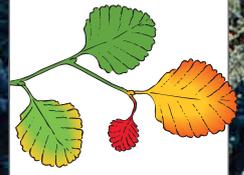
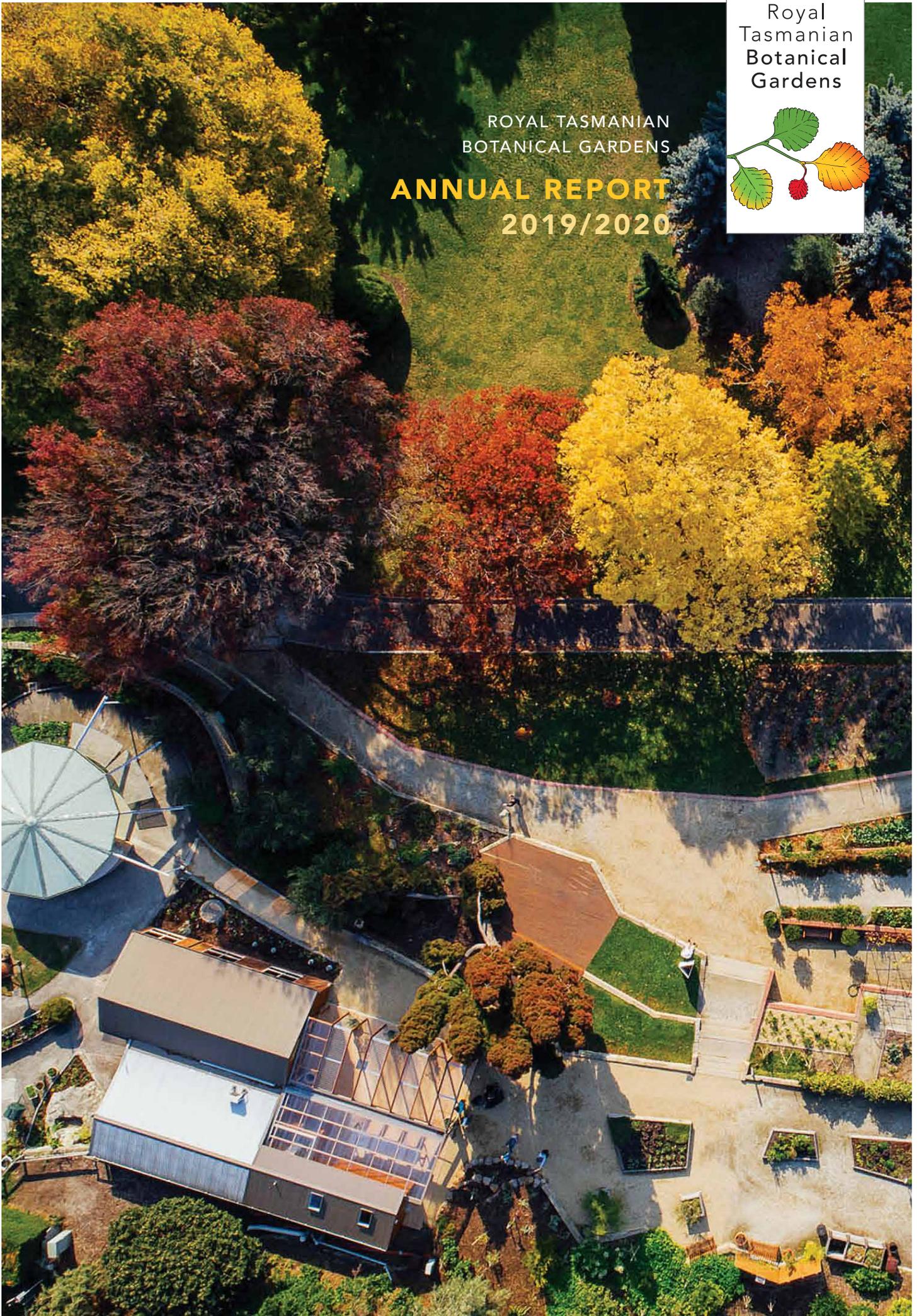


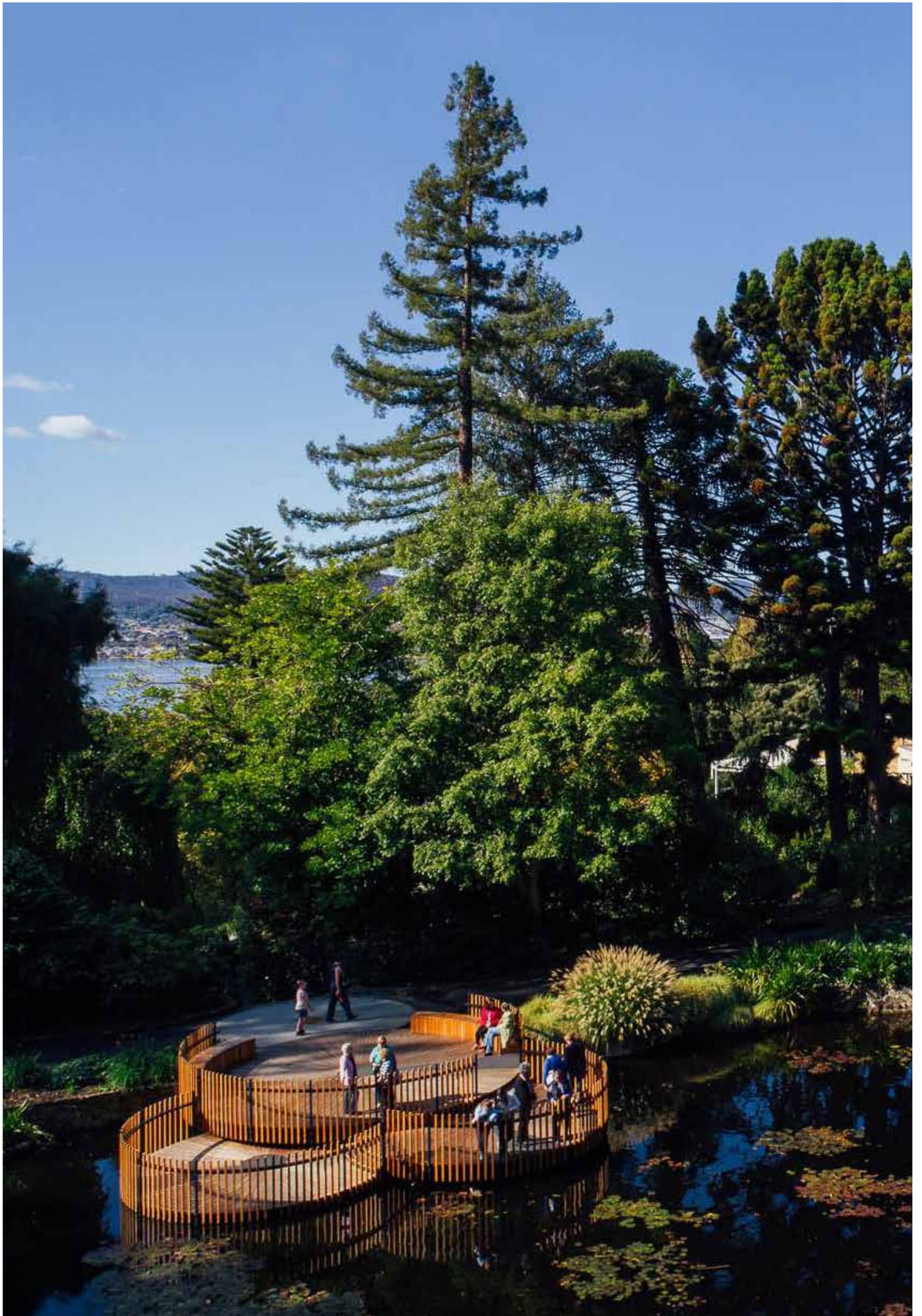
Royal
Tasmanian
Botanical
Gardens



ROYAL TASMANIAN
BOTANICAL GARDENS

ANNUAL REPORT
2019/2020





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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 the management of Tasmania's botanical collections and associated functions, the Gardens is responsible for 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 taxa, 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 the 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 1,876 collections of 1,157 taxa and 45.2 million viable seeds.



FOREWORD FROM THE CHAIR

On behalf of the Board of the Royal Tasmanian Botanical Gardens it is my pleasure to present the annual report for 2019–20.

Following two financial years of celebration of the Gardens' bicentenary throughout 2018 and strong growth in visitation and engagement by visitors, there have been significant challenges for the Gardens in 2020 due to Covid-19. The virus led to the closure of the site from 30 March to 11 May 2020, which is believed to be the longest period of the site's closure in its 200-year history. The value of the Gardens to the local community was highlighted by the fact that over 40,000 people visited between the 11th of May and the 30th of June 2020 when it reopened.

I acknowledge the commitment of the staff of the Gardens who developed comprehensive Covid-19 Safety Plans, implemented signage and markings and committed to being fully briefed to ensure that the site was safe for staff and visitors through this period.

The recovery period for the Gardens is anticipated to be slow, with uncertainty about when interstate and international tourism can recommence, with forecast revenue from Enterprise operations is expected to be in excess of 50 per cent lower than the previous year.

Of course, all of us associated with the Gardens have been mindful of our primary purpose throughout this period; that of being a botanical garden in the first instance. All of those associated with the Gardens including the Board, the management and the staff and volunteers take very seriously and consider it a privilege to ensure that the living collections, the seed bank, and the education of the public are front of mind while at the same time managing the commercial activities that are needed to provide financial sustainability. Managing these often-competing priorities in fast-changing times has been, and will continue to be, a challenge.

The Board and management are aware that every decision made, is made in the context of our three core goals:

- > *The promotion of the Gardens and engagement of the Tasmanian community*
- > *The strategic management of thriving living collections and*
- > *The maintenance of a quality environment that provides an exemplary visitor experience.*

I would like to thank Gary Davies, Director, Tory Ross, Business Enterprise and Marketing Manager and David Reid Gardens Operations Manager for working so well together as a team to manage the changes that have been necessary to respond to the challenges presented by Covid-19, and their ongoing balance of returning revenue streams to the Gardens, while at the same time, maintaining the quality of the horticultural displays.

We are fortunate to have the full support of the State government which provides annual funding to the Gardens for horticultural staff salaries. In addition, the Gardens received a commitment of an additional \$4million towards the Capital Works Program, in addition to the \$3.6 million announced in 2018. This total project of \$7.6 million will see a new visitor entrance building at the main entry, an upgrade of the existing visitor centre and a much-needed increase in parking facilities for visitors to the Gardens.

In addition, we were very pleased to be allocated \$302,000 of the State Government's \$50 million Public Buildings Maintenance Fund, as part of the Covid-19 stimulus package. This funding enabled the staff to complete six essential maintenance projects across the site including stone repair on the Eardley Wilmot Heritage wall, replacement fencing

of the Japanese garden, roof plumbing of the Conservatory, work health and safety compliance works, block repair of the storage bay and digitisation of asset records.

This was strongly supported by our Minister, The Honourable Elise Archer, Minister for Heritage and I thank her for her ongoing commitment to the Gardens. I also thank the other members of the Board for their contribution over the past year. In particular, I was pleased to

welcome Jason Jacobi, Deputy Secretary of the Department of Primary Industries, Parks, Water and Environment, whose experience provides a valuable contribution to the Board composition.

In accordance with the Royal Tasmanian Botanical Gardens Act 2002, I submit this annual report on behalf of the Board.

Beth Mathison

Chair of the Board

DIRECTOR'S HIGHLIGHTS OF THE YEAR

VISITATION NUMBERS

This year at the Garden's has been a mix of successes and unforeseen challenges. The first seven months showed high levels of visitation and appeared set for a record year of revenue, particularly with growth in tours and events. However, this abruptly ended in late February with the onset of the Covid-19 pandemic which led to the closure of the Gardens for a period of over 6 weeks.

The RTBG received a total 429,000 visitors in 2019/20. This was 94,000 less than the previous year, which had been a record year for the Gardens with bicentennial celebrations and events creating increased reasons to visit. It is noteworthy that we have received strong visitation since re-opening in May, which reinforces the importance of the Gardens to the local Tasmanian community.

Despite the disruption caused by Covid-19 there were a number of significant achievements during the year.

The Gardens achieved the Silver Award in the category of Major Tourist Attraction at the Tasmanian Tourism Awards in November 2019, and the national television program *Gardening Australia*, which is regularly filmed here at the Gardens, won the Logie for Most Popular Lifestyle Program, providing significant media exposure for the Gardens.

After receiving an Award of Excellence for Small Projects in the Australian Institute of Landscape Architects (AILA Tasmania) Awards, the Lily Pads project progressed to the national awards. In October 2019, it was announced that the Lily Pads project received the National Award of Excellence for Small Projects in the National Landscape Architecture Awards. The jury was impressed by the restrained elegance and contemporary detailing of the Lily Pads, located in the important heritage setting of the Royal Tasmanian Botanical Gardens.

The Business Enterprise & Marketing Unit continued to develop and grow revenue streams for the Gardens, including hosting the inaugural Tasmanian Wine Festival in early February 2020. Fortunately, the majority of the summer events program was able to be delivered before the Covid -19 pandemic caused cancellation of any further events for the year. Venue hire and retail sales were more severely affected, falling short of expected targets and the Succulent Restaurant Licensee received rent relief for the final quarter of the year due to the enforced closure period and limited operation once the Gardens were re-opened.

A total of \$114 000 in donations were received for the year, with particularly strong interest in seat and tree sponsorships in the Gardens. Of this total, \$30,000 was committed to the new Tasmanian feature zone and a further \$30,000 towards the collection of montane conifer seeds from remote alpine regions of Tasmania that requires a helicopter to access. Unfortunately this work was postponed due to the virus.

In November 2019, the RTBG was the recipient of a \$35 000 grant awarded by the Stanley Smith Horticultural Trust Board, based in the United States. This funding will also contribute to the major project underway for the Tasmanian feature

Zone in the Northern area of the Gardens, which will provide an important journey of discovery regarding Tasmanian native flora for visitors.

The Capital Works Program has also progressed steadily over the past 12 months. Local architects, Taylor & Hinds were the successful tenderers following a thorough assessment process which received a lot of interest and a total of 15 tenders received. The work of the Project Control Group (PCG) supported by the Board has guided the development of the functional and qualitative project brief, and staff have been widely engaged in the process to date.

Working alongside Heritage Tasmania, we have also reviewed our site listing which was timely in light of the Capital Works Program that will include a new visitor entrance building, upgrades to the current visitor centre and a much needed increase in parking for visitors to the Gardens.

In October 2019 we farewelled our long serving Deputy Director, Mark Fountain. Mark's tenure at the Gardens exceeded 20 years and staff thanked him for his significant contribution during this period. A new position of Events & Engagement Officer was also created to support the growing number of events on site and improve our communications channels to



our visitors. With the onset of Covid-19, this role became important in enabling sharing the Gardens through social media channels as visitors were unable to experience the Gardens in person. During this period, the Visitor Services Team were also allocated duties in the nursery, to ensure continuity of employment for the team.

Partnerships with volunteers and Friends of the RTBG continue to develop positively and the development of the volunteer program at the RTBG has been an area of focus. In September 2019 the Friends supported the Visitor Experience Coordinator to attend the Kings Park Volunteer Guides Conference in Perth. This provided a significant development opportunity as well create useful networks of contacts and insights into volunteer management. Although volunteering was suspended during Covid-19, there has been ongoing progress in the management of volunteers as part of DPIPWE's broader Volunteer Management Plan.

Ongoing partnerships with the Botanic Gardens of South Australia, Macquarie Point Development Corporation and with key industry bodies such as Destination Southern Tasmania, Tourism Tasmania and the Tourism Industry Council of Tasmania have continued to position

the Gardens as a significant botanical garden and tourism destination, and increase share of voice through partner marketing channels.

The Gardens Operations unit undertook significant work throughout the year, along with the regular maintenance and upkeep of the RTBG's living collections. New developments have been carried out in various sections of the Gardens throughout the year, including an avenue of 10 *Prunus serrulate* 'Kanzan' (Cherry Blossom) was planted along the pathway leading to the lower entrance of the Japanese Garden.

I would like to thank our patron Her Excellency Professor The Honourable Kate Warner AC, Governor of Tasmania and I take this opportunity to recognise the Chair of the Board Beth Mathison, 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, VALUES AND GOALS

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.
- > 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 RTBG Board is appointed by, and reports to, the Minister for Heritage.

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



BOARD MEMBERS Current Board Members as at 30 June 2020

Beth Mathison – Chair

Jo Bailey

Paul Oxley

Therese Taylor

Abigail Foley

Jason Jacobi

HOW WE OPERATE

STAFF

RTBG staff are employed through DPIPWE under the *State Service Act 2002*. 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 accordance with various Employment Awards, the *State Service Act 2002* and DPIPWE policies and guidelines, ensuring that staff policies and procedures are consistent and fair.

At 30 June 2020, the RTBG had 36 staff members, employed at the equivalent of 28.23 full-time staff (FTE). The employment status of the staff comprised 28 permanent staff at 24.75 FTE, 4 staff on fixed term contracts at 3.48 FTE, and 4 casual staff.

ASSET MANAGEMENT

The RTBG maintains a register of all assets exceeding \$10 000, which are recorded and reported in accordance with Australian Accounting Standards. Property and infrastructure are revalued on a regular basis by external industry experts and reported annually in the financial statements on a fair value basis. Asset maintenance is managed in-house by the Facilities & Infrastructure Maintenance Unit; the Strategic Conservation and Asset Management Plan determining the priorities and nature of works for the maintenance.

A separate register is maintained for portable and attractive items costing less than \$10,000, and inventory held for sale is recorded through a computerised point of sale system. Separate database records are also maintained for specialist collections including the seedbank, plants, herbarium and library.

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 Board has an Audit and Risk Committee to assist in managing risk. 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

At the RTBG, we are committed to valuing and respecting each other as colleagues and peers. We value the fact that individuals bring different ideas, skills and backgrounds to their work in the organisation and we recognise that people have different needs and aspirations. We value the diverse backgrounds, skills and contributions of all employees and treat each other and our visitors with respect.

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, and is supported by Peter Warren, the DPIPWE appointed RTBG Advisor for Work Health, Safety and Wellbeing. 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 makes 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 and a Capital Works Project Manager. The area of responsibility for each unit is detailed below.

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 minor infrastructure projects throughout the RTBG estate, including the day to day and programmed maintenance of assets and infrastructure under the control of the RTBG.

SCIENCE AND CONSERVATION

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. It is responsible for maintenance of the ancillary library, herbarium and archival collections and assistance with plant research through grants and conservation collections.

BUSINESS ENTERPRISE AND MARKETING

This unit is responsible for the business enterprise and marketing components of the Gardens. It incorporates the visitor services functions, which includes the commercial partnerships with tour operators and onsite visitor experience. It is also responsible for the coordination of the Gardens' volunteers.

The management of the Botanical Shop and the Licensee delivering the catering products through Succulent Restaurant and Sprout Café also falls within the Business Enterprise unit, along with the administration of the donations and giving program.

The Marketing area is responsible for delivering the content of the annual marketing plan and undertaking promotions, media liaison, event management and venue hire. 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 channels.

BUSINESS SERVICES

This unit is responsible for providing business and administrative support to the RTBG including: reception and primary point of contact for the RTBG; administrative support for the Executive, Senior Management and Business units; budget preparation and monitoring; records management; coordination of human resources, asset management, information technology and financial management issues.

CAPITAL WORKS PROGRAM

Responsible for managing the capital works at the RTBG, including the delivery of a new Visitor Centre, associated roadworks and upgrade of existing facilities including parking, thereby delivering improved visitor experience and increased yield opportunities.

GOALS AND OBJECTIVES

To promote the Gardens and engage with the Tasmanian Community

- 1 To define, prioritise and fund strategic projects.
- 2 To develop strategic partnerships that deliver value to the Gardens.
- 3 To promote and engage with the Tasmanian community.

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 2019-2020

CAPITAL WORKS PROGRAM

Visitor Centre and Associated Works

The Capital Works Program has progressed steadily in the past 12 months. Following a tender process, Taylor and Hinds, was appointed 6 August 2019. A Project Control Group (PCG), comprised of the senior management team was appointed to guide the project, which is envisaged to be a 3 year program of work.

The RTBG staff have been positive in stakeholder engagement sessions undertaken with Taylor and Hinds and the Project Manager has undertaken several information sessions with both the Horticultural and Business Enterprise teams.

The design team, supported by Natalie Tapson and David Reid have worked with an arborist and surveyors to provide an up to date survey of the entry site including the naming of the listed and significant trees and also surveying potential future parking along Lower Domain Road. The Project Manager is continuing to work productively with council on two key areas, firstly to potentially align the proposed City to Gardens bike track with the new Visitor Centre and secondly to develop the road works and parking strategies along Lower Domain Road, for which a traffic engineer and town planner have been engaged. Furthermore a cultural heritage advisor is supporting the lead consultant in natural heritage assessments and offering general consultation.

The scope of the program has been amended back to the original intent to accommodate the changed funding availability due to the impact of Covid-19. The Gardens were pleased to receive an additional State Government commitment of four million dollars funding to ensure the project can be delivered in full.

SCIENCE AND CONSERVATION

Tasmanian Seed Conservation Centre

Twenty-four collections were made during 2019-2020 season of approximately 291,200 viable seeds. A new Freezer Room was fully commissioned in August 2019 and collections rehoused in the facility. There were some teething issues with chiller units but the room has operated well through 2020. The new Freezer Room increases the storage capacity of the Seedbank by around 670%.

In November 2019 James Wood assisted the Natural Values Conservation unit of DPIPW with a survey of the Tasmanian Wilderness World Heritage Area (TWWHA) extension into the Great Western Tiers. During that survey an outlying population of King Billy pine was visited and was discovered to be going into cone. Subsequent surveys confirmed that the state was heading into a conifer masting year. With the help of volunteer Tim Rudman, the Seedbank developed an extensive plan to sample more of our montane conifers from across the state and build on the work done in 2015.

The program was going to involve Sustainable Timber Tasmania, the Royal Botanic Gardens, Edinburgh, and the Tasmanian Walking Company (TWC). The program received a lot of support and feedback from the Tasmanian Parks & Wildlife Service (PWS). A public Facebook group was created for reporting back on sightings from across the state (a novel approach for the Seedbank that proved to be very effective). A public fundraiser was also initiated to support with the costs. Surveying of several King Billy populations was done during the summer in preparation for collecting which would have begun in April but was stopped due to the pandemic. A single, two-person trip on the Overland Track with the TWC was achieved to collect pencil pine. Subsequent write up of this trip led to good national and international coverage and helped draw attention to the Seed Banks vital work.

In October of 2019 a UTAS honours student, Fiona Walsh, commenced work looking at variation in dormancy expression in the genus *Epacris*. Surveying and collecting samples began in November and testing began in January and will be completed by mid-September 2020. The Seedbank discovered a second population for *Carex* 'Algonkian Rivulet', an undescribed, possibly endemic sedge taxon that was first sampled in 1979. The population was located due to 10 seeds of this plant being noticed as a mystery contaminant in another *Carex* collection made in 2017. Material was grown on in the RTBG Nursery and identified upon flowering in November 2019. The collecting site was revisited during the summer and two very small populations were located over two days. Modest seed collection made in March and is now going into a seed orchard at the RTBG Nursery.

Botanical Resources

The collection audit is nearing completion with the plantings in the Japanese Garden now updated on the database and another four of the Gardens' 55 areas left to finish the in-ground collection. There are over 5,000 living accessions on the plant database and each accession number can have one to multiple plants. The total number of plants held in the nursery in addition to those in housed and in-ground collections is around 25,000. Plant labels were also updated as each area was audited.

There were a number of new plant health issues over the past year that resulted in the removal of plantings. In September 2019 a root rot in the new annual beds on the main path was diagnosed as *Phytophthora cactorum* by DPIPW plant pathologists. This disease has a broad host range of around 250 species in over 150 genera including many ornamentals grown at the RTBG such as conifers, maples, apples and rhododendrons down to herbaceous plants like lilies, violas and tomatoes. It was considered that removal of the beds and grassing over was the best option to control the spread of the disease. Another disease, *Cylindrocarpon* root rot, was diagnosed in the shrubs in the circular bed above the Visitor Centre in November 2019. Fortunately this disease is not as virulent and the plants were removed and replaced with a species that is better able to tolerate the conditions.

A new exhibition titled *Our Tasmanian Collections through Time* that explores the Gardens' engagement with the flora of Tasmania, opened in the Gatekeeper's Cottage in mid-November 2019. The display looks at different aspects of that engagement from the history of the RTBG's collection and use of the flora to the Tasmanian collections today. The upcoming redevelopment of the Tasmanian Section is featured and the Northern Precinct Master Plan gives a direction for the Gardens' native collections into the future. The display also focusses on Tasmania's extraordinary flora and highlights some of the RTBG's tried and tested species that are suitable to grow in home gardens.

The RTBG received funds as part of the Tasmanian Government Stimulus to scan the collection of maps, plans and images. There were over 150 plans and maps for scanning that included plans for the Japanese Garden from 1985 and the survey of the RTBG undertaken in 2006. All plans were scanned as high resolutions tiffs and pdf files were also provided. The image collection included over 3,400 images, most of which were slides. Each image has the provenance information included on the scan.

The Bothwell Cemetery site was revisited in October 2019 to monitor a population of the endangered lanky buttons daisy, *Leptorhynchus elonagtus* that only occurs in four locations in Tasmania. The Central Highlands Council engaged the RTBG in 2008 to develop a management regime for the remnant grassland in St Lukes cemetery where the daisy occurs. The main issue for recruitment of the species was that it was mowed before it had time to flower, set and disperse seed. The RTBG recommended a change in the mowing regime and the number of plants increased from around 550 to over 2,200 in the five years from 2008 that the Gardens monitored the daisy. It was pleasing that monitoring in 2019 showed the numbers had doubled from the 2,200 in 2013 to over 4,500 plants of lanky buttons.

Tasmanian Orchid Conservation and Research Program

The Tasmanian Orchid Conservation and Research Program continued to operate at the RTBG. Managed by Drs Nigel Swarts and Magali Wright, with the help of 10 volunteers from the



Caladenia tonellii

Gardens and Threatened Plants Tasmania and with support from RTBG Horticulture staff, the program continues to propagate Tasmania's most threatened orchids. The program has successfully established the following species established in the living collection: *Caladenia saggicola*, *Caladenia anthracina*, *Caldenia dienema*, *Caldenia tonellii*, *Pterostylis ziegeleri*, *Pterostylis cucullata* subsp. *cucullata*, *Prasophyllum incorrectum* and *Prasopyllum olidum*. This year's activities included repotting older plants in this collection. Spring 2019 brought first flowering in cultivation of *Caldenia dienema*. Program activities are centred around the multispecies Tasmania Threatened Orchid Flora Recovery Plan.

The program continues to be supported by the Australian Orchid Foundation, Westlands Nursery and Natural Area Consulting as well as significant in kind support from the RTBG and UTAS.

GARDENS OPERATIONS

Horticulture Unit

The ongoing work of the Gardens Operations unit resulted in some significant developments throughout the year, along with the regular maintenance and upkeep of the RTBG's living collections.

In-house landscaping works were undertaken by the Eastern Horticulture team to redevelop the space on the western side of the Pod in September 2019. The work included removal of most of the concrete and brick from the

area, construction of a low gabion wall to act as seating and garden bed edging, installation of a new lawn area and new planting. The finished work is a great improvement to this area, and with the planned addition of seating it is expected that it will be well used by groups utilising the Pod as well as general visitors. An avenue of 10 *Prunus serrulata* 'Kanzan' was planted along the pathway leading to the lower entrance of the Japanese Garden in July 2019. The avenue of a Cherry Blossom (known as 'Sakura' in Japan) walk leading to the garden's gateway had been discussed for some time amongst horticulture staff and it was exciting to finally see this work completed. It is hoped that as the trees mature, this element will provide a stunning entrance to the garden.

With the help of Horticulture students, the Australian collection in the northern section of the Gardens benefitted from the installation of a fully automated irrigation system. This area is one of the last parts of the Gardens that was not on the automatic system and the installation was timely as a dry summer approached. This collection houses a diverse range of flora from the mainland states including a significant collection of *Acacia* species.

Contract arborists were engaged to carry out remedial and maintenance work throughout the year as part of our commitment to the ongoing management of the RTBG tree collection. As is sometimes the case, there is the need to remove a tree that may be in poor condition and is causing a safety risk to visitors and staff. A large shore pine growing in the Pinetum close to the upper boundary had developed a major lean over the roadway and was deemed a high safety risk, requiring removal. The large balsam poplar adjacent to the Palm Collection had major thinning and canopy reduction work carried out on it in January. Due to the brittle nature of the wood of this tree, it is prone to limb damage and loss during high wind events, so this thinning work is an important management tool used to reduce the chance of limb loss by providing improved airflow through the canopy. In preparation for the development of the Tasmanian Entry Zone, several remnant conifer species were removed from the proposed area in May 2020. A number of these conifers had self-sown over the years

and were compromised due to their proximity to other specimens. Another that was removed was damaged in the May 2018 storm and had been in decline since that event.

In November 2019, the RTBG was the recipient of A\$35k, awarded by the Stanley Smith Horticultural Trust. Based in the United States, the Trust supports education and research in ornamental horticulture, and the development and maintenance of public gardens that offer educational experiences to their visitors. This funding will be used in the development of the new Tasmanian Entry Zone, which will be a newly landscaped area of the Tasmanian collection adjacent to the Fernery. The creation of the Zone will constitute an important first point of engagement for visitors as they embark upon a journey of discovery about Tasmania's unique flora.

Water restrictions came into force on 20 December 2019 and remained in place until 31 March 2020. The RTBG was grateful to receive approval for modified watering regimes that allowed irrigation during normal business hours.

David Reid and Chris Lang attended the 9th BGANZ Congress in Wellington New Zealand from 20-23 October 2019. Chris Lang delivered a presentation on the conservation work that was undertaken by RTBG staff at the Bothwell cemetery involving the rehabilitation of a population of the endangered lanky buttons daisy *Leptorhynchus elongatus*. David Reid ran a workshop on the process of evaluating living collections within a botanic garden. This workshop focussed on the evaluation work carried out by RTBG staff during the development of the Living Collections Plan; one of the key documents of the Strategic Master Plan.

The RTBG continued in its role of mentoring Horticulture students, hosting both Certificate II and Certificate III students throughout the year with over 20 students attending a three day placement. Students were placed in the main garden and the nursery where they worked alongside, and assisted horticulturists while they experienced a variety of jobs and tasks that were programmed to align with their current studies.

In early September the Gardens highlighted the Annual Threatened Species Day, with a whole of organisation approach highlighting Tasmania's rare and threatened plant species and the role

that the RTBG plays in protecting and preserving them. In addition to developing a collateral piece highlighting this information, the team also developed a self-guided trail that visitors could explore, as well as guided tours run by the experienced volunteers.

The annual Spring Plant Sale was held in October 2019, with the usual comprehensive range of heirloom tomato plants on offer as well as herbs, vegetables and selections from the RTBG collections. The 2019 sale highlighted the Golden Tomato, which is believed to be a descendant of the original South American tomato. The seed used to grow these plants was imported from New Zealand where it is being grown as part of a study on the health and nutritional benefits of this unusually coloured fruit. Once again, the Spring Plant Sale received great support from visitors and continues to be a key event in the Gardens' calendar.

ABC Television's Gardening Australia team continued their regular filming program in the Tasmanian Community Food Garden throughout the year. Gardening Australia won Most Popular Lifestyle Program at the 2019 Logie Awards, providing significant national TV exposure.

Due to the Covid-19 pandemic and closure of the site, a number of staff in the Visitor Services team were reallocated to duties in the nursery which enabled them to continue to work through the period. As a result, nursery staff supported the team to propagate vegetable seedlings that were collated into boxes and promoted for sale through Facebook. There was high demand for home gardening during Covid-19 and the Seedling Pack Project was a successful initiative that resulted in a sell-out of the boxes prepared.

Assets and Infrastructure Unit

The Assets and Infrastructure team provided invaluable maintenance support to all business units across the Gardens as well as the implementation of planned minor works.

A major development by the unit was the construction of a cage facility that protects some of the nursery conservation collection from damage by birds. The steel framed, wire clad structure was built as a permanent fixture in the Nursery and will be used to house those plants that are vulnerable to birds feeding on the seed.

The Gardens were a recipient of the State Governments Public Building Maintenance Fund, a stimulus package developed as a result of the pandemic, with \$302k allocated in April to cover six essential maintenance projects.

The funding has and will enable the Gardens to undertake much needed works on some heritage buildings and iconic collections as well as projects to support Work Health and Safety compliance into the future.

With the assistance of Heritage Tasmania, restoration work has started on the historic Eardley Wilmot Wall (c 1843). Being constructed over 170 years ago, this work requires specialist stonemasons who will use original convict bricks to replace damaged areas of the wall. The iconic conservatory has undergone works to the roof plumbing and guttering and has been completed.

The Japanese Garden has had the original western facing boundary fence, originally constructed in 1987 upgraded. The new fence is a simple design using locally sourced timber which will support the Wisteria plantings ready for their usual Spring display.

The replacement of an unsafe glasshouse in the nursery is a significant upgrade for the Gardens. This new structure will provide over 100 square metres of additional growing space, allowing for expanded display collections to be prepared for the Conservatory. Specialist demolition contractors have deconstructed the existing house which contains over 400 individual panes of glass, before work starts on the installation of the new structure.

There have been significant other upgrades including the replacement of a staircase above the Tasmanian Seed Conservation Centre which had been a safety concern, as well as improvements to the layout and safety of the chemical storage facility. The provision of canvas covers in the nursery soil bays will help maintain the high standards of nursery hygiene required at the facility.



Capital Works with Minister Archer.

BUSINESS ENTERPRISE AND MARKETING

Overview

Following consecutive years of strong growth since its inception in late 2016, the Business Enterprise & Marketing Unit was affected by the impact of the Covid-19 pandemic, which caused closure of the site for the longest period in the Gardens' history.

The first three quarters of the year were on track for a record year in performance across all revenue streams. The timing of the pandemic was fortunate in that the summer season of events and tours was able to be largely implemented. Although the event program was forecast to exceed the budget in FY19/20, including hosting the successful inaugural Tasmanian Wine Festival in February, the \$50k revenue target was still able to be met before all events from March to June were cancelled.

The 2019-2020 cruise ship tour season started with a strong footing, with the Visitor Services Team trained to deliver a newly developed tour route. The route uses a thematic interpretation of how the Gardens connect people with plants and encompasses the main highlights of the Garden, including an overview of the Gardens' history and current conservation work. The development of a standardised tour route enables feedback to be measured more accurately. This season saw the introduction of a new paid "meet and greet" service for commercial operators bringing tour groups to the site who opt to explore at their own pace rather than go on a



Special packs featuring seasonal seedlings, liquid fertiliser and seeds, curated by the horticultural team.



tour. Not only does this increase revenue, it enables improved communication with on-site services and a higher level of engagement between guests and staff. Although the tour season was brought to an unexpected and sudden halt due to the impact of Covid-19, tours also fell only slightly short of the target budget of \$45k reaching almost \$43k in revenue.

The impact on venue hire was greater as this revenue stream is more evenly distributed across the financial year, with the final quarter generating almost no income (and a high number of refunds). Almost \$60k of the targeted \$75k target budget was achieved by the end of the financial year.

There was Covid-19 rental relief provided to the HFCC Licensee operating Succulent Restaurant and Sprout Café revenue, which reduced total revenue generated through this contract to \$106k for the 19/20 financial year, with approximately \$84k being paid by 30 June 2020. Up until the final quarter, the Licensee was on target for a record year of performance and was recognised with Trip Advisor of Excellence award for consistently high consumer reviews.

The Botanical Shop received a total revenue of just under \$410k, which was well short of the budget target of \$550k. This budget was significantly increased in the 2019/20 financial year due to strong sales growth in the previous year and the focus on plant sales.

The closure of the Botanical Shop in May and June due to Covid-19 provided an opportunity to undertake a 'makeover' with minimal disruption and at low cost. This included a reconfiguration to a more open layout of the shop with a better outcome for displaying merchandise and improved traffic flow. The refreshed looking shop re-opened and includes a new indoor range plants produced by the Gardens staff, as well as an increased selection of Tasmanian products.

A highlight in the marketing program for the year for the Royal Tasmanian Botanical Gardens was winning the silver award in the Major Tourist Attractions Category at the 2019 Tasmanian Tourism Awards. This accolade assists in continuing to increase the profile of the Gardens, along with ongoing partnerships with key industry bodies such as Destination Southern Tasmania, Tourism Tasmania, the Tourism Industry Council of Tasmania and Business Events Tasmania.

The RTBG also engaged in a research project undertaken by the University of South Australia along with eight other botanical gardens nationally to gauge the quality of visitor service in the respective Gardens. The results for the RTBG were very positive and demonstrated that the Gardens' experience delivers well against the expectations of visitors.

In December 2019, two positions were recruited in the Business Enterprise & Marketing Unit. The vacant position of Retail Services Officer was filled, and a newly created position of Events & Engagement Officer was created to support the growing schedule of events and venue hire at the Gardens and develop the content plan and engagement through the social media channels and website.

With the closure of the site due to the Covid-19 pandemic, the focus of this new role rapidly shifted to content creation and sharing footage of the Gardens through the social media channels. This included the creation of an RTBG



Instagram account which acquired over 1000 followers in just over three months. The RTBG Facebook pages have also seen an increase of engagement, with page insights averaging a 60% increase, and over 11,500 followers.

This year also saw a format change for the annual National Botanic Gardens Day celebrated in May, to be an online activation run by Botanic Gardens of Australia and New Zealand (BGANZ). The aim of the initiative was to engage all members of the general public to embrace gardening and plant conservation, and included a number of RTBG staff contributing a range of stories supporting the overall success of the BGANZ #plant challenge.

The RTBG website underwent significant improvements, including the completion of improved technical and design changes, including menu navigation. The updated website also incorporates the new RTBG branding, and delivers an improved mobile device user experience.

Volunteers

The co-ordination and support of volunteers continues to be a key priority of the Business Enterprise & Marketing Unit, recognising that the RTBG's business-aligned projects are underpinned by the dedicated efforts of volunteers.

A particular area of focus this year has been in increasing support and development opportunities for volunteers. In August 2019 a Volunteer Information Day was held on site, with all volunteers invited to take part. This was a chance for volunteers to be informed about Gardens' projects and make connections with other volunteers and staff, as well as undertake learning about RTBG collections from the Horticultural Botanist and the Curator of Tasmanian Flora. It is intended that this will become an annual event. Following the Information Day, a



Volunteers were missed throughout all areas of the Garden's operations, due to Covid-19 restrictions and were sent a personal card and gift of seeds in the mail.

further three professional development sessions were organised with Gardens' horticultural staff, providing volunteers with insight into how specific collections are managed.

In September 2019 the Visitor Experience Coordinator who coordinates the management of the RTBG's volunteers, attended the Kings Park Volunteer Guides Conference in Perth, Western Australia. This was made possible with a grant from the Friends of the Gardens. This also provided the opportunity to meet with the Kings Park volunteer body and their management, to learn how volunteers are coordinated in a like organisation, observe the training they receive, and identify practices which could be adopted to improve the management of our own volunteers.

In March 2020 due to the impacts of Covid-19, the Gardens made the difficult decision to temporarily suspend volunteer programs. This decision was made in line with public health advice, in that all non-essential workers should remain at home. The absence of volunteers was felt, throughout all areas of the Garden's operations.

Connections with volunteers were maintained throughout the suspension period by the Visitor Experience Co-ordinator and horticultural staff, and through sending a personal card and gift of seeds in the mail.

Work has also continued with the DPIPWE Volunteer Management Review project, with the RTBG represented on both the project's Reference group and Steering committee.

Business Services

The incorporation of some of The RTBG's administrative processes into the DPIPWE business systems continued this year, with the goal of improving efficiencies by accessing the better technologies and corporate support that can be provided by DPIPWE. The focus this year has been on preparing The RTBG's electronic records for transferring into DPIPWE's new electronic data records management system known as MyDAS. A new Business Classification Scheme was developed for RTBG's records and a rationalisation and clean-up of RTBG's existing electronic files was carried out in preparation of the move to the new system. The RTBG will be the first of DPIPWE's divisions to go-live when MyDAS rolls out in July 2020.

GIVING PROGRAM

Donations, fundraising and philanthropy are an important income stream for the Gardens and contributes to the ongoing conservation of the Gardens and its programs.

In November 2019, the RTBG was the recipient of A\$35,000, awarded by the United States based Stanley Smith Horticultural Trust, towards the development of the new Tasmanian Entry Zone. In addition, the Gardens collaborated with the Tasmanian Walking Company to develop dedicated walks on the Overland Track that included specialist RTBG staff to lead the guided

walks and undertake critical seed collections of montane conifers on the track. Each guest was encouraged to fundraise to support the program, and although Covid-19 meant the guided walks had to be postponed, the seed collecting component occurred and over \$1,000 was raised towards the project, providing a strong basis for future campaigns.

The total amount raised through donations and giving in 2019/20 was \$114 000.

2019 – 2020 SPONSORS (OVER \$100)

Estate Late Claire May Frost	\$10,000	General Donation
Antonia Lenstra	\$10,000	Tree Sponsorship
Stuart Clutterbuck	\$5,000	General Donation
Margret Holmes	\$5,000	Seat Sponsorship
Helen Strong	\$5,000	Seat Sponsorship
Pamela Greenwood	\$5,000	Seat Sponsorship
Richard Randall	\$3,000	Seat Sponsorship
Diane E Matthews	\$1,500	Tree Sponsorship
Tony James	\$1,000	Tree Sponsorship
Lifeline Tasmania	\$1,000	Seat Sponsorship
Maureen Murphy	\$500	Tree Sponsorship
Rodney Williams	\$500	Seat Sponsorship
Charlene White	\$250	Tree Sponsorship
Tory Ross	\$250	Tree Sponsorship
Lyndal Ayers	\$250	Tree Sponsorship
Anne Geard	\$250	Tree Sponsorship
Wendy Whitham	\$250	General Donation
Late Irmtraud Hagemeister	\$200	General Donation
Susan Lewin	\$200	General Donation
Richard Tucker	\$200	General Donation
Dr Clare Roberts	\$125	General Donation
South Channel Garden Club	\$100	General Donation
Coal River Valley Garden Club	\$100	General Donation
Anna Cairns	\$100	General Donation

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 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 Royal Tasmanian Botanical Gardens are a membership group who advocate for and undertake activities that support the operations of the Gardens. In 2019/20, the Friends supported two key development opportunities for staff including attendance by the Visitor Experience Coordinator Esther Beecroft at the Kings Park Botanic Guides conference in Perth WA in September 2019. A planned study tour of Victorian gardens by horticulturalists Kath Saunders and Anne Griffin has been postponed until 2021 due to Covid-19 restrictions. The Friends regularly undertake tours for specific special events and the support of this dedicated group of individuals is gratefully acknowledged and very much appreciated.

Tasmanian Seed Conservation Centre (TSCC)

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

The RTBG wishes to recognise and thank our joint partners in this major conservation initiative. In particular the RTBG recognises 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 co-manage the Orchid program through self-generated grants and sponsorship with the support of a dedicated team of volunteers. TOCRP is grateful to Threatened Plants Tasmania for their ongoing support.

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.



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. Due to restrictions around Covid-19, the program was put on hold for the first half of 2020. It is hoped that this valuable program will recommence in the latter part of the year.

Nursery Programs

Changes at the University of Tasmania resulting in the windup of the tissue culture unit saw the end of a fifteen year collaboration working on the rare and threatened species *Lomatia tasmanica*. The RTBG would like to thank research assistant Aina Price and Dr Anthony Koutoulis for their generous ongoing support with the tissue culture research over that time. The RTBG continues to maintain the conservation collection of *Lomatia tasmanica* by vegetative propagation in the Nursery.

STAFF LIST AS AT 30 JUNE 2020

EXECUTIVE

Director
Gary Davies

CAPITAL WORKS PROJECT MANAGER

Teena Guest

BUSINESS SERVICES

Manager Business Services
David Hunt

Business Services Assistant
Sharron Paul

BUSINESS ENTERPRISE AND MARKETING

Business Enterprise and
Marketing Manager
Tory Ross

Events and Engagement Officer
Morgan Morgan

Visitor Experience Coordinator
Esther Beecroft

Visitor Services Officers
Les Winspear
Daisy Beattie
Kate Crossin
Dani Sutherland (Casual)
Debbie Hinchin (Casual)
Annie Zagni (Casual)
Stephanie Yates (Casual)

Retail Services Officers
Penny Ruthberg
Cheryl Townend

GARDENS OPERATIONS

Horticultural Coordinator
David Reid

Botanical Estate

Team Leaders
David Marrison (Northern Team)
Anne Griffin (Eastern Team)
James Young (Estate)

Curators
Chris Lang
Lorraine Perrins

Horticulturists
David Eaves
Adam Lancaster
Kenneth Littler
Megan Marrison
Jeremy Patterson
Kathryn Saunders
Margot White

Horticultural Assistant
Paul Hohler
Michael Collins

Nursery Horticultural
Assistant
Joanna McEldowney

Estate Assistant
Jeremy Robinson



Assets and Infrastructure

Team Leaders

Don Heazlewood

Ben Jager

Utility Officer

Mark Johnson

Cleaners

Antony Moroni

Stephen Ross

MAJOR PROJECTS, SCIENCE, INTERPETATION AND EDUCATION

Botanical Resources

Horticultural Botanist

Natalie Tapson

Tasmanian Seed Conservation Centre

Seedbank Coordinator

James Wood



ROYAL TASMANIAN BOTANICAL GARDENS

FINANCIAL STATEMENTS

YEAR ENDED
30 JUNE 2020

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AUDITOR'S REPORT



Independent Auditor's Report

To the Members of Parliament

Royal Tasmanian Botanical Gardens

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of Royal Tasmanian Botanical Gardens (the Gardens), which comprise the statement of financial position as at 30 June 2020 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, other explanatory notes and the statement of certification by the Director and the Chair of the Board (the Director and the Board).

In my opinion, the accompanying financial statements:

- (a) present fairly, in all material respects, the Gardens' financial position as at 30 June 2020 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Royal Tasmanian Botanical Gardens Act 2002*, the *Financial Management Act 2016* 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 Statements* section of my report. I am independent of the Gardens in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements 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 4

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
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I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in the Gardens' financial statements.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
Property & Infrastructure <i>Refer to notes 6.3 and 6.5</i>	
<p>The Gardens' land, \$6.20m, buildings, \$4.87m, and infrastructure assets, \$4.62m, are recognised at fair value and independently revalued every five years. Assets are indexed between formal valuations, using independently provided indices.</p> <p>In determining the value of land, buildings and infrastructure assets, the Gardens exercises significant judgement and the valuation is highly dependent on a range of assumptions and estimates.</p> <p>In 2019-20, these assets were adjusted using indices provided by the Valuer-General.</p>	<ul style="list-style-type: none"> Assessing the scope, expertise and independence of experts involved to assist in the indexation of infrastructure assets. Evaluating the appropriateness of the indexation applied to determine the fair values. Evaluating the adequacy of disclosures made in the financial statements.

Responsibilities of the Director and the Board for the Financial Statements

The Director and the Board are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of *Royal Tasmanian Botanical Gardens Act 2002* and the *Financial Management Act 2016*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Director and the Board are responsible for assessing the Gardens' 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 Gardens is to be dissolved by an Act of Parliament, or the Director and the Board intend to cease operations, or have no realistic alternative but to do so.

...2 of 4

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AUDITOR'S REPORT (CONT)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

...3 of 4

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From the matters communicated with the Director and Board, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Stephen Morrison
Assistant Auditor-General Financial Audit Services
Delegate of the Auditor-General

Tasmanian Audit Office

1 October 2020
Hobart

...4 of 4

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STATEMENT OF CERTIFICATION

ROYAL TASMANIAN BOTANICAL GARDENS

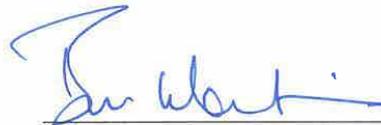
Statement of Certification

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 Act 2016*, the *Royal Botanical Gardens Act 2002* and Australian Accounting Standards, to present fairly the financial transactions for the year ended 30 June 2020 and the financial position as at the end of the year.

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



Gary Davies
Director – Royal Tasmanian Botanical Gardens



Beth Mathison
Chair – Royal Tasmanian Botanical Gardens

Dated twenty ninth day of September 2020

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 Budget \$	2020 Actual \$	2019 Actual \$
Income from continuing operations				
Revenue from Government				
Appropriation revenue - operating	3.1	2 894 000	2 944 337	2 828 000
Appropriation revenue - capital	3.1	2 600 000	2 600 000	1 000 000
Grants	3.2	237 000	123 568	213 470
Sales of goods and services	3.3	725 000	539 598	651 938
Interest	3.4	80 000	75 654	60 469
Rents received	3.5	150 000	106 474	142 095
Other revenue	3.6	...	16 183	8 198
Total revenue from continuing operations		6 686 000	6 405 814	4 904 170
Other gain/(loss) on change in estimate of nonfinancial assets	4.1	...	(52 500)	(9 227)
Total income from continuing operations		6 686 000	6 353 314	4 894 943
Expenses from continuing operations				
Employee benefits	5.1	3 165 000	2 712 843	2 726 650
Depreciation and amortisation	5.2	374 000	451 231	376 237
Cost of goods sold		251 000	179 210	236 747
Supplies and consumables	5.3	1 172 000	885 660	828 855
Other expenses	5.4	...	32 454	22 468
Total expenses from continuing operations		4 962 000	4 261 398	4 190 957
Net result from continuing operations		1 724 000	2 091 916	703 986
Net result		1 724 000	2 091 916	703 986
Other comprehensive income				
Changes in property, plant and equipment revaluation surplus	9.1	...	438 517	1 675 224
Total other comprehensive income		...	438 517	1 675 224
Comprehensive result		1 724 000	2 530 433	2 379 210

Note: 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 1 of the accompanying notes.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 Budget \$	2020 Actual \$	2019 Actual \$
Assets				
<i>Financial assets</i>				
Cash and cash equivalents	10.1	1 197 000	3 710 673	1 349 672
Receivables	6.1	64 000	56 716	53 599
Other financial assets		48 000	...	...
<i>Non-financial assets</i>				
Inventories	6.2	77 000	105 873	79 428
Property, plant and equipment	6.3	11 561 000	11 553 155	11 260 245
Right-of-use assets	6.4	...	3 071	...
Infrastructure	6.5	3 898 000	4 462 200	4 508 437
Other assets	6.6	20 000	36 948	27 955
Total assets		16 865 000	19 928 636	17 279 336
Liabilities				
Payables	7.1	92 000	37 868	33 014
Lease liabilities	7.2	...	3 178	...
Employee benefit liabilities	7.3	605 000	789 277	751 516
Other liabilities	7.4	10 000	93 706	20 442
Total liabilities		707 000	924 029	804 972
Net assets		16 158 000	19 004 607	16 474 364
Equity				
Reserves	9.1	14 378 000	16 705 523	16 267 006
Accumulated funds		1 780 000	2 299 084	207 358
Total equity		16 158 000	19 004 607	16 474 364

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 1 of the accompanying notes.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 Budget \$	2020 Actual \$	2019 Actual \$
Cash flows from operating activities				
<i>Cash inflows</i>				
Appropriation receipts – operating		2 894 000	2 944 337	2 828 000
Grants – continuing operations		237 000	208 430	182 766
Sales of goods and services		725 000	548 495	649 523
GST receipts		138 000	109 031	89 072
Interest received		80 000	74 420	57 590
Rents received		150 000	84 096	133 676
Other cash receipts		...	16 183	8 197
Total cash inflows		4 224 000	3 984 992	3 948 824
<i>Cash outflows</i>				
Employee benefits		(3 165 000)	(2 675 082)	(2 653 096)
GST payments		(138 000)	(109 031)	(89 072)
Cost of goods sold		(251 000)	(205 656)	(192 000)
Supplies and consumables		(1 172 000)	(889 800)	(897 083)
Other cash payments		...	(32 454)	(97 468)
Total cash outflows		(4 726 000)	(3 912 023)	(3 928 719)
Net cash from / (used by) operating activities	10.2	(502 000)	72 969	20 105
Cash flows from investing activities				
<i>Cash inflows</i>				
Receipts from non-operational capital funding - capital		2 600 000	2 600 000	1 000 000
Proceeds from the disposal of non-financial assets		13 000	...	...
Total cash inflows		2 613 000	2 600 000	1 000 000
<i>Cash outflows</i>				
Payments for acquisition of non-financial assets		(1 121 000)	(307 791)	(205 833)
Total cash outflows		(1 121 000)	(307 791)	(205 833)
Net cash from / (used by) investing activities		1 492 000	2 292 209	794 167

	Notes	2020 Budget \$	2020 Actual \$	2019 Actual \$
Cash flows from financing activities				
<i>Cash outflows</i>				
		...	(4 177)	...
		...	(4 177)	...
		...	(4 177)	...
		...	(4 177)	...
		990 000	2 361 001	814 272
		207 000	1 349 672	535 400
	10.1	1 197 000	3 710 673	1 349 672

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 1 of the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Accumulated Funds \$	Reserves \$	Total Equity \$
Balance as at 1 July 2019		207 358	16 267 006	16 474 364
Adjustment due to change in accounting policy	13.4	(190)	...	(190)
Restated balance as at 1 July 2019		207 168	16 267 006	16 474 174
Net result		2 091 916	...	2 091 916
Other comprehensive income	9.1	...	438 517	438 517
Balance as at 30 June 2020		2 299 084	16 705 523	19 004 607
Balance as at 1 July 2018		(496 628)	14 591 782	14 095 154
Net result		703 986	...	703 986
Other comprehensive income	9.1	...	1 675 224	1 675 224
Balance as at 30 June 2019		207 358	16 267 006	16 474 364

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: EXPLANATIONS OF MATERIAL VARIANCES BETWEEN BUDGET AND ACTUAL OUTCOMES

1.1 Statement of Comprehensive Income

Statement of Comprehensive Income variances are considered material where the variance exceeds 10 per cent of the original budget estimate and \$70 000. Budget information refers to original estimates as disclosed in the 2019-20 Budget Papers and is not subject to audit.

	Notes	Budget \$	Actual \$	Variance \$	Variance %
Income from continuing operations					
Grants	(a)	237 000	123 568	(113 432)	(48)
Sales of goods and services	(b)	725 000	539 598	(185 402)	(26)
Expenses from continuing operations					
Employee benefits	('c)	3 165 000	2 712 843	(452 157)	(14)
Depreciation and amortisation	(d)	374 000	451 231	77 231	21
Cost of goods sold	(b)	251 000	179 210	(71 790)	(29)
Supplies and consumables	('e)	1 172 000	885 660	(286 340)	(24)
Other comprehensive income					
Changes in property, plant and equipment revaluation surplus	(f)	...	438 517	438 517	100

Notes to Statement of Comprehensive Income variances

- (a) The decrease in grants is primarily due to grant funding received in the current year, but not recognised as revenue due to the associated performance obligations not being met at 30 June 2020.
- (b) The decrease in sales of goods and services, and cost of goods sold, reflects the impact of the COVID19 pandemic as the RTBG's business enterprise operations ceased in the June quarter.
- ('c) The decrease in employee benefits is primarily due to the COVID19 pandemic as there was reduced use of casual employees while business enterprise operations ceased in the June quarter. In addition, the capitalising of salaries relating to the New Visitor Centre project has further contributed to the decrease.
- (d) The increase in depreciation reflects the impact of the 201819 revaluations.
- (e) The decrease in supplies and consumables reflects the impact of the COVID19 pandemic on the RTBG's business enterprise operations. In addition, the capitalising of supplies and consumables relating to the New Visitor Centre project further contributed to the decrease.
- (f) The increase in the asset revaluation reserve reflects the application of indexation in 201920.

1.2 Statement of Financial Position

Statement of Financial Position variances are considered material where the variance exceeds 10 per cent of the original budget estimate and \$70 000. Budget information refers to original estimates as disclosed in the 2019-20 Budget Papers and is not subject to audit.

	Notes	Budget \$	Actual \$	Variance \$	Variance %
Assets					
Cash and cash equivalents	(a)	1 197 000	3 710 673	2 513 673	210
Infrastructure	(b)	3 898 000	4 462 200	564 200	14
Liabilities					
Employee benefit liabilities	(c)	605 000	789 277	184 277	30
Other liabilities	('d)	10 000	93 706	83 706	837
Equity					
Reserves	(e)	14 378 000	16 705 523	2 327 523	16

Notes to Statement of Financial Position variances

- (a) The increase in cash and cash equivalents is primarily due to unspent capital funding for the New Visitor Centre as a result of delays in the commencement of construction.
- (b) The increase in infrastructure is due to the budget not reflecting the impact of the previous revaluations and application of indexation applied to this asset class.
- (c) The increase in employee benefits primarily relates to the movement in discount rates and probability factors.
- ('d) The increase in other liabilities is primarily due to grant funding received in the current year, recognised as revenue received in advance due to the associated performance obligations not being met at 30 June 2020.
- (e) The increase in reserves is due to the budget not reflecting the impact of the previous revaluations and application of indexation.

NOTES TO THE FINANCIAL STATEMENTS (CONT)

1.3 Statement of Cash Flows

Statement of Cash Flows variances are considered material where the variance exceeds 10 per cent of the original budget estimate and \$70 000. Budget information refers to original estimates as disclosed in the 2019-20 Budget Papers and is not subject to audit.

	Notes	Budget \$	Actual \$	Variance \$	Variance %
Cash flows from operating activities					
<i>Cash inflows</i>					
Sales of goods and services	(a)	725 000	548 495	(176 505)	(24)
<i>Cash outflows</i>					
Employee benefits	(b)	(3 165 000)	(2 675 082)	489 918	15
Supplies and consumables	(c)	(1 172 000)	(889 800)	282 200	24
Cash flows from investing activities					
<i>Cash outflows</i>					
Payments for acquisition of nonfinancial assets	(d)	(1 121 000)	(307 791)	813 209	73

Notes to Statement of Cash Flows variances

- (a) The decrease in sales of goods and services is due to the COVID19 pandemic as the RTBG's business enterprise operations ceased in the June quarter.
- (b) The decrease in employee benefits is primarily due to the COVID19 pandemic as there was reduced use of casual employees while business enterprise operations ceased in the June quarter. In addition, the capitalising of salaries relating to the New Visitor Centre project has further contributed to the decrease.
- (c) The decrease in supplies and consumables reflects the impact of the COVID19 pandemic on the RTBG's business enterprise operations. In addition, the capitalising of supplies and consumables relating to the New Visitor Centre project further contributed to the decrease.
- (d) The decrease in payments for acquisition of nonfinancial assets is due to delays in the commencement of construction for the New Visitor Centre.

NOTE 2: UNDERLYING NET RESULT

Non-operational capital funding is the income from continuing operations relating to funding for capital projects. This funding is classified as revenue from continuing operations and included in the Net result from continuing operations. However, the corresponding capital expenditure is not included in the calculation of the Net result from continuing operations. Accordingly, the Net result from continuing operations will portray a position that is better than the true underlying financial result.

For this reason, the Net result from continuing operations is adjusted to remove the effects of funding for capital projects.

	Notes	2020 Budget \$	2020 Actual \$	2019 Actual \$
Net result from continuing operations		1 724 000	2 091 916	703 986
<i>Less impact of:</i>				
Non-operational capital funding				
Revenue from Government - capital	3.1	2 600 000	2 600 000	1 000 000
Underlying net result from continuing operations		(876 000)	(508 084)	(296 014)

NOTE 3: REVENUE

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

Until 30 June 2019, income is recognised in accordance with AASB 111 *Construction Contracts*, AASB 118 *Revenue* and AASB 1004 *Contributions*.

From 1 July 2019, income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer defined by AASB 15.

3.1 Revenue from Government

Appropriations, whether operating 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.

	2020 \$	2019 \$
Operational funding from Government	2 944 337	2 828 000
Non-operational capital funding ¹	2 600 000	1 000 000
Total	5 544 337	3 828 000

1. Relates to funding for the New Visitor Centre.

3.2 Grants

Grant revenue, where there is a sufficiently specific performance obligation attached, is recognised when the RTBG satisfies its performance obligations. The RTBG typically satisfies its performance obligations, and recognises revenue associated with those performance obligations, when either project milestones are met or when the associated expenditure has been incurred on approved activities.

Grant revenue without a sufficiently specific performance obligation, including donations, sponsorships and bequests, are recognised when the RTBG gains control of the asset (typically cash).

	2020 \$	2019 \$
Donations, sponsorships and bequests	115 857	161 761
Grants	7 711	51 709
Total	123 568	213 470

NOTES TO THE FINANCIAL STATEMENTS (CONT)

3.3 Sales of goods and services

Revenue from sales of goods are recognised when the RTBG satisfies a performance obligation by transferring the goods to the customer. The RTBG typically satisfies its performance obligations when the significant risks and rewards of ownership have been transferred to the buyer.

Revenue from the provision of services is recognised when the RTBG satisfies its performance obligation by transferring the promised services. The RTBG typically satisfies its performance obligations upon delivery of the service to customers.

	2020 \$	2019 \$
Enterprise operations	323 755	531 584
Other sales of services	215 843	120 354
Total	539 598	651 938

3.4 Interest

Interest income includes interest received on bank term deposits. Interest on funds is recognised as it accrued using the effective interest method.

	2020 \$	2019 \$
Interest on term deposits	72 379	57 176
Interest on at call deposits	3 275	3 293
Total	75 654	60 469

3.5 Rents received

Rent revenue is recognised when the RTBG gains control of the right to receive the funds.

	2020 \$	2019 \$
Rents received	106 474	142 095
Total	106 474	142 095

3.6 Other revenue

Other revenue is recognised when the RTBG gains control of the right to receive the funds.

	2020 \$	2019 \$
Insurance reimbursements	10 976	...
Other	5 207	8 198
Total	16 183	8 198

NOTE 4: NET GAINS/(LOSSES)

4.1 Other gain/(loss) on change in estimate of nonfinancial assets

Key judgement

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. Value in use is based on the current replacement cost where the asset would be replaced if the RTBG was deprived of it.

All impairments and write downs are recognised in the Statement of Comprehensive Income.

	2020 \$	2019 \$
Other gain/(loss) on change in estimate – Write downs ¹	(52 500)	(9 227)
Total	(52 500)	(9 227)

1. Write downs for 2019/20 relate to the dismantling and removal of a glasshouse.

NOTE 5: EXPENSES

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

5.1 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.

(a) Employee expenses

	2020 \$	2019 \$
Wages and salaries	1 970 665	1 942 786
Annual leave	176 083	202 244
Long service leave	95 893	91 685
Sick leave	65 824	81 512
Overtime and allowances	105 592	118 497
Superannuation - defined contribution scheme	275 035	265 678
Superannuation - defined benefit scheme	23 751	24 248
Total	2 712 843	2 726 650

Superannuation expenses relating to defined benefit schemes relate to payments into the Public Account. The amount of the payment is based on a contribution rate determined by the Treasurer, on the advice of the State Actuary. The current contribution is 12.95 per cent (2019: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 9.5 per cent (2019: 9.5 per cent) of salary. In addition, the RTBG is also required to pay into the Public Account a "gap" payment equivalent to 3.45 per cent (2019: 3.45 per cent) of salary in respect of employees who are members of contribution schemes.

NOTES TO THE FINANCIAL STATEMENTS (CONT)

(b) Remuneration of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the RTBG, directly or indirectly.

Remuneration during 2019-20 for key personnel is set by the *State Service Act 2000*. Remuneration and other terms of employment are specified in employment contracts.

2019-20 Key management personnel

J Bailey	Board Member
A Foley	Board Member
B Mathison	Board Member
P Oxley	Board Member
T Taylor	Board Member
G Davies	Director

2020	Short-term benefits		Long-term benefits		Total
	Salary ¹	Other ²	Superannuation ³	Other ⁴	
	\$	\$	\$	\$	
J Bailey	4 900	...	465	...	5 365
A Foley	4 900	...	465	...	5 365
B Mathison	19 000	...	1 805	...	20 805
P Oxley	4 900	...	465	...	5 365
T Taylor	4 900	...	465	...	5 365
G Davies	161 822	(7 394)	20 941	6 863	182 232
Total	200 422	(7 394)	24 606	6 863	224 497

2018-19 Key management personnel

J Bailey	Board Member
D Davey	Board Member (ceased 23 November 2018)
A Foley	Board Member (commenced 19 February 2019)
B Mathison	Board Member
P Oxley	Board Member
T Taylor	Board Member
G Davies	Director

2019	Short-term benefits		Long-term benefits		Total
	Salary ¹	Other ²	Superannuation ³	Other ⁴	
	\$	\$	\$	\$	
J Bailey	4 890	...	464	...	5 354
D Davey	3 210	...	305	...	3 515
A Foley	1 583	...	150	...	1 733
B Mathison	18 962	...	1 801	...	20 763
P Oxley	4 843	...	460	...	5 303
T Taylor	4 890	...	464	...	5 354
G Davies	154 926	7 647	20 063	4 932	187 568
Total	193 304	7 647	23 707	4 932	229 590

1. All forms of consideration paid and payable for services rendered and compensated absences during the period.
2. This comprises the movement in annual leave entitlements for the year. Negative amounts represent more leave being taken, in a given year, than accrued.
3. Based on the *Public Sector Superannuation Reform Act 2016*.
4. This comprises the movement in long service leave entitlements for the year.

(b) Related party transactions

AASB 124 *Related Party Disclosures* requires related party disclosures to ensure that the financial statements contain disclosures necessary to draw attention to the possibility that the RTBG's financial results may have been affected by the existence of related parties and by transactions with such parties.

This note is not intended to disclose conflicts of interest for which there are administrative procedures in place.

There are no significant related party transactions requiring disclosure in 2019-20.

5.2 Depreciation and amortisation

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.

Key estimate and judgement

Depreciation is calculated on a straightline basis. The estimated remaining useful lives, residual values and the depreciation method is reviewed at the end of each annual reporting period.

Major depreciation periods are:

- Right-of-use asset 5 years
- Plant, equipment and vehicles 5-10 years
- Buildings 25-50 years
- Infrastructure 25-100 years

Notes

NOTES TO THE FINANCIAL STATEMENTS (CONT)

	2020	2019
	\$	\$
Depreciation		
Buildings	230 211	165 993
Infrastructure	190 458	184 232
Plant, equipment and vehicles	26 468	26 012
Right-of-use asset	4 094	...
Total	451 231	376 237

5.3 Supplies and consumables

Supplies and consumables are recognised in the Statement of Comprehensive Income when the goods or services have been received.

	2020	2019
	\$	\$
Property services	361 342	314 936
Professional and contract services	176 207	160 593
General insurance	74 224	64 463
Advertising, promotion and marketing	51 800	74 373
Minor equipment and maintenance	46 872	59 424
Travel and transport	49 389	34 662
Communications and information technology	30 885	33 149
Employee costs	22 998	24 715
Audit fees – financial audit ¹	13 740	13 740
Administrative costs	11 819	25 522
Other supplies and consumables	46 384	23 278
Total	885 660	828 855

1. Audit fees paid or payable to the Tasmanian Audit Office for the audit of the RTBG's financial statements were \$13 740 (201819, \$13 740).

5.4 Other expenses

Expenses are recognised when the associated service and supply have been provided.

	2020	2019
	\$	\$
Workers compensation premiums	24 975	17 965
Financial expenses	7 479	4 503
Total	32 454	22 468

NOTE 6: ASSETS

Assets are recognised in the Statement of Financial Position when it is probable that the future economic benefits will flow to the RTBG and the asset has a cost or value that can be measured reliably.

6.1 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. This process is on an accrual basis and done on the last day of each month so RTBG has no outstanding debtors at the end of the financial year.

Accrued revenue is recognised when revenue has been earned by providing a good or service, but either the payment has not been received or an invoice has not been raised, for that good or service.

Accrued interest is recognised when interest has been earned, but is yet to be received.

	2020 \$	2019 \$
Accrued revenue	51 778	49 894
Accrued interest	4 938	3 705
Total	56 716	53 599
<i>Settled within 12 months</i>	56 716	53 599
Total	56 716	53 599

6.2 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.

	2020 \$	2019 \$
Inventory held for resale	105 873	79 428
Total	105 873	79 428
<i>Consumed within 12 months</i>	105 873	79 428
Total	105 873	79 428

NOTES TO THE FINANCIAL STATEMENTS (CONT)

6.3 Property, plant and equipment

(a) Valuation basis

Property, equipment and infrastructure 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 selfconstructed 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.

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.

(b) Asset recognition threshold

The asset capitalisation threshold adopted by the RTBG is \$10 000, and any other assets where it is considered appropriate. Assets valued at less than the threshold amount are typically 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) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the RTBG and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day to day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(d) Revaluations

All assets, with the exception of plant and 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.

The RTBG has adopted a revaluation threshold of \$10 000, with assets being revalued every five years. In accordance with AASB116 *Property, Plant and Equipment*, in years between valuations, indices are supplied by qualified valuers to index valuations to fair value.

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.

(e) *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.

(f) *Fair value hierarchy*

All assets of the RTBG for which fair value is measured or disclosed in the Financial Statements are categorised within the following fair value hierarchy, based on the data and assumptions used in the most recent specific appraisals:

- Level 1 represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities.
- Level 2 represents fair value measurements that are substantially derived from inputs (other than quoted prices included within Level 1) that are observable, either directly or indirectly.
- Level 3 represents fair value measurements that are substantially derived from unobservable inputs.

For the purpose of fair value disclosures, the RTBG has determined classes of assets on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

In addition, the RTBG determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

There were no transfers of assets between fair value hierarchy levels during the current period.

(a) *Carrying amount*

	2020 \$	2019 \$
Land at fair value	6 199 800	6 000 000
Total	6 199 800	6 000 000
Buildings at fair value	11 132 483	11 187 986
Less: accumulated depreciation	(6 265 418)	(6 132 707)
	4 867 065	5 055 279
Works in progress (at cost)	356 984	126 557
Total	5 224 049	5 181 836
Plant and equipment at cost	206 172	175 726
Less: accumulated depreciation	(126 412)	(99 944)
	79 760	75 782
Works in progress (at cost)	49 546	2 627
Total	129 306	78 409
Total Property, plant and equipment	11 553 155	11 260 245

Land and buildings were revalued to fair value as at 30 June 2019 by the Office of the Tasmanian Valuer General (OVG). Land and buildings were indexed to fair value as at 30 June 2020, based on indices provided by the OVG of 3.33 per cent for land and 1.98 per cent for buildings. The resulting changes in asset values were taken to the Asset Revaluation Reserve.

NOTES TO THE FINANCIAL STATEMENTS (CONT)

(b) Reconciliation of movements

Reconciliations of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2020	Land \$	Buildings \$	Plant and equipment \$	Total \$
Carrying value at 1 July	6 000 000	5 181 836	78 409	11 260 245
Additions	...	230 427	77 365	307 792
Write downs	...	(52 500)	...	(52 500)
Revaluation increments (decrements)	199 800	94 497	...	294 297
Depreciation	...	(230 211)	(26 468)	(256 679)
Carrying value at 30 June	6 199 800	5 224 049	129 306	11 553 155

Assets at fair value by level of the fair value hierarchy

At cost	...	356 984	129 306	486 290
Level 3 (specialised)	6 199 800	4 867 065	...	11 066 865
Fair value at 30 June	6 199 800	5 224 049	129 306	11 553 155

2019	Land \$	Buildings \$	Plant and equipment \$	Total \$
Carrying value at 1 July	5 400 000	4 416 237	55 653	9 871 890
Additions	...	157 052	48 768	205 820
Write downs	...	(9 227)	...	(9 227)
Revaluation increments (decrements)	600 000	783 767	...	1 383 767
Depreciation	...	(165 993)	(26 012)	(192 005)
Carrying value at 30 June	6 000 000	5 181 836	78 409	11 260 245

Assets at fair value by level of the fair value hierarchy

At cost	...	126 557	78 409	204 966
Level 3 (specialised)	6 000 000	5 055 279	...	11 055 279
Fair Value at 30 June	6 000 000	5 181 836	78 409	11 260 245

6.4 Right-of-use assets

From 1 July 2019, AASB 16 requires the RTBG to recognise a rightofuse asset, where it has control of the underlying asset over the lease term. A rightofuse asset is measured at the present value of initial lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site. Rightofuse assets includes assets in respect of leases previously treated as operating leases under AASB 117, and therefore not recognised on the Statement of Financial Position.

The RTBG has elected not to recognise rightofuse assets and lease liabilities arising from shortterm and lowvalue leases, and rental arrangements for which FinanceGeneral has substantive substitution rights over the assets. Leases expected to cost less than \$10 000 are considered lowvalue, and leases with a term of less than 12 months are considered shortterm. Substantive substitution rights relate primarily to vehicle leases which are managed by the Department of Treasury and Finance.

Rightofuse assets are depreciated over the shorter of the assets useful life and the term of the lease. Where the RTBG obtains ownership of the underlying leased asset, or if the cost of the right-of-use asset reflects that the RTBG will exercise a purchase option, the RTBG depreciates the right-of-use asset over its useful life.

2020	Plant and equipment \$	Total \$
Carrying value at 1 July	7 165	7 165
Depreciation and amortisation	(4 094)	(4 094)
Carrying value at 30 June	3 071	3 071

6.5 Infrastructure

(a) Carrying amount

	2020 \$	2019 \$
Roads, paths, walls, fences and gates at fair value	4 608 648	4 531 680
Less: accumulated depreciation	(2 227 266)	(2 140 754)
Total	2 381 382	2 390 926
Utility services and other infrastructure at fair value	1 155 983	1 143 094
Less: accumulated depreciation	(757 196)	(720 042)
Total	398 787	423 052
Gardens, ponds and water features at fair value	1 832 177	1 799 297
Less: accumulated depreciation	(814 855)	(766 937)
Total	1 017 322	1 032 360
Water, sewerage and irrigation services at fair value	1 461 863	1 440 379
Less: accumulated depreciation	(797 154)	(778 280)
Total	664 709	662 099
Work in progress (at cost)	...	...
Total Infrastructure	4 462 200	4 508 437

Infrastructure assets were revalued to fair value as at 30 June 2018 by Campbell Palfrey, qualified valuer. Infrastructure assets were indexed to fair value as at 30 June 2020, based on an indexation rate provided by the Office of the Tasmanian ValuerGeneral of 3.34 per cent. The resulting changes in asset values were taken to the Asset Revaluation Reserve.

Refer to note 5.3 for key estimates and judgements used to measure infrastructure assets.

NOTES TO THE FINANCIAL STATEMENTS (CONT)

(b) Reconciliation of movements

Reconciliations of the carrying amounts of each class of infrastructure at the beginning and end of the current and previous financial year are set out below. Carrying value means the net amount after deducting accumulated depreciation and accumulated impairment losses.

2020	Roads, paths, walls, fences and gates	Utility services and other infrastructure	Gardens, ponds and water features	Water, sewerage and irrigation services	Total
	\$	\$	\$	\$	\$
Carrying value at 1 July	2 390 926	423 052	1 032 360	662 099	4 508 437
Revaluation increments (decrements)	76 967	12 889	32 880	21 484	144 220
Depreciation	(86 510)	(37 155)	(47 918)	(18 875)	(190 458)
Carrying value at 30 June	2 381 384	398 786	1 017 322	664 708	4 462 200

Assets at fair value by level of the fair value hierarchy

Level 3 (specialised)	2 381 384	398 786	1 017 323	664 708	4 462 200
Fair value at 30 June	2 381 384	398 786	1 017 323	664 708	4 462 200

2019	Roads, paths, walls, fences and gates	Utility services and other infrastructure	Gardens, ponds and water features	Water, sewerage and irrigation services	Total
	\$	\$	\$	\$	\$
Carrying value at 1 July	2 326 445	421 618	1 019 883	633 266	4 401 212
Revaluation increments (decrements)	148 163	37 373	58 828	47 093	291 457
Depreciation	(83 682)	(35 939)	(46 351)	(18 260)	(184 232)
Carrying value at 30 June	2 390 926	423 052	1 032 360	662 099	4 508 437

Assets at fair value by level of the fair value hierarchy

Level 3 (specialised)	2 390 926	423 052	1 032 360	662 099	4 508 437
Fair value at 30 June	2 390 926	423 052	1 032 360	662 099	4 508 437

6.6 Other assets

Other assets consist of prepayments which are recognised when payment has been made in the current year for goods or services that will be consumed in future financial years. Prepayments relate to actual transactions that are recorded at cost.

	2020 \$	2019 \$
Prepayments	36 948	27 955
Total	36 948	27 955
<i>Recovered within 12 months</i>	36 948	27 955
Total	36 948	27 955

NOTE 7: LIABILITIES

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

7.1 Payables

All payments for goods and services received by the RTBG are made by DPIPWE and settled monthly between DPIPWE and the RTBG. Outstanding payables at the end of financial year are recognised in the RTBG financial statements at amortised cost. Payables comprises goods and services received but not yet invoiced.

	2020 \$	2019 \$
Accrued expenses	37 868	33 014
Total	37 868	33 014
<i>Settled within 12 months</i>	37 868	33 014
Total	37 868	33 014

NOTES TO THE FINANCIAL STATEMENTS (CONT)

7.2 Lease liabilities

On 1 July 2019, a lease liability is measured at the present value of the lease payments that are not paid at that date. The discount rate used to calculate the present value of the lease liability is the rate implicit in the lease. Where the implicit rate is not known and cannot be determined, the Tascorp indicative lending rate including the relevant administration margin is used.

The RTBG has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases, rental arrangements for which FinanceGeneral has substantive substitution rights over the assets and leases for which the underlying asset is of low value. Substantive substitution rights relate primarily to office accommodation. An asset is considered low value when it is expected to cost less than \$10 000.

The RTBG has entered into the following leasing arrangements:

Class of right-of-use asset	Details of leasing arrangements
Plant and equipment	The RTBG leases a Konica Minolta photocopier through the Commonwealth Bank of Australia. This leasing arrangement has a term of five years, with a scheduled end date of May 2021. This lease does not include any purchase or extension options and has a total value of \$21 272.

2020
\$

Current

Lease liabilities	3 178
Total	3 178

The following amounts are recognised in the Statement of Comprehensive Income:

2020
\$

Interest on lease liabilities included in note 5.4	77
Net expenses from leasing activities	77

7.3 Employee benefit liabilities

Liabilities for wages and salaries, 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 as at 30 June 2020, 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.

	2020 \$	2019 \$
Accrued salaries	45 109	21 483
Annual leave	205 042	203 602
Long service leave	533 622	526 431
State Service Accumulated Leave Scheme (SSALS)	5 504	...
Total	789 277	751 516
<i>Expected to settle wholly within 12 months</i>	253 575	195 016
<i>Expected to settle wholly after 12 months</i>	535 702	556 500
Total	789 277	751 516

7.4 Other liabilities

Other liabilities consist of revenue received in advance which is recognised when payment has been received for a good or service, but where the RTBG has not yet delivered that good or service.

For 2019/20, revenue received in advance primarily relates to reciprocal grant funding received, but unspent at 30 June 2020. This funding will be recognised in the Statement of Comprehensive Income when the RTBG satisfies its performance obligations for which the funds were received. The RTBG typically satisfies its performance obligations when either project milestones are met or when the associated expenditure has been incurred on approved activities.

	2020 \$	2019 \$
Revenue received in advance	93 706	20 442
Total	93 706	20 442
<i>Settled within 12 months</i>	93 706	20 442
Total	93 706	20 442

NOTES TO THE FINANCIAL STATEMENTS (CONT)

NOTE 8: COMMITMENTS AND CONTINGENCIES

8.1 Schedule of commitments

Capital Commitments

The commitment below relates to a tender awarded for design consultancy services for the New Visitor Centre. This project remains in the planning stage as at 30 June 2020.

<i>By maturity</i>	2020 \$	2019 \$
One year or less	452 333	...
From one to five years	...	...
More than five years	...	...
Total	452 333	...

Other Lease Commitments

In 2018/19, the RTBG had entered into a number of other lease agreements for property, plant and equipment. Equal instalments of lease payments were charged to the Statement of Comprehensive Income over the lease term, as this is representative of the pattern of benefits to be derived from the leased property.

From 2019/20, leases are recognised as right-of-use assets and lease liabilities in the Statement of Financial Position. This excludes short-term and low-value leases and arrangements where the Department of Treasury and Finance has substantive substitution rights over the assets. Payments in relation to excluded leasing arrangements are recognised as an expense in the Statement of Comprehensive Income.

For 2019/20, the RTBG's other lease commitments consist of one tip-truck, and two motor vehicle leases.

<i>By maturity</i>	2020 \$	2019 \$
One year or less	29 602	33 667
From one to five years	83 357	106 119
More than five years	...	...
Total	112 959	139 786

8.2 Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding the amount or timing of the underlying claim or obligation.

The RTBG is currently in the planning stage for construction of the New Visitor Centre. The RTBG has been allocated \$7.6 million in funding for the project which will include visitor services, a shop, carpark and public amenities. As at 30 June 2020, the RTBG has received \$3.6 million in funding for this project, with the remaining \$4 million to be received in future financial years.

Schematic design is scheduled to commence in September 2020, with detailed design and construction drawings expected to be finalised by mid-2021. The construction stage will commence with the finalisation of the tender process in late 2021, with the project having an expected completion date by December 2022. As the tender process for the major construction contract was not finalised as at 30 June 2020, this component of the project has not been recognised in Note 8.1 Schedule of Commitments – *Capital commitments*.

The RTBG has no other contingent assets or liabilities.

NOTE 9: RESERVES

9.1 Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets.

2020	\$
Carrying value at 1 July	16 267 006
<i>Revaluation increments (decrements)</i>	
Land	199 800
Buildings	94 497
Infrastructure	144 220
Total	438 517
Carrying value at 30 June	16 705 523
2019	\$
Carrying value at 1 July	14 591 782
<i>Revaluation increments (decrements)</i>	
Land	600 000
Buildings	783 767
Infrastructure	291 457
Total	1 675 224
Carrying value at 30 June	16 267 006

NOTE 10: CASH FLOW RECONCILIATION

Cash means notes, coins, any deposits held at call with a bank or financial institution, being short term of three months or less and highly liquid.

10.1 Cash and cash equivalents

	2020	2019
	\$	\$
Short term deposits	3 530 739	1 212 102
Cash at bank	176 634	134 270
Cash on hand	3 300	3 300
Total	3 710 673	1 349 672

NOTES TO THE FINANCIAL STATEMENTS (CONT)

10.2 Reconciliation of net result to net cash from operating activities

	2020 \$	2019 \$
Net result	2 091 916	703 986
Receipts from non-operational capital funding - Revenue from Government	(2 600 000)	(1 000 000)
Depreciation and amortisation	451 231	376 237
Write downs	52 500	9 227
(Increase) / decrease in Receivables	(3 117)	(10 150)
(Increase) / decrease in Inventories	(26 447)	(3 500)
(Increase) / decrease in Other non-financial assets	(8 993)	(2 630)
Increase / (decrease) in Payables	4 854	(17 355)
Increase / (decrease) in Employee benefit liabilities	37 761	73 545
Increase / (decrease) in Other liabilities	73 264	(109 255)
Net cash from (used by) operating activities	72 969	20 105

NOTE 11: FINANCIAL INSTRUMENTS

11.1 Risk exposures

(a) 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.

(b) 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. No changes have been made to credit risk policy and methods from the previous year.

Financial Instruments	Accounting and strategic policies (including recognition criteria, measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
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. Consequently, the RTBG has no outstanding debtors at the end of the financial year.	DPIPWE offers 30-day terms of trade.
Cash and deposits	RTBG cash and deposits are managed through investment in short term deposits to allow for the greatest return on funds and that they are available for operating activities as and when required.	Cash means notes, coins, and deposits held at call.

There is no expected credit loss in relation to trade receivables due to the elimination basis described above. Historically there has been no credit loss in relation to RTBG receivables as all outstanding amounts debts have been recovered by RTBG debtors.

(c) 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. No changes have been made to the liquidity risk policy and methods from the previous year.

Financial Instruments	Accounting and strategic policies (including recognition criteria, measurement basis and credit quality of instrument)	Nature of underlying instrument (including significant terms and conditions affecting the amount, timing and certainty of cash flows)
Payables	The RTBG liquidity risk is managed by the investment of cash and deposits in short term deposits to ensure funds are available to meet creditor terms.	The RTBG settles its accounts within 30-day terms of trade with the majority of its suppliers.
Lease liabilities	The RTBG liquidity risk is managed by the investment of cash and deposits in short term deposits to ensure funds are available to meet lease liability obligations as and when they fall due.	The RTBG's lease liabilities consist of a single five-year lease for an item of office equipment. This lease does not have a purchase option. The annual lease payment is a negligible amount of annual expenditure.

NOTES TO THE FINANCIAL STATEMENTS (CONT)

Maturity analysis for financial liabilities

The following tables detail the undiscounted cash flows payable by the RTBG by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position.

2020	1 year	2 years	3 years	4 years	5 years	5+ years	Undiscounted total	Carrying Amount
Financial Liabilities								
Payables	37 868	...	...	...	...	...	37 868	37 868
Lease liabilities	3 191	...	...	...	...	...	3 191	3 178
Total	41 059	...	...	...	...	...	41 059	41 046

2019	1 year	2 years	3 years	4 years	5 years	5+ years	Undiscounted total	Carrying Amount
Financial Liabilities								
Payables	33 014	...	...	...	...	...	33 014	33 014
Total	33 014	...	...	...	...	...	33 014	33 014

(d) Market risk

Market risk is the risk that 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. No changes have been made to the market risk policy and methods from the previous year.

The RTBG exposure to interest rate risk is considered to be low. Minimisation of this risk is achieved by the investment of cash and deposits in interest bearing accounts.

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

	2020 \$	2019 \$
Variable rate instruments		
Short term deposits	3 530 739	1 212 102
Cash	179 934	137 570
Total	3 710 673	1 349 672

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

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:

	Statement of Comprehensive Income		Equity	
	100 basis points increase \$	100 basis points decrease \$	100 basis points increase \$	100 basis points decrease \$
30 June 2020				
Short term deposits & cash	37 106	(37 106)	37 106	(37 106)
Net sensitivity	37 106	(37 106)	37 106	(37 106)
30 June 2019				
Short term deposits & cash	13 496	(13 496)	13 496	(13 496)
Net sensitivity	13 496	(13 496)	13 496	(13 496)

This analysis assumes all other variables remain constant. The analysis was performed on the same basis for the 2018-19 year.

11.2 Categories of financial assets and liabilities

	2020 \$	2019 \$
Financial assets		
Financial assets measured at amortised cost	3 767 389	1 403 271
Total	3 767 389	1 403 271
Financial liabilities		
Financial liabilities measured at amortised cost	41 046	33 014
Total	41 046	33 014

NOTES TO THE FINANCIAL STATEMENTS (CONT)

NOTE 12: EVENTS OCCURRING AFTER THE BALANCE DATE

The current licensee of the restaurant and kiosk have declined to renew the licence. The current licence expires on 31 August 2020. This will impact revenue in 2020/21, however this has not impacted the 2019/20 financials.

There have been no other events subsequent to balance date, which would have a material effect on the RTBG Financial Statements as at 30 June 2020.

NOTE 13: OTHER SIGNIFICANT ACCOUNTING POLICIES AND JUDGEMENTS

The following explains the significant accounting policies that have been adopted in the preparation of the financial statements of the Royal Tasmanian Botanical Gardens ('RTBG'). The accounting policies have been consistently applied, unless otherwise stated.

13.1 Objectives and funding

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 Heritage. The Board is responsible for managing, conserving and enhancing the RTBG 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 85 per cent of the RTBG revenue in 2020 (74 per cent in 2019), with the remaining funds being generated through RTBG programs and initiatives.

13.2 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 Act 2016*.

The Financial Statements have been prepared on an accruals basis and are 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.

13.3 Functional and presentation currency

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

13.4 Changes in accounting policies

In the current year, the RTBG 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:

- *AASB 15 Revenue from Contracts with Customers* - This Standard establishes principles that require an entity to 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.

AASB 15 supersedes AASB 111 *Construction Contracts*, AASB 118 *Revenue* and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. AASB 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The RTBG has determined that the application of this Standard has not impacted the current year financial statements or prior year comparatives.

- *AASB 16 Leases* - This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities. The calculation of the lease liability takes into account appropriate discount rates, assumptions about the lease term, and required lease payments. A corresponding right to use asset is recognised, which is amortised over the term of the lease. Operating lease costs are no longer shown. In the Statement of Comprehensive Income, impact of leases is through amortisation and interest charges. In the Statement of Cash Flows, lease payments are shown as cash flows from financing activities instead of operating activities. The RTBG has adopted AASB 16 retrospectively with the cumulative effect of applying the standard recognised from 1 July 2019 by adopting the transitional practical expedient permitted by the Standard.

The RTBG elected to use the practical expedient to expense lease payments for lease contracts that, at their commencement date, have a lease term of 12 months or less and do not contain a purchase option (short term leases), and lease contracts for which the underlying asset is valued at \$10 000 or under when new (low value assets). Additionally, the RTBG must not recognise right-of-use assets and lease liabilities arising from rental arrangements for which the Department of Treasury and Finance has substantive substitution rights over the assets, including vehicles leased through the whole-of-Government fleet provider Leaseplan. Consequently, the RTBG's vehicle lease payments for the current year are included in the Statement of Comprehensive Income, consistent with the treatment in prior years.

The effect of adopting AASB 16 on the Statement of Financial Position is as follows:

	Notes	\$
Assets		
Right-of-use assets	6.4	7 165
Liabilities		
Lease liabilities	7.2	7 355
Equity		
Accumulated funds		190

NOTES TO THE FINANCIAL STATEMENTS (CONT)

Reconciliation of operating lease commitments as at 30 June 2019 to lease liabilities on 1 July 2019:

	\$
Operating lease commitments as at 30 June 2019	139 786
Weighted average incremental borrowing rate as at 1 July 2019	1.11%
<i>Reconciliation:</i>	
Discounted operating lease commitments as at 1 July 2019	138 255
Add/(less):	
Commitments relating to leases of lowvalue assets	(7 368)
Treasury managed vehicle leases	(122 472)
Adjustments relating to changes in the index or rate affecting variable payments	(1 060)
Lease liabilities as at 1 July 2019	7 355

- *AASB 1058 Income of Not for Profit Entities* - This Standard establishes principles for not for profit entities that applies 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.

The timing of income recognition under AASB 1058 depends on whether a transaction gives rise to a liability or other performance obligation related to an asset (such as cash or another asset) received. If the transaction is a transfer of a financial asset to enable the RTBG to acquire or construct a recognisable nonfinancial asset to be controlled by the RTBG (i.e. an in substance acquisition of a non-financial asset), the RTBG recognises a liability for the excess of the fair value of the transfer over any related amounts recognised. The RTBG will recognise income as it satisfies its obligations under the transfer, similarly to income recognition in relation to performance obligations under AASB 15 as discussed above.

Revenue recognition for the RTBG's appropriations, taxes, royalties and most grants and contributions will not change under AASB 1058, as compared to AASB 1004. Revenue will continue to be recognised when the RTBG gains control of the asset (e.g. cash or receivable) in most instances.

Under AASB 1058, the RTBG will continue to recognise volunteer services only when the services would have been purchased if they had not been donated, and the fair value of the services can be measured reliably. This treatment is the same as in prior years.

The RTBG has adopted AASB 1058 retrospectively with the cumulative effect of applying the Standard recognised from 1 July 2019 by adopting the transitional practical expedient permitted by the Standard. The Department has also adopted the transitional practical expedient as permitted by the Standard, whereby existing assets acquired for consideration significantly less than fair value principally to enable the entity to further its objectives, remain recorded at cost and are not restated to their fair value.

The RTBG has determined that the application of this Standard has not impacted the current year financial statements or prior year comparatives.

13.5 Comparative figures

Comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Where amounts have been reclassified within the Financial Statements, the comparative statements have been restated.

13.6 Rounding

All amounts in the Financial Statements have been rounded to the nearest dollar, unless otherwise stated. As a consequence, rounded figures may not add to totals.

13.7 Taxation

The RTBG is exempt from all forms of taxation except fringe benefits tax and goods and services tax (GST).

Revenues and expenses are recognised net of the amount of GST, except where the GST is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated exclusive of GST. The RTBG is grouped for GST purposes with DPIPWE. The RTBG Business Activity Statement reporting is managed through DPIPWE. As such, any amount recoverable or payable to the ATO is disclosed in the DPIPWE Financial Statements.

In the Statement of Cash Flows, the GST component of cash flows arising from operating and investing activities that is recoverable from, or payable to, the ATO is classified as an operating cash flow.

13.8 Judgments 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 7.3 for Employee benefit liabilities. 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.

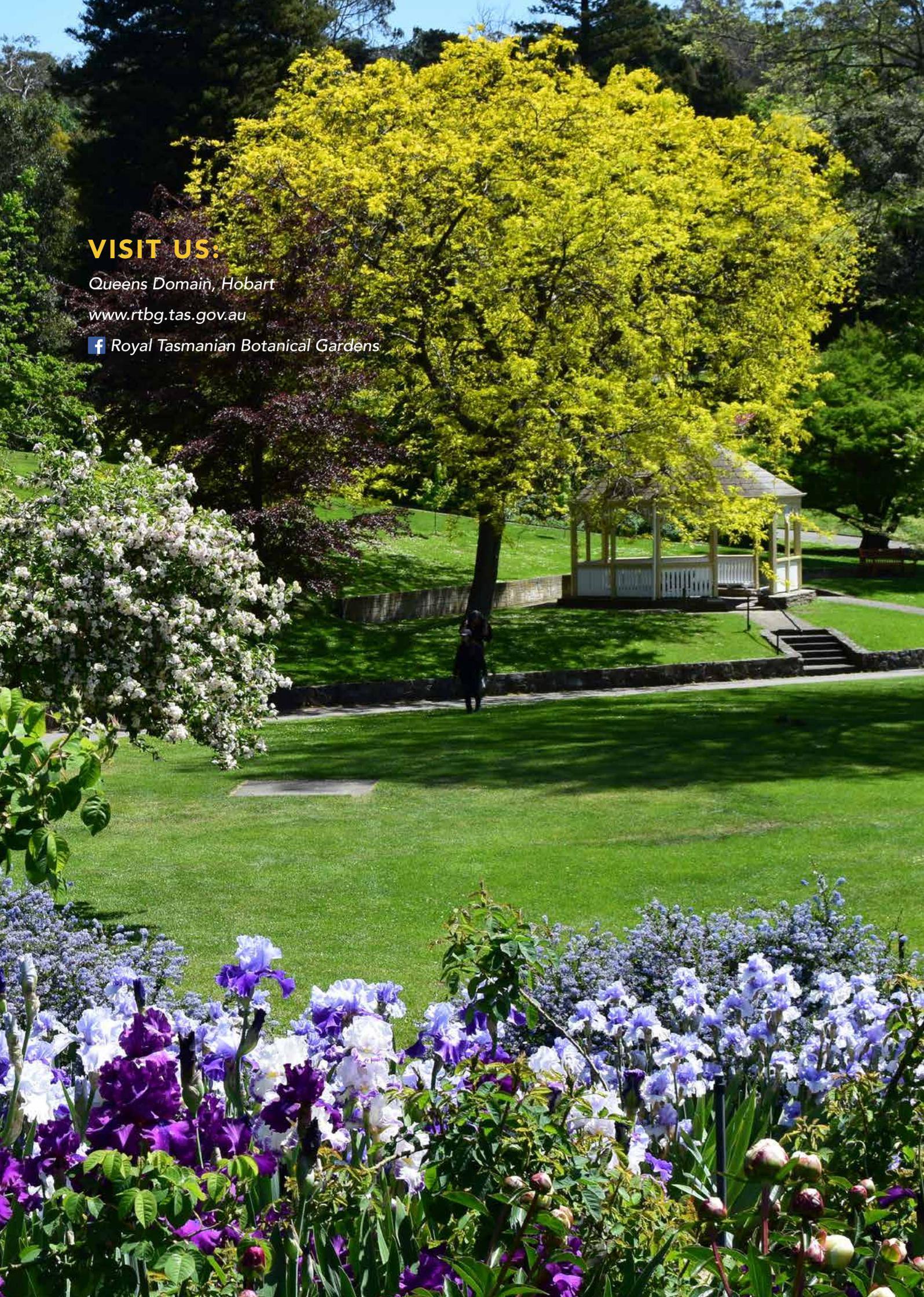
13.9 Segment information

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.

13.10 Economic dependency

The RTBG derives its revenue principally from Government funding.





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 *Royal Tasmanian Botanical Gardens*