

Annual Report 2009/2010



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This report available at penguins.org.au

Nature Park mission

To conserve and enhance the Nature Park environment for current and future generations whilst achieving a balanced environmental, economic and social outcome.

Nature Park vision

As a team, we will achieve the vision 'to be a world leader in environmental, economic and socially sustainable nature-based and ecotourism experiences' as well as to be a great place to visit and work.

Nature Park goals

- 1 Integrate environmental sustainability principles into all areas of our operations
- 2 Enhance and expand the delivery of education, training and research both within and outside the Nature Park
- 3 Strive to achieve long term financial security
- 4 Optimise the ways we meet the needs of visitors and our community.

Chairman's report

In accordance with the *Financial Management Act 1994*, I am pleased to present the Annual Report for the year ended 30 June 2010.

The Board continued to be strategic about its environmental responsibilities and maintaining the delicate balance between its commercial activities and its obligations to staff and community stakeholders. With the world economic crisis still prevalent, destinations from around the world remained competitive for tourists and we continued to see major changes in travel patterns.

Over 50% of our visitors were from international destinations and we continued to meet their changing needs and offer unique and interesting experiences. We remained vigilant in our approach and continued to promote our commercial activities whilst ensuring our environmental responsibilities remained at the forefront.

Our total expenditure for research, environment and education programs was over \$2.4 million. This included valuable research about penguins, seals and endangered flora and we valued the collaborations with many university institutions that provided students to enhance our knowledge.

In consultation with Bass Coast Shire Council, the second stage rehabilitation of Rhyll Tip area was completed, with 20,000 seedlings planted. There remains only one area to rehabilitate and that is the site of the current transfer station.

The State Government announced in 2007 that it was completing the land buy-back process at the Summerland Peninsula that commenced in 1985. This goal was achieved by 30 June 2010 and we congratulate and thank the State Government for its continued commitment. We also received \$3.4 million funding which will be used over the next three years to remove the remaining houses and to commence the rehabilitation for penguins and other native wildlife habitat. Without this continuing initiative, we believe that penguins would have otherwise been extinct on Phillip Island.

We invested over \$2.2 million on capital investments including new Penguin Parade boardwalks, new portable audio tours at the Penguin Parade in eight languages, and construction of new toilets and undercover visitor seating at Churchill Island.

After 10 years and substantial planning, the new visitor centre at the Koala Conservation Centre was completed using the latest sustainable building materials and it was officially opened in December 2009. Churchill Island remains a unique, historically important attraction and it continued to grow in visitor numbers as we provided better experiences for visitors.

The collaborations with Zoos Victoria and Royal Botanic Gardens have increased this year and some benefits have occurred. We also continued to work with local traders and organisations such as Phillip Island Tourism Association and Destination Phillip Island to attract more visitors to Phillip Island.

I thank my fellow Board Members for their counsel, time, expertise and dedication. They have all played a critical role in the ongoing business and conservation needs of the organisation and ensured that our local community has remained informed. The Board also thanks long serving members, David Beatty (7 years) and Kath Handasyde (16 years) and also Michael Gatehouse (2 years) who have all made significant contributions to the Nature Park. Our Management team and staff are also to be congratulated for their hard work and dedication in contributing to our continuing success.

I, Irene Irvine, certify that Phillip Island Nature Park has risk management processes in place consistent with the Australian Risk Management Standard and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Nature Park verifies this assurance and that the risk profile of Phillip Island Nature Park has been critically reviewed within the last 12 months.



Dr Irene Irvine, Chairman

Chief Executive Officer's report

It was another satisfying year with many achievements which we can be proud.

The completion of our new Koala Conservation Centre, the commencement of a major new boardwalk at the Penguin Parade, over 55,000 seedlings grown in our own nursery and expansion of our education programs are just a few of the highlights.

Financially it was again another difficult year with a decline in visitor numbers at the Penguin Parade, primarily from international destinations. However many more visitors continue to purchase our popular 3 Park Passes which have significantly benefited Churchill Island and the Koala Conservation Centre and visitor numbers to those attractions increased substantially.

Overall, total visitor numbers across all the Nature Park's ticketed attractions increased by 3.3% to 730,561. Our special premium tours also continued to increase in popularity. We achieved a credible operating surplus of \$856,081 which was very pleasing given the current difficult economic climate. In addition, our commitment to funding for research, conservation and environmental initiatives was maintained to continue to protect our natural environment.

Our efforts to eradicate foxes continued, and we proudly advise that this was the first year in over 42 years that there were no recorded deaths of Little Penguins due to foxes. In addition, there were many bird species which continued to flourish, including Cape Barren Geese which are now common place across Phillip Island. Feral and roaming domestic cats continue to be a threat to Phillip Island's native wildlife and this year, a record number of 147 feral cats and 13 foxes were destroyed in key areas of the Nature Park. It has been very pleasing to see so many native wildlife species flourishing and breeding successfully on Phillip Island with the reduced threat of predators.

Plans for a new wildlife hospital are complete and we are now seeking the remainder of costs via fundraising before commencement of construction. Located near our Environment Centre, it will provide a refuge for local sick and injured wildlife, and at the same time, will be an emergency facility for up to 1,500 penguins in the event of a major oil spill. We are very grateful to the Board of the Penguin Foundation and its many Little Penguin adoptees for their support to make this a reality.

We are Phillip Island's largest employer and our new partnership with Chisholm Institute will provide skills development to our staff and the local community and create new job opportunities.

Our special thanks go to David Beatty, Kath Handasyde and Michael Gatehouse who retired from our Board. All three Board members worked tirelessly and passionately for many years to make the Nature Park a better place to work and visit, and we are forever grateful.

There are many more achievements detailed in this report of which we can be proud. None of these would have been possible without the dedication and commitment of our staff, management team and community volunteers. I would like to personally thank everyone for ensuring that we have continued our success in accordance with our *Strategic and Management Plans*.



Mark Manteit, Chief Executive Officer

Profile

Phillip Island Nature Park manages over 1,805 hectares of natural areas across Phillip Island.

Just 90 minutes from Melbourne, Phillip Island Nature Park (the Nature Park) is the renowned home of Australia's most popular natural wildlife attraction – the iconic Penguin Parade along with a range of quality ecotourism experiences, significant natural areas and wildlife.

We acknowledge that the Nature Park forms part of the traditional lands of the Boon Wurrung/Boonurung Country.

Created by the State Government in 1996, it is the only 'Nature Park' in Victoria. The term means that all conservation areas are managed under the *Crown Land (Reserves) Act 1978*. The Nature Park is managed by a Board of Management that is appointed by the Minister responsible for the *Crown Land (Reserves) Act 1978*. During the reporting period, the Hon. Gavin Jennings MLC Minister for Environment and Climate Change and Innovation was the Responsible Minister.

The Nature Park is part of the UNESCO Mornington Peninsula and Western Port Biosphere Reserve and encompasses wildlife sanctuaries, wetlands, woodlands and breathtaking coastlines which are protected and managed by quality environmental and research programs. Most of the native vegetation on the island is contained within the Nature Park and this habitat supports significant populations of Little Penguins, Hooded Plovers, Short-tailed Shearwaters, and other international migratory bird species and mammals such as koalas, possums, wallabies, Australian Fur Seals and bats. The Nature Park protects a range of plant communities which includes over 330 native species. Sections of the Nature Park also fall within or are adjacent to wetlands protected under the intergovernmental Ramsar Convention as wetlands of international importance.

The Nature Park is dedicated to ecotourism and wildlife management and features the highest number of advanced ecotourism accredited types of tours of any tourism operator in Victoria. Self-funded by revenue generated from our four main attractions (Penguin Parade, Koala Conservation Centre, Churchill Island Heritage Farm and Nobbies Centre), we welcomed 730,561 paying visitors in 2009/10. A further 279,981 people visited the Nobbies Centre where entry is free, bringing the total number of visitors to 1,010,542. These visitors came from both around Australia (48%) and internationally (52%).

All profits generated by our main attractions are re-invested into research, sustainability, ecotourism, conservation, environmental and educational initiatives within the Nature Park. We are also proud to be Phillip Island's largest employer with a diverse team that is committed to the success of the organisation.

Nature Park mission

To conserve and enhance the Nature Park environment for current and future generations whilst achieving a balanced environmental, economic and social outcome.

Nature Park vision

As a team, we will achieve our vision to be a 'world leader in environmental, economic and socially sustainable nature-based and ecotourism experiences' as well as to be a great place to visit and work.

Nature Park goals

1. Integrate environmental sustainability principles into all areas of our operations
2. Enhance and expand the delivery of education, training and research both within and outside the Nature Park
3. Strive to achieve long term financial security
4. Optimise the ways we meet the needs of visitors and our community

Nature Park values

- **Communication** – open communication is a two way street
- **Respect** – honouring the values of others
- **Teamwork** – camaraderie and support
- **Leadership** – approachable, empowering, supportive
- **Opportunity** – growth for all
- **Balance** – life and work – environment and economy
- **Sustainability** – commitment to conservation and the future
- **Recognition** – appreciation for effort
- **Innovation** – think smart
- **Achievement** – pride in accomplishment
- **Enjoyment** – like what you do
- **Integrity** – action speaks louder than words
- **Transparency** – what you see is what you get

Our location



- Phillip Island Nature Park
- Route from Melbourne
- Maps not to scale

Management

Our Board of Management

Board members are appointed by the Responsible Minister and meet 10 times a year to establish policies and strategic directions. There were 10 Board meetings held in 2009/10:

David Beatty (CHAIR) is a Fellow of the Australian Institute of Chartered Accountants. Retired 4 September 2009.

Dr Irene Irvine (CHAIR) is currently the Chair and has experience in business management, consulting, chemistry and teaching. Irene's business provides consulting services for the education and not-for-profit sectors. Chair from 5 September 2009.

Stella Axarlis AM has extensive Board and business experience and is a strong advocate for organisational excellence underpinned by good governance. In 2006 the Stella Axarlis Australian School Based Apprentice of the Year was named in the National Training Awards to recognise her contribution to Vocational Education and Training.

Dr Kath Handasyde is a senior lecturer in wildlife ecology and management at The University of Melbourne and provided the Board with advice on wildlife management. Retired 4 September 2009.

Christine Wardle is an environmental consultant with 30 years experience in the environment industry, finance and accounting sectors and corporate governance.

Michael Gatehouse is partner of a Melbourne law firm and specialises in workplace liability, risk management and adventure sport and tourism liability. Retired 30 June 2010.

Jason Perry is a chartered accountant and partner of a 'Big 4' accounting firm. He has extensive experience in corporate finance, audit, due diligence and consulting related projects.

Professor Catherin Bull brings expertise in landscape, architecture, design and planning to the Board. Catherin is Chair of Landscape Architecture at The University of Melbourne. Board Member from 5 September 2009.

Kirsty Mawer has experience with business turnarounds, mergers, risk management and governance. She also has 12 years Board experience for not-for-profit, community and industry boards. Board Member from 5 September 2009.

Board member attendance

- David Beatty attended 2 of 2;
- Dr Irene Irvine attended 8 of 8;
- Stella Axarlis attended 10 of 10;
- Dr Kath Handasyde attended 2 of 2;
- Christine Wardle attended 10 of 10;
- Michael Gatehouse attended 9 of 10;
- Jason Perry attended 10 of 10,
- Prof Catherin Bull attended 6 of 8;
- Kirsty Mawer attended 8 of 8.

There were six committees that provide advice to the Board. (Each committee is chaired by a member of the Board. These committees are listed in detail on page 40)

Our strategy

Our strategic plan guides our commitment to integrate environmental sustainability principles into all areas of our operations

Strategic planning

The Nature Park's overarching objective is to become a world leader in sustainable park management. In all that we do, we aim to be environmentally sustainable, financially viable and socially responsible.

Our *2020 Strategic Plan* guides our commitment to 'integrate environmental sustainability principles into all areas of our operations'.

The Nature Park's *Strategic Plan 2006-2011* is also a key document for our future and was developed with extensive consultation with Board members, management and staff.

Our *Management Plan 2006-2011* which was achieved with extensive community and stakeholder consultation, describes 386 environmental actions across all aspects of the Nature Park.

Strategic goals

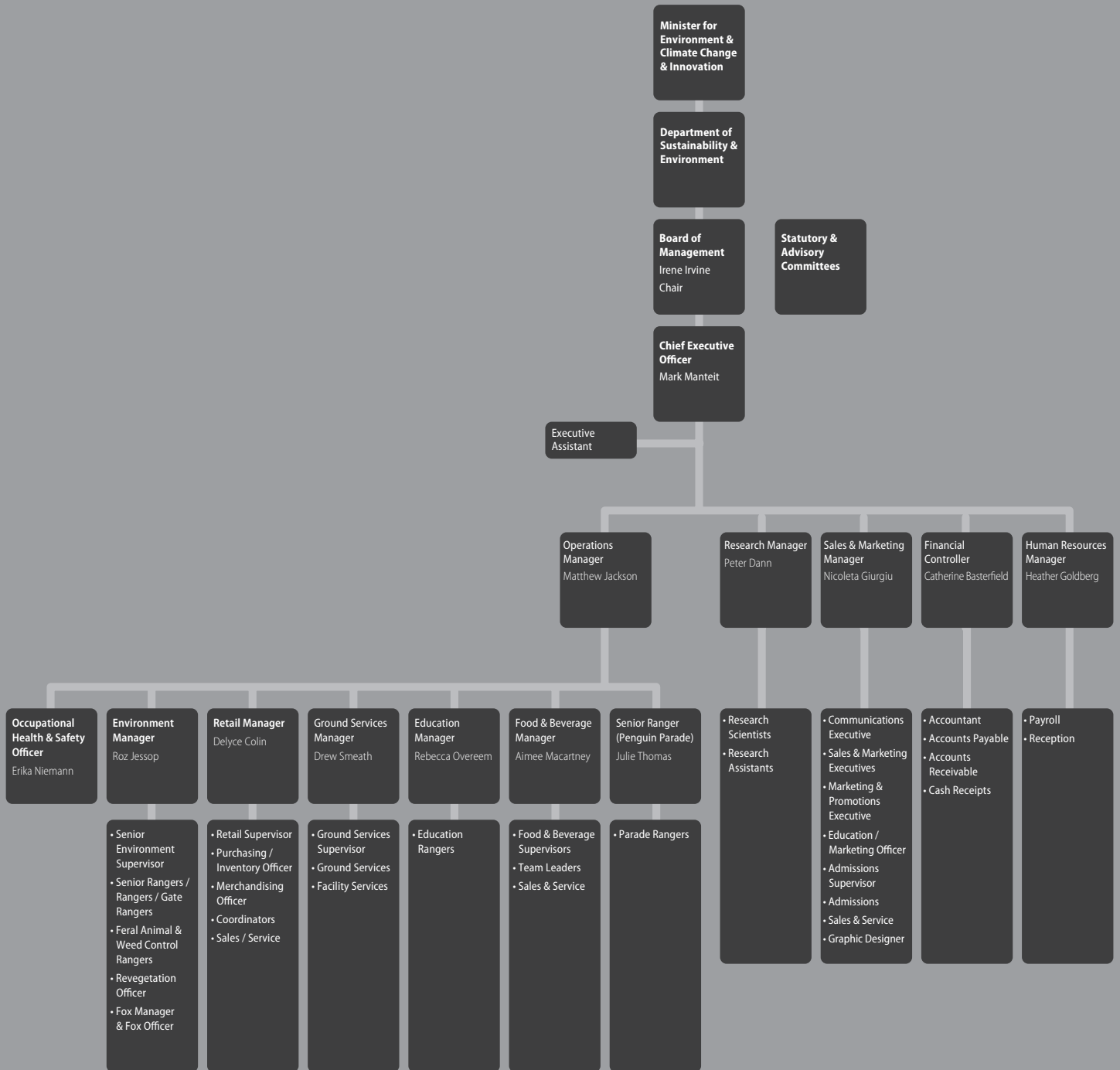
1. Integrate environmental sustainability principles into all areas of our operations.
2. Enhance and expand the delivery of education, training and research both within and outside the Nature Park.
3. Strive to achieve long term sustainability.
4. Optimise the ways we meet the needs of visitors and our community.

Our achievements

Snapshot of achievements 2009/2010

| Objective | Achieved | Comments |
|--|----------|---|
| Marketing | | |
| Increase ticketed visitation | Yes | Increase of 3.3% to 730,561 visitors |
| Up-sell products to maximise yield | Yes | Yield increased by 0.8% despite difficult economic climate |
| Education | | |
| Increase education bookings in international and domestic markets | Yes | New tours, programs and products developed (eg. Penguin Mission). 11% increase in bookings |
| Environment | | |
| Maintain weed control programs through staff, volunteer and grant programs | Yes | Nature Park weed control programs enhanced. 1612 hours of weed works completed by volunteers, in addition to contracted efforts funded through grants. |
| Maintain revegetation programs and assist Coast Action Coast Care group activities | Yes | 65,000 native plants were planted within the Nature Park. |
| Maintain high levels of fox control. Reduce the numbers of penguins killed by foxes and increase monitoring effort | Yes | No penguins killed by foxes – a milestone not seen in 42 years of monitoring. |
| Capture and remove 80 feral or roaming cats from the Nature Park | Yes | 147 feral and roaming cats caught and removed from the Nature Park |
| Rhyll Tip rehabilitation in consultation with Bass Coast Shire Council | Yes | 20,000 seedlings planted. Stage 2 of rehabilitation completed. |
| Research | | |
| Increase involvement with tertiary institutions through supervision of students, collaborative studies and participation in tertiary courses | Yes | Record number of PhD and honours students (18) being supervised by research staff |
| Maintain a high national and international profile for original research and outstanding professional standards for the conduct of wildlife research | Yes | Number of papers published in peer-reviewed international journals increased by 9% |
| Target oil pollution as a priority threatening process for the 2007-11 period | Yes | Significant advances in the technology for cleaning oiled penguins and the development of optimal cleaning regimes for oiled birds |
| Capital Works | | |
| Koala Conservation Centre upgrade | Yes | New Koala Conservation Centre was officially opened on schedule on 4 December 2009. Sustainable and energy efficient materials sourced for the building. |
| Implement audio guided tours at Penguin Parade | Yes | Portable MP4 audio guided tours available in 8 languages implemented to enhance visitor experience and generate revenue |
| New undercover facilities at Churchill Island | Yes | New undercover facilities constructed that enables daily shows and activities in all weather conditions, improving visitor experience. |
| Commercial Operations | | |
| Increase online bookings | Yes | Online bookings increase to 15% of all ticket sales |
| Human Resources | | |
| Upgrade Human Resources/Payroll System to web based system | Yes | Implemented in April 2010 |
| Finance | | |
| Meet or exceed our budgeted surplus from operations | Yes | Net result of \$856,081 exceeded expectation despite a difficult year |
| Revise risk management framework and processes to meet changes in standards | Yes | Risk management framework has been updated to comply with AS NZS ISO 31000. The new framework has been applied in a review of strategic risks in 2009/10. |

Organisational structure





Operational Review

Sustainability

We are committed to implementing a fully integrated sustainability framework across all areas of the Nature Park

In addition to our extensive efforts in sustainability to date, the Nature Park had two staff members trained in carbon accounting to ensure we could continue to calculate carbon emissions and develop programmes to reduce our carbon footprint. A committee will be established to oversee this as well as other programmes to increase the Nature Park's ecological sustainability.

The Nature Park implemented several resource saving measures during the year including:

- Incorporation of energy saving features (which exceeded the energy efficiency provisions of the building code) into the new Koala Conservation Centre. We maximised the use of natural light, installed energy efficient lighting, utilised the latest heat pump technology for our hot water system and used high performance laminated glass in the windows.
- Installation of a 110,000 litre water tank at the Koala Conservation Centre.
- Establishment of composting facilities at the Penguin Parade and the Koala Conservation Centre for organic waste generated in the kitchens.
- Implementation of biodegradable corn starch cutlery and paper cups across our food and beverage outlets.

The Nature Park continued its commitment to:

- Sponsor local events and activity clubs held on Phillip Island.
- Support and sponsor local community groups including Landcare and the Barbara Martin Bush Bank.
- Maintain walking and cycling tracks, car parks, and toilet and picnic facilities at non fee-paying areas across Phillip Island for residents and visitors.
- Working with the community for a sustainable future.

- The Nature Park maintained its support for the Mornington Peninsula and Western Port Biosphere project. We were represented on the local roundtable and actively shared information to assist the project.
- We continued our involvement in local planning applications and planning hearings which had the potential to impact Nature Park values and the natural environment of Phillip Island.

Business risk assessment

The Nature Park is committed to identifying, monitoring and assessing the risks under its control to ensure the safety of both staff and visitors. Nature Park staff undertake risk management inspections and address issues as they are identified. We also conduct independent risk management studies at three-year intervals.

This results in a comprehensive, proactive maintenance and repairs program for all areas of operation including machinery, coastal boardwalks and the physical structure of our visitor centres.

In 2009/10 we :

- Completed major power and fire system upgrades at the Penguin Parade visitor centre.
- Ensured health and safety responsibilities, policies and procedures were followed by all staff. A *Safety Systems Manual* was used by staff to actively monitor risks across all precincts.
- Developed a business continuity plan for Penguin Parade operations.
- Developed emergency management plans for all precincts and provided updates to staff to ensure compliance to standards.
- Completed security upgrades and reviews at all precincts including further expansion and upgrades of alarm systems, CCTV surveillance and improved security lighting in all work areas and visitor centres.
- Completed risk assessments for Nature Park conservation activities, locations and events.
- Updated the risk management framework to meet legislative changes.
- Completed a comprehensive fire management plan of all Nature Park managed land on Phillip Island which has been endorsed by the CFA.

Ecotourism

The Nature Park maintained its Advanced Eco Accreditation, the highest international benchmark currently available through Ecotourism Australia. In total accreditation for 12 tours which is the most for any single attraction in Victoria.

Our tours which have Advanced Ecotourism certification include:

- Penguin Parade
- Private Penguin Parade Experience
- Penguin Sky Box
- Penguins Plus Viewing Platform
- Penguin Eco Explorer
- Ultimate Penguin Tour
- Phillip Island Nature Park Activities Program
- Phillip Island Nature Park Education Program
- Koala Conservation Centre and Ranger Guided Walk
- Churchill Island Heritage Farm and Ranger Tour

Eco tours

The Nature Park continued to provide a range of interpretive services and programs to welcome visitors and to interpret our natural and cultural values. A total of 1,459 visitors attended ranger guided eco tours across our four precincts.

A total of 6,558 visitors experienced the 'Ultimate Penguin Tour' and the 'Private Penguin Parade Experience', which provided visitors with unique ranger led experiences.

Awards

- Finalist - 2009 Victorian Tourism Award: Major Tourist Attraction
- Winner for three years in succession - Victorian Tourism Award: Best Ecotourism Attraction - Hall of Fame

Conservation

In a milestone not seen in 42 years of monitoring, no Little Penguin deaths due to foxes were recorded on Phillip Island during the financial year.

Habitat

A *Native Vegetation Management Plan* for Cape Woolamai was completed by Oates Environmental and Pathways Bushland and Environment consultants. This plan builds on recent botanical surveys completed by the Nature Park to increase our knowledge of local environmental assets and provides a five-year works plan for the area.

Summerland estate

The Department of Sustainability and Environment has completed the purchase of all house blocks and vacant land on the Summerland's Estate as part of the Summerland buy-back program.

The Nature Park was allocated \$3.4 million by the Victorian State Government in the 2010/11 budget for the rehabilitation of the housing estate into penguin habitat over the next three years. Planning has commenced for the removal of the remaining houses, as well as protection of Little Penguins and their habitat from fire, weeds and vermin. The completion of the Summerland buy-back will enhance and expand the habitat of the Little Penguins and other seabirds to safeguard their future on Phillip Island.

Revegetation

- Revegetation projects or works were carried out at over 20 sites throughout the Nature Park over the last 12 months. Major sites included Rhyll Tip (commissioned by Bass Coast Shire Council), the entrance to the Penguin Parade (sponsored by VicRoads), Ventnor Koala Reserve (Melbourne Water grant), Penguin Parade, Summerland estate, Koala Conservation Centre and Fishers Wetland (Melbourne Water grant through the Port Phillip and Westernport Catchment Management Authority).
- More than 65,000 indigenous seedlings (including over 55,000 propagated in our own nursery) were planted and over 70kg of indigenous seeds were collected from 30 plant species.
- Seed or plant material from seven rare or threatened plant species were propagated for future revegetation projects and biodiversity enhancement.

- As a part of a contractual agreement with Bass Coast Shire Council, 20,000 indigenous trees were planted at the Rhyll Tip to complete stage two of the three stage rehabilitation plan. In addition, nearly 30kg of indigenous seeds were supplied to hydro-mulching contractors to maximise the ground coverage for the project. All seed and plant material were collected by volunteers and Nature Park staff.
- Much of the seed collection, planting, nursery work and site maintenance was undertaken by volunteers. These included: International Student Volunteers, corporate volunteer groups from Toyota and National Australia Bank, university students undertaking work experience, school groups and local Coast Action Groups.
- Coast Action Groups (Sunderland Bay/Surf Beach, West Woolamai), Smiths Beachcombers Association and Friends of Koalas planted nearly 4,000 plants and contributed many hours of weed work and site maintenance.

Wetlands and waterways

The eradication of weeds such as Bridal Creeper, Asparagus Fern and Kikuyu at the Ventnor Koala Reserve was facilitated by a Melbourne Water Grant in 2010. This area is part of the upper catchment for an arm of Saltwater Creek.

The eradication of Tall Wheat-grass at Fishers Wetland continued throughout the year and was followed by planting of wetland and flood plain indigenous grassy vegetation species. Rabbit control was undertaken to assist revegetation works. This was funded by a grant from Port Phillip and the Western Port Catchment Management Authority.

Water quality monitoring of waterways continued monthly during the year. Information will be shared with Melbourne Water to help establish the overall health of waterways in the south-east region.

Weed control, particularly Kikuyu at Swan and Green Lake has continued to help reduce the spread of this very insidious species. Natural regeneration and planting of indigenous species will assist in increasing the biodiversity at these sites.

Pest plants

- Nature Park staff and volunteers undertook 1,612 hours of weed control works. This figure excludes the contract spraying associated with Caring for Our Country, Melbourne Water, Bush Guardians and Good Neighbour Grants.

Conservation

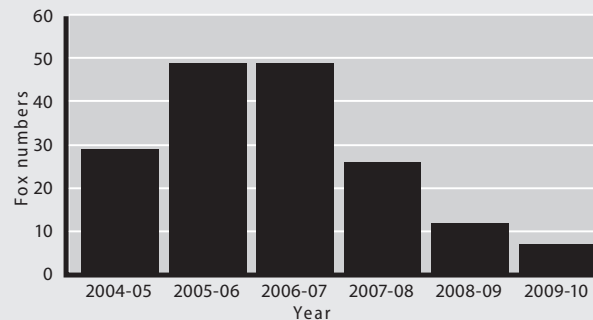
- Work concentrated on Little Penguin and Short-tailed Shearwater habitat areas and Hooded Plover nesting beaches as well as wetland areas.
- African Boxthorn removal and follow up was undertaken at Cape Woolamai, Swan Lake, the south coast, and Summerland Peninsula.
- Kikuyu remains a major threat to penguin and shearwater habitats and spraying along the south coast of the island and around the Summerland Peninsula continued.
- A major project removing and chipping woody weeds along the roadside entrance to the Summerland Peninsula was undertaken, with sponsorship from VicRoads. Revegetation of the area followed.
- Removal and chipping of woody weeds continued in the Summerland Estate with a grant from the Penguin Foundation.
- Habitat management continued at the Penguin Parade with the removal of Coastal Tea-tree to promote nesting habitat for penguins.
- Annual weeds such as thistles, cape weed and smoke weed were sprayed or removed by hand in habitat areas.
- Extensive weed control was undertaken at Observation Point and around Rhyll Inlet with the aid of a Caring for Our Country Grant facilitated through the Western Port Catchment Management Authority.

Pest animals

Foxes

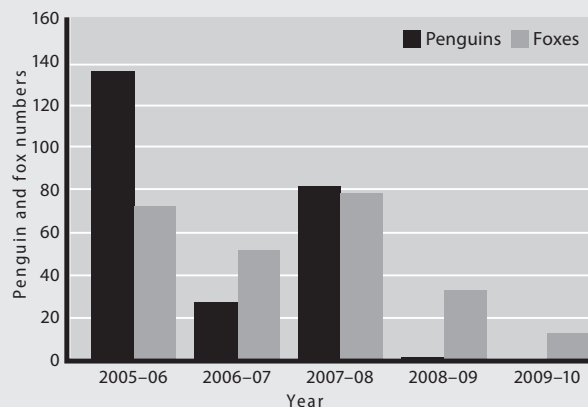
- An estimated 13 foxes were killed. Foxes were targeted using an island wide baiting program conducted four times during the year.
- In 278 hours of spotlighting foxes were seen only on seven occasions (Figure 1). Although these sightings were brief, they were followed by increased intensity in baiting and trapping, ultimately resulting in fox bait uptakes.

Figure 1 Number of foxes seen spotlighting



- No fox-killed penguins were recorded this year, which is a first in the recorded history of Phillip Island (Figure 2). Foxes were introduced to Phillip Island in the early 1900s and historic accounts of foxes killing penguins and other local seabirds were common. It has been a century since fox numbers have reached such low levels (estimated at less than 20). With an increased focus on reactive control programs (from sightings, tracks and scats) to supplement existing island wide baiting programs, the Nature Park hopes the eradication of foxes on Phillip Island will be achieved in the next year and a half.

Figure 2 Number of Little Penguins and foxes killed per year



- Infrared cameras were utilised across Phillip Island to detect foxes in areas where traditional tracking and spotlighting were not possible. In the Surf Beach area where a fox was photographed, we undertook intensive spotlighting, baiting and trapping efforts, resulting in two baits being taken by a fox.

Conservation

Purchase of cameras was partly funded through a Caring for Our Country grant.

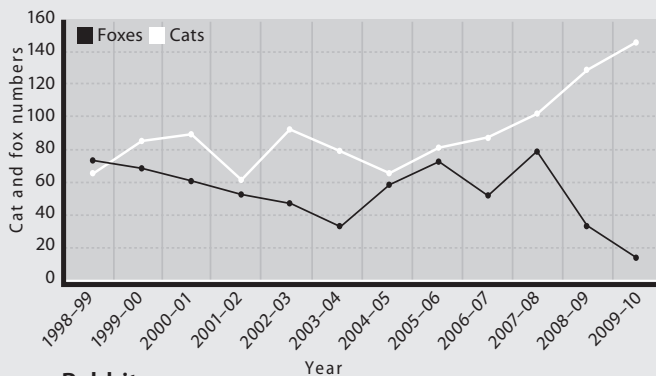
Feral and Roaming Cats

Feral and roaming cats were an unrelenting threat to Phillip Island's wildlife and we saw a dramatic increase in their numbers trapped in the last five years. This was an expected outcome – as foxes from the island are removed, a niche for cats to take their place developed. This highlights the importance of further cat control in the future.

In the past year, 147 feral and roaming cats were trapped and destroyed (Figure 3). This sets the record for the highest number of cats removed from the Nature Park within a year. Trapping efforts concentrated on important breeding areas for Little Penguins, Short-tailed Shearwaters and Hooded Plovers as well as shorebird roosting and feeding areas at Observation Point and the Nature Park's Ramsar shoreline. Work at Observation Point was funded through a Caring for Our Country grant.

A public education and awareness campaign was undertaken to reinforce the importance of keeping cats confined. The Nature Park is working with Bass Coast Shire Council, Landcare and the Phillip Island community on future strategies to reduce feral cats not only from the Nature Park but across the island.

Figure 3 Number of cats and foxes destroyed 1998–2010



Rabbits

A broad scale rabbit control program utilising Pindone™ oat bait was completed in partnership with landowners and Landcare for eastern Phillip Island. Rabbit control including harbor removal, warren fumigation and destruction were also undertaken on Observation Point and the northern Ramsar shore of Phillip Island with the support of a Caring for Our Country grant.

Other Pest Animals

In conjunction with the Bass Coast Shire Council Mosquito Program, the Nature Park again used 'VectoBac®' as a biological control of mosquito larvae (when in plague numbers) at Newhaven and Churchill Island salt marshes.

Infringement Notices

A total of 33 infringement notices were issued over the year. Roughly half the notices were related to fisheries offences. There were also two successful court cases regarding non-compliance of abalone quotas. This matter was handled in conjunction with Fisheries Victoria.

Emergency management

No incidents were reported this year. Nature Park staff attended Shoreline Clean Up and Oil Spill Emergency management training and the Spillcon Oil Spill conference.

Nature Park staff attended Western Port Oil Spill and Emergency Management meetings, Bass Coast Shire Council Community Safety Committee meetings and participated in the preparation of the Victorian Fire Risk Register for Bass Coast Shire.

Wildlife rehabilitation

During the year only 89 Little Penguins were admitted to the wildlife rehabilitation hospital (Figure 4). This is the lowest number of penguins treated since 1990-91 and well below the long-term average of 133. The release rate was 51% (more juveniles were released than adults - 77% versus 55%).

Only one Little Penguin was admitted for oil contamination (believed to be weathered diesel fuel). Starvation on land and at sea was the highest cause of penguin admissions, totalling 49% of all cases. When combined, injuries obtained while at sea and on land make up the second largest group. Many of these injuries were thought to involve boat strikes and required the attention of a veterinary surgeon at Newhaven Veterinary Clinic.

Two hundred and eighty two native animals other than penguins were admitted, a decrease on last year's numbers (Figure 5) and a welcome change from the upward trend in recent years. No wild koalas were received for care.

Conservation

Rescue / transport volunteers enabled the Nature Park to offer 24 hour response to wildlife emergency calls for the Phillip Island community. Their continued support is gratefully acknowledged. We would also like to thank the volunteers of the Short-tailed Shearwater Patrol for their dedicated efforts over the April-May fledgling period. Bass Coast Shire Council, SP AusNet and VicRoads also contributed to the success of this program.

Highlights of the year in wildlife rehabilitation:

- Only 89 Little Penguins were admitted to the wildlife hospital.
- Only one oiled penguin admitted.
- A reduction in other wildlife admitted to 282 animals.
- Successful recruitment of additional rescue / transport volunteers including on-call managers.
- Joint Nature Park and Wildlife Victoria training day.
- Rescue of 269 Short-tailed Shearwaters from Phillip Island roads.

Notable species admitted:

- A Loggerhead Turtle was transferred to a specialist shelter after spending a month with the Nature Park. (Listed as endangered by the Commonwealth Department of Environment, Water, Heritage and the Arts).
- A Wedge-tailed Eagle was transferred to a specialist shelter.
- A Northern Giant-Petrel was successfully released (Listed as vulnerable by the Commonwealth Department of Environment, Water, Heritage and the Arts).
- Successful rehabilitation and release of a Fiordland Crested Penguin (Classified vulnerable by the International Union for Conservation of Nature Red List).
- Successful rehabilitation and release of a Fairy Prion (Listed as vulnerable by the Commonwealth Department of Environment, Water, Heritage and the Arts).

- An examination of a Cape Barron Goose determined that the bird had no chance of being successfully rehabilitated and it was euthanased. (Listed as vulnerable by the Commonwealth Department of Environment, Water, Heritage and the Arts).

Figure 4 Rehabilitation outcomes for Little Penguins 2009/10

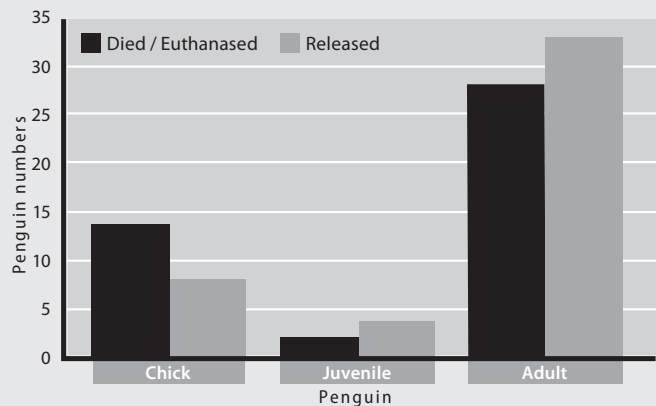
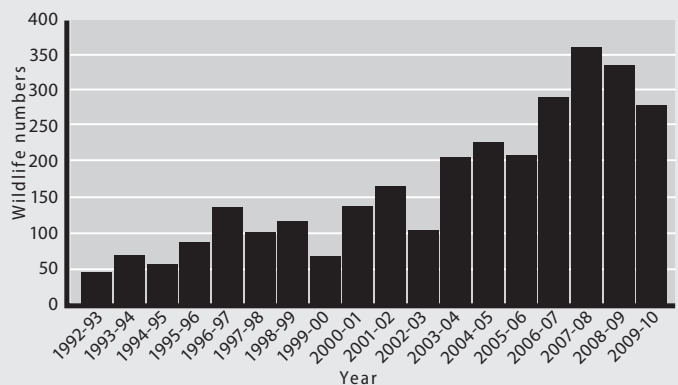


Figure 5 Number of hospitalised native wildlife other than Little Penguins



Conservation

Significant species

Hooded Plovers

The 2009/10 breeding season was the second most successful season recorded with nine fledged chicks. The previous best seasons occurred in 2000/01 and 2003/04 when 10 chicks fledged. The average number of chicks fledged for the previous 10 seasons was 6.8 chicks.

Nature Park staff and Hooded Plover Watch volunteers were involved in four Hooded Plover and gull counts and undertook over 60 hours of nest protection and public education. Nest records were completed for all nesting attempts and rangers erected temporary beach closures, nest progress signage and chick shelters as required.

The downside of the season was the number of failed nests. The major reason for failure was unknown predation of eggs, with approximately 50% of nests suffering this fate. This has been a noted trend in the past few years and the Nature Park is investigating research opportunities to increase our understanding of the Hooded Plovers.

Crested Terns

Prior to 1994, Crested Terns on Phillip Island only bred at Seal Rocks. In 1966, 40 nests were recorded at Seal Rocks, but the colony had declined to only six nests by 1978. The tern colony at the Nobbies first appeared in the 1994/95 breeding season when 900 nests were recorded. Many new recruits, as shown by band recoveries, came from the main Victorian colony at Mud Island in Port Phillip Bay. This year, breeding commenced on 23 October and 4,528 tern chicks were banded by the end of January in collaboration with the Victorian Wader Study Group (VWSG). The colony was estimated at 4,800 pairs, the greatest number recorded so far. Crested Terns are listed under Japan-Australia Migratory Bird Agreement (JAMBA) and the Marine Provisions of the *Environment Protection and Biodiversity Conservation Act*.

Koala conservation

The Nature Park managed 33 captive koalas within the protected habitat of the Koala Conservation Centre.

Three koalas born in the centre reached independence during the year. The addition of a male koala from South Gippsland will contribute genetic diversity within our population in future years.

Nature Park staff received 16 reports of wild koalas from the public throughout the year (compared with 18 reports from the previous year). Only one koala required relocation due to the danger posed by nearby dogs. These low numbers may be due to Phillip Island's small koala population outside of the Koala Conservation Centre which we currently estimate to be less than 50.

Capital works

Capital works were undertaken to improve safety, provide amenities and protect natural resources.

The following improvements/upgrades were completed during the year:

- Construction of a new boardwalk at the Penguin Parade to provide disabled access.
- Construction of a new undercover education facility and animal nursery at Churchill Island.
- Construction and completion of new Koala Conservation Centre
- Substantial upgrade to the visitor centre at the Koala Conservation Centre to become the new Chisholm Education Centre.
- Replacement of the sails front entry structure at Penguin Parade.

Conservation

Grants

Successful grant applications were made to:

- Caring for Our Country through the Port Phillip and Western Port Catchment Management Authority: Western Port Ramsar Protection Program - Phillip Island Nature Park (\$138,000).
- Bush Guardians, Department of Sustainability and Environment: Protection of Swamp Scrub and Plains Grassy Woodland and Victorian Rare or Threatened (VROT) species in the Ventnor Koala Reserve, Phillip Island Nature Park, Victoria (\$8,140).
- Coast-Action Coastcare: Protection of Short-tailed Shearwaters and Hooded Plovers at Berry's Beach, Phillip Island (\$10,000).

Events

The Nature Park hosted the following events at Churchill Island:

- Chill Island music festival
- Churchill Island Easter Family Fun Festival
- Garden Lovers Festival
- Art and Soul Festival
- Monthly regional farmers markets

Research

Research directs wildlife management through targeted programs designed to protect key species as well as marine and terrestrial ecosystems in the unique environment of Phillip Island

Research is a crucial component of the management of the Nature Park through integrated programs focussing on current threats to key species, future challenges and frontier science. The research team is also committed to disseminating the results to the wider community through engagement with the Education and Environment teams and the media. Much of the research conducted at the Nature Park relates to local environmental issues. A full listing of these for 2009/10 is provided in the Publications List on pages 44-46.

The Nature Park maintained an international profile in penguin and seal research through the publication of scientific papers in international journals, collaborations with national and international scientists and institutes, and participation in international conferences and committees. Formal links with universities are highlighted by the co-supervision of 18 higher degree and honours students during the year and the honorary academic positions of research scientists at four universities.

The main research directions for the year included projects which focused on:

- Population size of Little Penguins on Phillip Island.
- Foraging behaviour of Little Penguins.
- Climate change and Little Penguins.
- Development of technology for cleaning oiled seabirds.
- Foraging of Australian Fur Seals.
- Management of Hooded Plovers.

The Nature Park Board was assisted by a Scientific and Research Advisory Committee which included external scientists who advised on scientific issues and research directions. The committee met once during the year to review current projects, research programs and budgets for the coming year. The Nature Park also acknowledges the generous support of major research sponsors including BHP Billiton, Toyota and the Penguin Foundation.

Research highlights

- Effects of age and experience on Little Penguin foraging.
- Publication of results on the long term effects of climate change on Little Penguins.
- Most robust estimate to date of the breeding population of the Little Penguins.

Ecology of Little Penguins

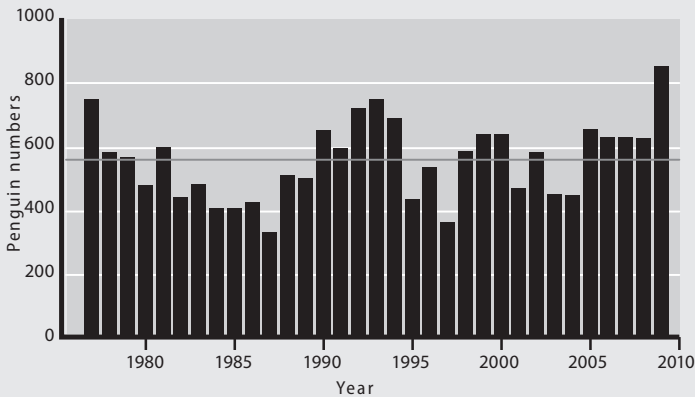
Research into Little Penguin ecology focused on their breeding ecology, foraging activity and diet, their predicted response to climate change, changes in population size, and monitoring the impact of channel deepening in Port Phillip Bay. Another year of satellite tracking of penguins during the chick-rearing season and winter was conducted and investigations are underway into potential competition and displacement between Little Penguins and Short-tailed Shearwaters, which has particular relevance to management at the Penguin Parade.

Research

Breeding ecology of Little Penguins

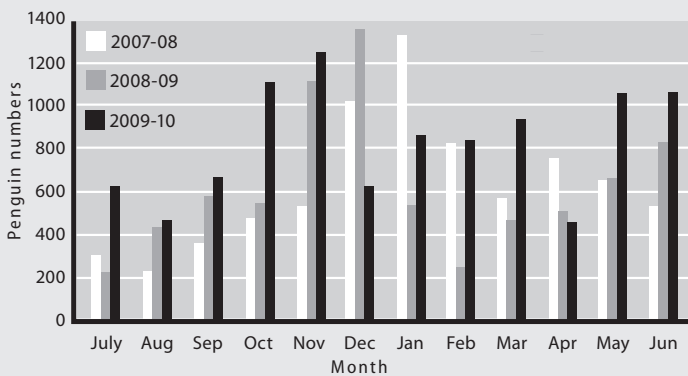
In 2009/10, the average annual number of penguins crossing the beach at the Penguin Parade increased from earlier years. This figure of 560 (indicated by a horizontal line in Figure 6) is higher than the long term average for the last 33 years. The averages were 636 in 2007/08 and 633 in 2008/09 and 860 in 2009/10.

Figure 6 Number of Little Penguins crossing Summerland Beach



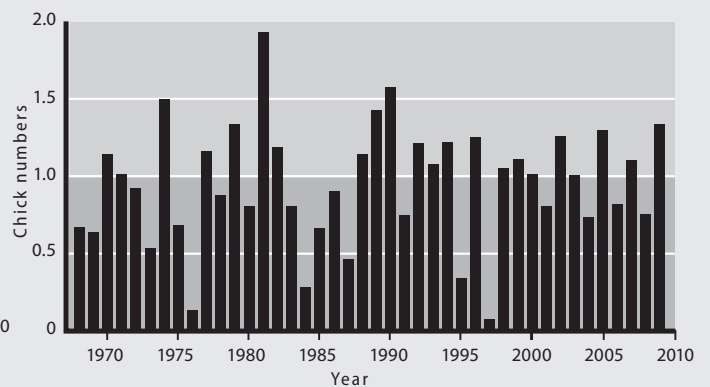
The seasonal pattern of penguin attendance has remained predictable over the past three years with higher numbers in spring/summer (breeding season) and lower numbers in autumn/winter (non-breeding season). Penguin numbers have generally been higher in 2009/10 during autumn and winter (Figure 7).

Figure 7 Average number of Little Penguins crossing Summerland Beach at the Penguin Parade



Breeding success was examined at six study sites around the Summerland Peninsula and 1.31 chicks fledged per pair (Figure 8) which was above the long-term average of 0.94. The average laying date of the first clutch was 15 September and a fortnight earlier than the long-term average. Chicks weighed 1028g on average, just prior to fledging, which is also higher than the average of 919g for the last 42 years.

Figure 8 Little Penguin chicks hatched per year hatched at Penguin Parade colony



Penguin foraging ecology

An important part of the Nature Park's research strategy is to engage with research institutions in Australia and overseas. We finalised a project conducted in collaboration with Dr. Ilka Zimmer, as part of her post-doctorate at the University of Strasbourg in France. The project was sponsored by grants from the Penguin Foundation, European Union and the French Council for Research as well as the Nature Park.

Dr Zimmer's project examined age as an important factor which influences Little Penguin foraging behaviour. The first part of the research aimed at disentangling the interacting factors that may influence Little Penguin foraging behaviour as a first step in penguin foraging analysis, using complex statistic analyses (Principal Component Analyses). It highlighted the ecological consequences of these resulting relationships on the ability of Little Penguins to optimise food acquisition and provide important information for the breeding success of penguins.

Research

This result set the scene for the second part of the project, which explored how diving behaviour changes between penguins of young age and at old age. Similar to what is already known to their breeding success on land, "middle age" seems to be the best age to forage. This information can assist in management of the penguin population at Phillip Island by predicting the capacity of penguins at different ages to adapt to environmental and climatic changes.

Penguins and climate change

One of the strengths of the Nature Park is the data spanning 42 years of breeding and survival information that we have for penguins. Fortuitously it allows us to predict some of the effects of climate change on penguins and, because it is one of the only datasets of such duration for south-eastern Australia, our work is also of great interest to marine ecologists. The Nature Park's penguin work on climate change is also of considerable international interest with several papers being published in international journals. Research Manager, Dr Peter Dann was recently invited to speak at the World Seabird Conference in Canada on predictions concerning penguin survival and ocean temperatures.

We have several key partners in our climate change research: Lynda Chambers (Bureau of Meteorology - climate predictions); Ted Catchpole and Leesa Sidhu (Department of Physics, Engineering, Mathematics and Statistics, University of New South Wales - modelling); Yan Ropert-Coudert and Aikiko Kato (Institut Pluridisciplinaire Hubert Curien, France - diving behaviour and analysis) and Sandra Diamond (University of Western Sydney- ecopath modelling).

In a project funded by the Department of Sustainability and Environment, a review of the potential climate change impacts on Little Penguins was investigated under five broad headings: sea-level rise, decreased rainfall and humidity, ambient temperature rise, sea temperature changes and winds, southern oscillation index and acidification.

Sea-level rise

We believe there will be some small loss (less than 1%) of penguin breeding habitat on the Summerland Peninsula due to sea level rise in the next 100 years however, the breeding habitat is unlikely to be limited on the Peninsula during this period. Some erosion in the vicinity of Whaleshead Creek and further east is likely and this has implications for the Penguin Parade.

Decreased rainfall and humidity

It is predicted that there will be little appreciable direct impact of decreased rainfall and humidity on adult Little Penguins over the next century. However it seems likely that fire risk will increase and this warrants management to ensure penguin survival is unaffected. In addition, if the availability of anchovies is reduced by decreased rainfall, then adult penguin survival (and possibly breeding productivity) may be reduced.

Increasing air temperatures

Increasing temperatures in burrows during daylight are likely to increase adult mortality slightly and chick mortality to an unknown extent. Increasing burrow temperatures may also play a role in determining breeding success. This warrants investigation as does the scope for mitigation of burrow microclimates through vegetation management and artificial burrow design.

Sea-surface temperatures in Bass Strait

Increasing sea-surface temperatures in Bass Strait may result in an earlier start to the breeding season, increases in breeding success and increases in first-year survival. Decreases have been predicted in adult survival, but more work is required to confirm the direction of this relationship. More productive breeding seasons and higher first-year survival should improve recruitment into the breeding population. Increased stratification of the water column may reduce productivity and, correspondingly, food availability for penguins but, conversely, increase foraging efficiency of Little Penguins.

Research

Winds, southern oscillation index and ocean acidification

Decreasing winds in the region are likely to reduce the recruitment of fish populations and hence the availability of food for penguins, with potential impacts on their survival and breeding success. It is unknown if wind direction and velocity directly affect penguin foraging success. Increasing acidification may reduce food availability for penguins.

Overall there are a number of aspects of the biology of penguins that are likely to be affected, both positively and negatively, by predicted climate change over the next 100 years. Breeding productivity and juvenile survival seem likely to improve with increasing sea temperatures. Marine productivity and adult survival perhaps, seem likely to decline while the feeding behaviour of penguins will possibly experience both negative and positive impacts as a consequence of climate change. Some of the negative impacts can be addressed in the short-term, particularly those resulting from expected changes to the terrestrial environment.

Penguin food in mixed waters

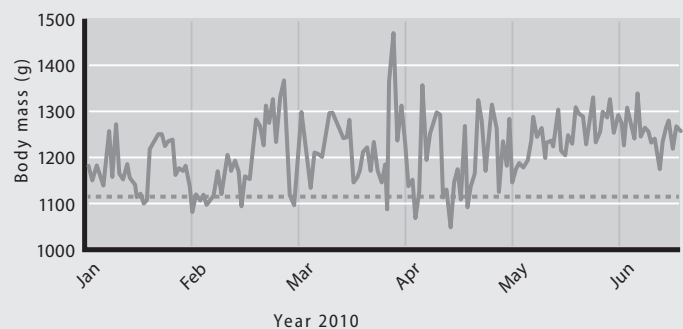
Little Penguins were used to study the effects of climate change in the ocean in research published in the *Proceedings of the Royal Society London*. While comparing the temperature of the water column and favourite depths for penguins to fish in Bass Strait, it was found that Little Penguins prefer to feed near thermoclines (the distinct layer between two large bodies of seawater of different temperatures). When thermoclines were not present (due to the water being highly mixed), the penguins' diving depths were scattered along the water column, causing lower breeding success and lighter offspring weight. Thermoclines are usually rich in nutrients, creating an attractive feeding zone for small marine animals and fish. They can also work as barrier for ectothermic fish (ectothermic animals cannot control their body temperature and rely on external temperature for their source of heat), which are unable to move between waters of different temperatures. Little Penguins seem to take advantage of these hot spots to forage during the crucial period when they are feeding young chicks. The importance of this finding is that extreme weather events are expected to increase in the future due to climate changes as predicted by the Intergovernmental

Panel on Climate Change report in 2007. Storms, for instance, would contribute to the mixing of the water column and dispersal the thermoclines, which will make harder for penguins to find food to feed their chicks in the future.

Monitoring penguin weights

Over the past 12 months we continued to contribute weight data to the Baywide Little Penguin monitoring program. This program is one of several programs monitoring the health of the environment during the Port Phillip Bay Channel Deepening Project. To date, the daily average weight of the penguins (Figure 9) has generally remained above their long-term average weight. The weight of males and females followed a similar trend, confirming the general good condition of the penguins throughout this period. One likely explanation for the relative increase in weight during this time is that there was an increase in food availability compared to previous years. Preliminary analysis of penguins that were fitted with satellite trackers in June 2010 show a greater proportion of locations immediately to the south-west of Phillip Island compared to individuals tracked in the past. The location and duration of winter foraging trips is likely to be primarily driven by the availability of food. The shorter range trips in 2010 may therefore indicate a greater availability of prey closer to the Phillip Island colony.

Figure 9 Mean body mass of Little Penguins from January 2010 in grey and the long-term average body mass (dotted line)



Research

Population size and trends

The distribution of Little Penguins on Phillip Island has contracted substantially over the last century and is now restricted almost entirely to the Summerland Peninsula. Trends in penguin numbers on the peninsula have been assessed near the periphery of the colony and suggest two-fold fluctuations since 1977. But do counts at the periphery reflect the size of the colony as a whole?

Due to the large number of penguins and area they spread over Phillip Island, deriving a reliable estimate of penguin numbers is surprisingly difficult. Not all penguins come on land on a given day and the percentage that remain at sea changes throughout the year.

The number of penguins on the Summerland Peninsula has been estimated by conducting surveys for active burrows at 148 plots during the breeding season. Surveys were repeated in 7 years between 1984 and 2009. Corrections to these counts are then made to allow for penguins absent from their burrows on the survey days and for any active burrows missed in the count. The project uses demographic modelling of marked penguins at eight permanent study sites to estimate penguin numbers and burrow occupancy rates at each site, and then compares this to how many penguins would have been estimated from active burrow counts alone.

During the 2008 / 2009 breeding season we estimated the number of breeding penguins on Phillip Island to be 27,900. Preliminary estimates suggest numbers may be down from a decade ago but up from earlier years. The distribution of penguins over the peninsula, measured as part of the active burrow surveys, has expanded inland and into the Summerland Estate area since the estate buy-back commenced.

Estimates are being compared with other measures of population change such as counts of penguins crossing the parade on Summerland beach and demographic trends in survival and recruitment. Regulating factors associated with the observed population trends are also being compared to identify candidate drivers of population change. Such factors include marine food resources, predation by introduced carnivores, altered reproductive output, potential competition with other

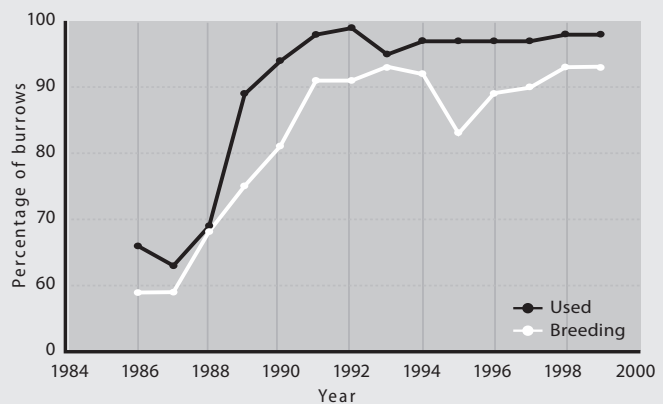
seabirds, and various management actions aimed at conserving the population. Two research papers investigating current colony size and the trends through time are in progress and will be presented at the 7th International Penguin Conference in Boston.

Penguins and artificial burrows

Little penguins on Phillip Island first occupied artificial nesting boxes in 1969 when boxes were first installed in the Penguin Parade area. Since 1986, artificial burrows have been placed in the Summerland Estate to provide shelter and breeding sites for birds displaced by the removal of houses as part of the Estate buy-back. Uptake of these boxes has been monitored since 1986 to determine burrow occupancy rates and to compare breeding success with natural burrows.

Artificial burrows were rapidly occupied with over 60% of boxes supporting resident penguins within the first year and most of those showed breeding activity (Figure 10). No difference in breeding success was evident between natural and artificial burrows although male penguins exhibited greater burrow fidelity at artificial burrows than natural burrows, possibly because the artificial burrows lasted longer. Artificial burrows are an effective management tool for conserving Little Penguin breeding sites.

Figure 10 **Percentage of artificial burrows installed in the Summerland Estate used by Little Penguins since 1986.**



Research

Ecology of other seabirds and waders

The Nature Park also conducted research on the ecologies of gulls, terns and plovers that have resident populations on Phillip Island. A national conference hosted by the Nature Park on gulls and terns showcased our research and monitoring activities. Research continues on two species of particular concern on the island, Crested Terns and Hooded Plovers.

Gulls and terns conference

Following on from the success of the first symposium on gulls at Phillip Island in 2002, a second symposium devoted to the biology and management of Australian gulls and terns was held on Phillip Island in May 2010. Forty people from Tasmania, Western Australia, South Australia, Victoria, New South Wales and Queensland attended the symposium that was jointly sponsored by Phillip Island Nature Park and the Australasian Seabird Group. Twelve presentations were made (four on Pacific and Kelp gulls, eight on terns), followed by a forum discussion.

Fox demographics and eradication

A significant research program on population genetics of Red Foxes on Phillip Island was conducted in collaboration with Dr Oliver Berry from the University of Western Australia. Island foxes were found to be genetically distinct from foxes on the adjacent mainland. Three mainland-born foxes (all males) contributed to the sample of 480 foxes killed on Phillip Island between 1994 and 2008, demonstrating that migration to the island occurs at a low rate. Aging of foxes based on growth rings in teeth, and genetic data on sibling relatedness both suggest that during the late 1990s, the population on the island raised approximately 18 litters per year and comprised a total of 140-180 individuals. Modelling of eradication potential demonstrated that fox control effort should be focused wholly on the island. The limited migration of male foxes onto the island is unlikely to prevent eradication, but migration should be reduced where possible to minimise the risk of re-colonisation.

Professor Stephen Harris, a world renowned fox expert from Bristol University, visited the Nature Park to review our fox eradication strategy and collaborate in further research. He was particularly encouraging of continuation of the eradication strategy, which involves island-wide baiting.

Marine ecology of Australian Fur Seals

Research on Australian Fur Seals continued in the areas of foraging activity, diet, and entanglement rates. Two key papers were published on Australian Fur Seal population recovery and genetic diversity following the over-harvesting in the 18th and 19th centuries, and two studies on fur seal diet and response to ecotourism have been completed.

Seal tracking project – juveniles

This was the sixth year of the juvenile Australian Fur Seal foraging study. In July 2009, we deployed seven satellite trackers at Lady Julia Percy Island, bringing the total juveniles tracked so far to 33 from Seal Rocks and 19 from Lady Julia Percy Island. The seals' movements this year were followed for periods of 34 to 111 days. Five of the seven devices were later recovered.

Australian Fur Seal diet

Diet monitoring continued at Seal Rocks with samples collected at near monthly intervals. During 2009/10, collections were made at Seal Rocks on: 11 August, 7 September, 25 October, 14 January, 16 March, 30 April and 4 June, and at Lady Julia Percy Island on 22 September, 26 October and 4 February. All samples collected between January 2007 and June 2010 were pre-sorted during this year and await analysis.

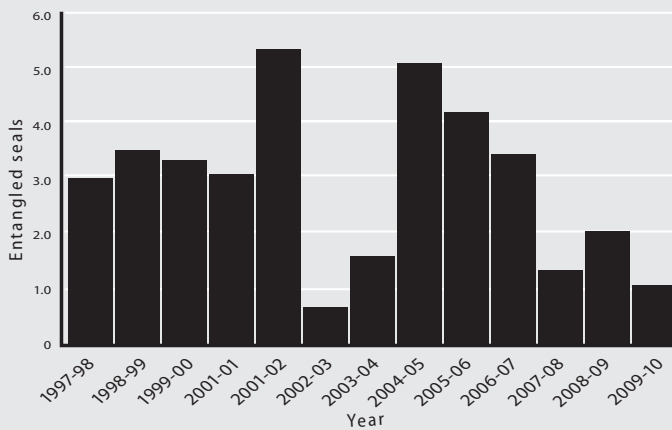
Research

Entanglement rates of Australian Fur Seals

Entanglement monitoring continued at Seal Rocks during 2009/10. Ten entangled seals were seen and material was removed from six of these. Since 1997, we have seen 301 individually identifiable seals at Seal Rocks that were entangled in marine debris and removed from 139 (46%) of these.

The incidence of entanglement appears to have declined in recent years from an average of three seals per visit to Seal Rocks to less than two seals per visit (Figure 11). This is largely due to a drop in the prevalence of trawl-net entanglements. Still, trawl-net accounted for 46% of the entanglements recorded to date. In 2009/10, the debris most commonly seen around seals was fishing line (3 cases) and no seal was seen entangled in trawl net.

Figure 11 Mean number of entangled seals seen per visit ashore at Seal Rocks



Population recovery of Australian Fur Seals

Australian Fur Seals are conspicuous, top-level predators in coastal waters of south-eastern Australia that were over-harvested during the 1800s and have had a delayed recovery. A species-wide estimate of live pups in 2002 recorded a near-doubling of annual pup production at a 5% annual growth rate since the 1980s. To determine if pup production increased after 2002, we estimated live pup numbers in 2007. Pups were recorded at 20 locations: 10 previously known colonies, three

newly recognised colonies and seven haul-out sites where pups are occasionally born. Two colonies adjacent to the Victorian coast accounted for 51% of live pups estimated: Seal Rocks (5660 pups, 25.9%) and Lady Julia Percy Island (5574 pups, 25.5%). Although some colonies were up and some were down in pup numbers, the 2007 total of 21 882 live pups did not differ significantly from a recalculated estimate of 21 545 in 2002, suggesting little change to overall population size. However, the colonisation of three new sites between 2002 and 2007 indicates population recovery has continued.

Genetic status of Australian Fur Seals

Genetic variation and the way in which it is partitioned among populations, has implications for a species' survival and evolutionary potential. Such information is particularly important for the successful conservation and management of species that have experienced past human impacts and potential losses of genetic diversity. Overharvesting of the Australian Fur Seal in the 18th and 19th centuries resulted in severe population reductions and elimination of an estimated 17 of 26 colonies. Currently, the subspecies is recovering with most situated in Bass Strait in south-eastern Australia. Genetic analysis of samples collected from pups at nine colonies revealed no difference in allelic diversity or heterozygosity at five microsatellite loci and no differences in haplotype diversity within a 344 base pair region of the mitochondrial DNA control region. There was some evidence for isolation by distance but the program STRUCTURE predicted a single cluster of individuals. Gene flow among colonies appears to be substantial at present, indicating that the Australian Fur Seal is currently a single, panmictic unit. Low mean numbers of alleles per locus and heterozygosity compared with other Fur Seals that also suffered severe over-exploitation might reflect the recent (~12,000 year ago) founding of the Australian Fur Seal sub-species from the Cape Fur Seals of southern Africa.

Research

Seal responses to boat approaches

Masters student and Fullbright Scholarship recipient, Julia Back (Deakin University), completed her research on the responses of Australian Fur Seals to boat approaches. The responses were investigated at two colonies, Kanowna Island which is infrequently approached by boats, and Seal Rocks which is exposed to routine boat traffic. Boat approaches to Kanowna Island reduced resting and suckling behaviours and caused many seals to flee into the water. Behaviours did not return to pre-approach levels for at least two hours post approach. Seals were more responsive to closer approaches (to 25 m) and approaches during the morning, and less responsive to approaches at a greater distance (to 75 m) and during the afternoon. Suckling behaviours were affected most strongly during the summer post-breeding period, which coincides with when pups are small and impacts of milk deprivation are greatest. Thus, Australian Fur Seals do perceive approaching boats as a substantial threat.

Seals at Seal Rocks exhibited considerably less sensitivity to ecotourist boat approaches than did seals at the Kanowna Island although there were small, consistent increases in activity and decreases in attendance (less than 2%). A large-scale response was observed in response to the first return of the ecotourist vessel after a two month absence. The results suggest that routine exposure to boats may increase the Australian Fur Seals' tolerance of boats, provided the visits are frequent and consistent.

Red Cod: a prey of seals and penguins

Jodie Kemp, a PhD student from The University of Melbourne, completed her Nature Park sponsored thesis on Red Cod (*Pseudophycis bachus*), a common fish in southern Australian waters, and important prey of Australian Fur Seals and Little Penguins. Until now, the ecology of this fish has been poorly understood, compared with our knowledge of more economically valuable species. Also, identifying the species of cod in the diets of seals and penguins has been difficult as the shapes of otoliths (bones in the ears of these fish) used

to distinguish fish species are so similar in cod. Jodie used a laser-ablation technique to examine otolith core chemistry and revealed that they were Red Cod rather than the similar bearded cod (*P. barbata*).

Red Cod were found to spawn between September and November in outer shelf waters. Chemical analysis of otoliths suggested populations of eastern and western Bass Strait were distinct. Larvae of Red Cod are recruited into coastal waters. Following this, there is limited migration of juveniles greater than 46 mm into bays and inlets (such as Western Port and Port Phillip Bay). After a few months, the juveniles turn around and migrate to the outer shelf where they spawn. Individuals who are one year old or greater rarely reside in the bays and inlets. The fish is short-lived. On the outer shelf of south-eastern Australia, it is uncommon to encounter Red Cod older than two years.

Research trawl surveys of Port Phillip Bay showed a significant decline in Red Cod numbers since 1996 (Greg Parry, unpublished data). This coincided with the 1995 mass-mortality of pilchards, formerly an important prey of Little Penguins, and an increase of Red Cod in the diets of the penguins. Trophic links between pilchards and Red Cod, or between Red Cod and higher predators, might have caused the post 1996 decline in Red Cod numbers.

Animal experimentation ethics committee

The Committee met three times during the year. Eight new projects were approved including research on Little Penguin foraging behaviour using bio-loggers and diet, Australian Fur Seal ecology and conservation, Victorian seabird distribution and abundance surveys, and fox control technologies. Seven previously approved projects continued through the year. The Committee conducted inspections of rehabilitation facilities at the Penguin Parade and Koala Conservation Centre.

Research

Honours and postgraduate research

An integral part of our strategy of continuing high quality research and maintaining a reputation as a research institute is to develop strong links with tertiary institutions and to supervise honours and postgraduate students. We were successful in attracting students from a variety of universities.

Theses completed and in progress (supervisor in brackets).

| Topic | Candidate | Institution |
|---|-----------------|----------------------------------|
| Completed | | |
| The population dynamics of Red Cod <i>Pseudophycis bachus</i> : a contribution toward elucidating the trophic ecology of this important prey species. | Jodie Kemp | PhD, The University of Melbourne |
| The effects of boat-based ecotourism on the behaviour of Australian Fur Seals (<i>Arctocephalus pusillus doriferus</i>) at colonies (Roger Kirkwood) | Julia Back | MSc, Deakin University |
| Climatic correlates of haul-out behaviour in Australian Fur Seals (<i>Arctocephalus pusillus doriferus</i>) (Roger Kirkwood) | Linda Garlepp | Honours, Monash University |
| Diet segregation and food assimilation of Little Penguins (Andre Chiaradia) | Rebecca Pitt | Honours, Monash University |
| Effect of nest temperature on Little Penguin <i>Eudyptula minor</i> breeding success. (Peter Dann) | Ashton Marsh | Honours, Deakin University |
| The diet of breeding Pacific gulls <i>Larus pacificus</i> in northern Bass Strait. (Peter Dann) | Tamara Leitch | Honours, Deakin University |
| The effect of the breeding state on immune function in Little Penguins. (Peter Dann) | Jess Evans | BSc. Hons, Latrobe University |
| In progress | | |
| Disease surveillance and epidemiological investigations in Australian Fur Seal populations (Roger Kirkwood) | Michael Lynch | PhD, Deakin University |
| Modelling foraging performance of three penguin species in relation to climate changes (Andre Chiaradia) | Claire Saraux | PhD, Université de Strasbourg |
| Distribution and overlap between two sympatric species the Little Penguin and the Short-tailed Shearwater– potential displacement and consequences for management (Andre Chiaradia & Duncan Sutherland) | Nora Loudiyi | MSc, Université de Strasbourg |
| Effects of predation and resource availability on western brushtail possum populations in the northern Jarrah forest (Duncan Sutherland) | Jennyffer Cruz | PhD, University of Queensland |
| Behavioural ecology of Little Penguins (Peter Dann) | Tania Billing | PhD, The University of Melbourne |
| Foraging ecology of Little Penguins at St Kilda (Andre Chiaradia) | Tiana Preston | PhD, Monash University |
| Gastrointestinal microflora of seabirds: phylogenetic and dietary relationships (Peter Dann) | Megan Dewar | PhD, Deakin University |
| Resource partitioning of breeding seabirds in Bass Strait (Peter Dann) | Nicole Schumann | PhD, Deakin University |
| Trace metal accumulation in Little Penguins (Peter Dann) | Annett Finger | PhD, Victoria University |
| The rational development of improved pre-conditioning agents for the removal of oil contamination from wildlife and rocky foreshore (Peter Dann) | Kasup Manuweera | PhD, Victoria University |
| Parental care and breeding ecology in the Masked Lapwing on Phillip Island (Peter Dann) | Adam Cardilini | BSc. Hons, Deakin University |

Marketing

Despite a challenging economic climate, our marketing activities succeeded in increasing visitation to 730,561

Our marketing team focused on increasing visitors to Phillip Island, selling tours and packages to maximise front gate yield, implementing promotional campaigns, developing e-commerce strategies and increasing online bookings.

In 2009/10, ticketed park visitation increased by 3.3% to 730,561 and yield increased by 0.8%. Nature Park visitation consisted of 48% domestic and 52% international visitors.

The Nature Park also worked closely with other organisations such as Tourism Victoria, Destination Phillip Island, Phillip Island Tourism Association and Bass Coast Shire Council to increase tourism for the benefit of the region.

Domestic marketing

Our domestic marketing activities focused on:

- Achieving an audience circulation of 50 million and a value of \$5 million through our national PR and media program. A media partnership with the *Herald Sun* was established and all major travel and leisure TV shows featured the Nature Park this year.
- Promoting the 3 Parks Pass as the preferred ticket type to increase awareness, length of stay on Phillip Island and visitor yields. Sales of our 3 Parks Pass increased by 37%, from 55,208 to 75,524.
- Providing new viewing opportunities for visitors across our attractions and building our ecotourism brand. We achieved significant increases in premium tour capacity throughout the year and expansion of tours at Churchill Island Heritage Farm.
- Fully integrated major sales and marketing promotions which included the Winter Hot Deal, School Holidays, Summer Treasure Island promotion, Easter 3 Parks Pass promotion and ongoing website promotions.
- Development of a new event concept during Easter on Churchill Island (Churchill Island Easter Fun Festival).

- Enhancing relationships with existing sponsors, wholesalers and inbound operators and developing new opportunities.
- Developing and upgrading our website to increase online bookings and visitors to Phillip Island.
- Building and enhancing relationships with local accommodation providers, Bass Coast Shire Visitor Information Centres and Federation Square and collaborating with them on cross promotions.

International marketing

Our international marketing activities focused on:

- Increasing visitation from eastern markets and maintaining our status as the leading attraction in Victoria for the China market.
- Introducing trade marketing initiatives – Chinese New Year promotion, Penguin Mission, winter stimulus package, *Neighbours* tour promotion. We also initiated and developed promotional campaigns with key wholesalers and retail agents.
- Improving our product knowledge in key western markets by focusing on new penguin viewing options. This resulted in sales increases across all of our premium tours and several ranger guided tours.
- Key international events, conferences, incentive markets and special interest groups. Partnerships with cruise ship operators were developed resulting in over 3,000 passengers visiting the Penguin Parade.
- Strong representation at major international sales missions organised by Tourism Australia and Tourism Victoria.
- Forging strong relationships with international wholesalers, key tour operators and day tour companies. New packages were developed to include the 3 Park Passes.

Marketing

- Strong representation at Australian Tourism Exchange in Adelaide. New and targeted collateral was produced in appropriate languages and customised itineraries were developed to target eastern and western hemisphere buyers.
- Launching new tours and products – Sky Box luxury package, Penguin Plus with a thirty minute multi-lingual audio guided tour (available in eight languages), Penguin Parade multi-lingual audio guided tour, Penguin Mission, and volunteer and education packages.

Penguin Foundation

Established in 2005, the Penguin Foundation aims to provide a dedicated source of funding for penguin research, rehabilitation, protection and rescue projects to ensure the ongoing survival of the Little Penguin colony on Phillip Island. By adopting a penguin, becoming a foundation member or making a donation, people have the opportunity to follow the life of a Little Penguin and to play an important role in the conservation of these unique creatures.

Key achievements:

- Enrolled close to 5,000 individual members, 78 corporate members and 84 schools.
- Raised more than \$610,000 since its inception.
- Distributed over \$160,000 to 17 Penguin research projects.
- Enlisted the support of 20 high profile Ambassadors to promote the Penguin Foundation.
- Held the annual Penguin Foundation Members' Open Day with over 150 attendees.

Education

Exploration, investigation and hands-on activities

The Education team utilised the diverse range of ecosystems within the Nature Park to deliver a variety of ranger-guided activities to school students, international visitors and the general public. We aimed to foster a greater understanding of the natural environment through exploration, investigation and hands-on activities.

This year saw an increase in students participating in education programs as well as the development of new initiatives. Overall 25,292 students were involved in formal education programs such as the Little Penguin Investigation, Rockpool Ramble, Koala Caper and Churchill Island Historical tour. This was a 11% increase from the previous year.

Education programs

In partnership with the South Gippsland Local Learning and Employment Network, the Education team undertook an Environmental Mathematics Camp for Year 11 students within the Gippsland region. Over the three day camp, students worked with data generated from the Nature Park Research team to discover how long Little Penguins forage and how deep Australian Fur Seals dive. This initiative won the Department of Education and Early Childhood Development Award for Excellence in Mathematics and Science for the Gippsland Region.

We also expanded our educational talks and resources. This included the development of kinder talks ('Just for Pups'), Victorian Certificate of Education (VCE) Ranger Talks at Rhyll Inlet and a more comprehensive set of Nature Notes. Two new educational programs for international student groups were developed this year: Penguin Mission and Little Penguin Research. These interactive ranger led activities encompassed penguin biology, research and threats to the colony.

The September and Summer School Holiday program saw approximately 2000 visitors enjoy Rockpool Spotlights, Koala Prowls and art and craft activities.

We embarked on new initiatives this year, forming partnerships with several local schools including San Remo Primary School, Leongatha Primary School and Lang Lang Primary School. Through these partnerships we aimed to engage students with the local environment and generate positive interactions with Phillip Island's unique flora and fauna.

Sixteen high school students undertook work experience with the Nature Park Education team. Students also assisted the rangers at the Penguin Parade and undertook ranger habitat restoration works. In partnership with the South Gippsland Local Learning and Employment Network, our Education Rangers supervised students who undertook 'Try a Trade' day and assisted with conservation and revegetation works at the Nature Park.

We also attended and presented at various educational conferences throughout the year. These included the Geography Teachers Association of Victoria conference, Science Teachers Association of Victoria conference, VCE Biology Teachers Conference and City of Casey Environment Expo.

Education

Coastal ambassadors

The Nature Park received the Victorian Coastal Award for Excellence in Education for its Coastal Ambassadors Program at the Victorian Coastal Council Awards. The award recognised the Nature Park's outstanding work in enhancing Victoria's magnificent coastal and marine environment through the development and delivery of environmental education.

Three Coastal Ambassador camps were held this year with 42 students and six teachers participating. The program incorporated marine biology, oceanography, wildlife research and outdoor activities which aimed to develop the students into ambassadors of the ocean and the environment in their local communities.

New Chisholm Institute partnership

We were delighted to announce a strengthening of the partnership between the Nature Park and Chisholm Institute with the new Chisholm Education Centre located at the Koala Conservation Centre. This is a natural progression in the relationship between us which commenced in 2004. We believe this partnership will extend skills development to the Phillip Island community and help meet the region's demand for training. A wide variety of TAFE training courses which are relevant to local job opportunities will be offered.

In addition, planning is well advanced to commence graduate and post graduate courses in ecotourism. Phillip Island Nature Park and Chisholm Institute are very well placed to deliver these courses which will provide practical experience and in depth training needs of participants.

Our team

The Nature Park's strength lies in it's team. We are leaders in ecotourism best practice and deliver exceptional customer service to our visitors and stakeholders.

The Board acknowledges the vast diversity in skills and significant contribution that the Nature Park staff make to the environment and the whole of Phillip Island, in areas including tourism, accommodation, local businesses and volunteering.

Workforce data

The Nature Park's workforce profile:

| Staff | 2008 / 2009 | 2009 / 2010 |
|--------------------|-------------|-------------|
| Executive Officers | 3 | 4 |
| Senior Managers | 6 | 7 |
| Supervisors | 9 | 9 |
| Administration | 13 | 15 |
| Commercial | 123 | 117 |
| Field | 31 | 33 |
| Total | 185 | 185 |
| Male | 76 | 71 |
| Female | 109 | 114 |
| Total | 185 | 185 |

The Nature Park had 185 employees at 30 June 2010 and continued to be the largest employer on Phillip Island. We maintained a sustainable workforce through the uncertainty of the global economy. The annual turnover of employees was 5.8% including seasonal staff. The *Nature Park Staff Handbook* is issued to all new staff on commencement. Our *Human Resources Manual* detailed the organisation's policies and procedures and was continuously updated throughout the year.

Staff training

We are pleased to advise that 100% of staff completed training last year. Our continued commitment to employee development saw staff undertaking tertiary courses which included the Diploma of Management, Diploma in Human Resource Management and Certificate IV – Hospitality Supervision, together with recognised training programs in management, information technology, occupational health and safety, manual handling, maintenance, risk management, hospitality, retail and customer service. We continued and enhanced our partnership with Chisholm Institute. The majority of the courses undertaken by Nature Park staff were delivered by the Chisholm Institute and funded by the Nature Park.

Conferences

Nature Park managers and staff attended and made presentations at a variety of conferences and seminars during the year. Research and Environment staff presented papers at several forums and our Education staff attended specialised conferences and educational forums to promote Nature Park programs. A national conference and management workshop on the status and management of Gulls and Terns in Australia was hosted by the Nature Park in May 2010.

Friends and community

The Nature Park liaises with over 20 community groups and values their input to planning and conservation works

Volunteer contribution

Friends groups and hundreds of volunteers contributed many tireless hours to programs which protect the Nature Park's fauna and flora.

During 2009/10 there were 1017 volunteer days spent in the Nature Park.

- The Victorian Wader Study Group (VWSG) undertook studies of resident and migratory shorebirds at Rhyll and Crested Terns at the Nobbies.
- Penguin Study Group Volunteers monitored penguins monthly.
- Toyota and National Australia Bank employees undertook habitat restoration days with the Nature Park.
- Bird counts were undertaken by volunteers including members of Westernport Bird Observation and Conservation (WESBOC) and the Victorian Wader Study Group on key species including Cape Barren Geese, international waders, Hooded Plovers, gulls and wetland birds.
- The volunteer Wildlife Rescue and Transport Group helped provide 24 hour rescue and transport to the Nature Park's wildlife hospital which rehabilitates sick and injured animals across Phillip Island. Volunteers and wildlife shelter trainees assisted with the day-to-day activities in the hospital.
- Friends of Koalas spent hundreds of hours assisting with monthly habitat days and koala counts.
- International Student Volunteers projects constituted eight weeks of plant propagation, weed control, revegetation and habitat rehabilitation.
- Churchill Island Volunteers contributed to restoration projects, gardening, tree planting, signage and ongoing conservation and promotion of Churchill Island.
- Churchill Island Guides wore period costumes and provided information to visitors. They also helped protect the historic collection from theft and damage.
- Tertiary Work Placement students from Holmesglen TAFE, Chisholm TAFE, Latrobe University, Monash University and Deakin University assisted the Nature Park's environmental programs. They assisted with cat trapping, worked in the nursery and also undertook weed control, seed collection and replanting.
- Activities and Events Program volunteers assisted with summer and Easter activities and the Coastal Ambassadors Program.
- Coast Action Groups contributed to education programs and assisted with extensive seedling planting, erosion control, wildlife habitat restoration and conservation works across Phillip Island.
- Local schools participated in revegetation and National Tree Day activities with the Nature Park.
- Joint working bees were held with Coast Action Groups (Sunderland Bay/Surf Beach, Smiths Beach, West Woolamai), Friends of the Koalas and Friends of Churchill Island.
- The Barbara Martin Bushbank contributed services and facilities at the Koala Conservation Centre and assisted with plant purchases.
- Valuable feedback was received from the Environment, Education, Community and Scientific advisory committees which assisted the Board and Nature Park managers.

Community

The Nature Park supported:

- Bass Coast Landcare sponsored projects and donated \$25,000
 - The Barbara Martin Bushbank through provision of venue and services. The Bushbank produced thousands of indigenous plants and seedlings for the Nature Park and other revegetation projects on Phillip Island.
 - The Woolamai Surf Lifesaving Club, which provided life saving services at Cape Woolamai beach during the summer months.
- The Nature Park worked closely with and supported many different groups and community organisations including:
- Phillip Island Tourism Association and Destination Phillip Island members to bring more visitors to the region.
 - School groups to educate and provide knowledge of our environment.
 - Local Businesses, contractors and suppliers to provide economic benefit.
 - Local community sporting groups.



Financial Review

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Phillip Island Nature Park

The Financial Report

The accompanying financial report for the year ended 30 June 2010 of Phillip Island Nature Park which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the statutory certification, has been audited.

The Board Members' Responsibility for the Financial Report

The Board Members of Phillip Island Nature Park are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Board Members, as well as evaluating the overall presentation of the financial report.

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

Independent Auditor's Report (continued)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report published in both the annual report and on the website of Phillip Island Nature Park for the year ended 30 June 2010. The Board Members of Phillip Island Nature Park are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Phillip Island Nature Park website.

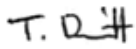
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of Phillip Island Nature Park as at 30 June 2010 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, including the Australian Accounting Interpretations, and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
25 August 2010

for 
D D R Pearson
Auditor-General



Efficient business

Commercial operations

Operating position

Despite the difficult economic conditions, we exceeded many of our business goals and targets including net operating surplus, control of wages and overheads and completion of many infrastructure capital projects. We also targeted key visitor markets and increased yields.

- The Nature Park's operating revenue increased by 0.3% on the previous year. Operating expenses also increased by 2.8%
- There were no other significant changes in our financial position.
- The areas of research and environment remain strongly supported with a total expenditure of \$2.1 million.
- The operating surplus was \$856,081, which includes all abnormal and extraordinary items.
- This is a positive increase on the previous year's operating surplus of \$416,903.

Revenue

The Nature Park has four main revenue generating attractions: Penguin Parade, Koala Conservation Centre, Churchill Island Heritage Farm and Nobbies Centre. Revenue is generated from these attractions through visitor entry fees, souvenir and food sales, photography and educational programs. The Nobbies Centre has free entry and revenue is generated through its café, gift shop and tours.

Commercial operations

Retail

The Nature Park's retail operations consisted of sales and service at retail outlets across the Penguin Parade, Koala Conservation Centre, Churchill Island Heritage Farm and Nobbies Centre. The Penguin Parade continued to manage an online store and the 'Greenscreen' photography operation.

It was a particularly difficult retail trading year within a tough economic environment. Despite this, the retail outlet at the new Koala Conservation Centre demonstrated an increase in sales.

New product lines and improved in-store visuals were developed for the Penguin Parade retail outlets.

Our key strategy and focus towards visitor service and interaction across all Nature Parks operations improved the retail experience for all visitors.

Food and beverage

Our Food and Beverage operations continued to improve in terms of revenue, visitor experience and yield. The Boardwalk Café at the Penguin Parade promoted meal deals and improved its customer service levels. A significant increase in value added meals and group bookings contributed to the increase in yield. A highlight of the year was the ongoing support from our key suppliers, in particular, Cadbury (confectionary), Schweppes (beverages) and Streets (ice cream). All suppliers strongly supported the Food and Beverage team and assisted us with promotional strategies.

The Nobbies Centre café and function centre continued to grow during its third year of operation. Re-opening of the kiosk over peak periods, continued menu improvements and changes to services resulted in revenue, yield and contribution margin improvements. The Nobbies functions centre saw a steady increase in comparison to the previous year and hosted several weddings and corporate events. The functions team took part in several trade shows and increased exposure for the centre and its facilities.

Admissions and bookings

- Our Admissions and Bookings team continued to focus on improving visitor service, up-selling tours and packages and product knowledge and training. This approach led to a significant increase in pre-paid ticket sales, particularly from our premium tour product range.
- A key achievement was a 37% increase in 3 Parks Pass sales which increased visitor length of stay across Nature Park attractions and Phillip Island.
- An upgrade of our ticketing system was completed. This enabled barcoded scanning for all entry tickets into the Penguin Parade visitor centre.
- An increase from 10% to 15% of entry tickets sold online during the year.

Abridged financial statements

Comprehensive operating statement for the financial year ended 30 June 2010

| | 2010 | 2009 | 2008 | 2007 | 2006 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 30 June | 30 June | 30 June | 30 June | 30 June |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating revenue | | | | | |
| Sales revenue | 5 462 | 5 771 | 5 680 | 4 942 | 4 784 |
| Admissions revenue | 8 813 | 8 461 | 8 062 | 7 527 | 6 830 |
| Total operating revenue | 14 275 | 14 232 | 13 742 | 12 469 | 11 614 |
| Cost of sales | (2 235) | (2 330) | (2 304) | (2 121) | (2 056) |
| Gross profit | 12 040 | 11 902 | 11 438 | 10 348 | 9 558 |
| Other income | | | | | |
| Interest | 164 | 187 | 251 | 253 | 130 |
| Other operating income | 1 669 | 777 | 2 308 | 1 019 | 915 |
| Proceeds from oil spill | - | - | - | - | 260 |
| Nobbies project operating grant | - | - | - | 1 200 | - |
| Total other income | 1 833 | 964 | 2 559 | 2 472 | 1 305 |
| Operating expenditure | | | | | |
| Employee benefits | (7 680) | (7 250) | (7 505) | (6 847) | (6 117) |
| Materials and supplies | (849) | (866) | (1 109) | (981) | (916) |
| Depreciation | (1 757) | (1 721) | (1 671) | (1 213) | (866) |
| Other operating expenses | (2 518) | (2 617) | (3 360) | (2 027) | (2 198) |
| Total operating expenses | (12 804) | (12 454) | (13 646) | (11 068) | (10 097) |
| Nobbies project non capital expenses | - | - | - | (1 200) | - |
| Total expenses from continuing activities | (12 804) | (12 454) | (13 646) | (12 268) | (10 097) |
| Net gain/(loss) on non financial assets | (213) | 5 | - | - | - |
| Total other economic flows inc in net result | (213) | 5 | - | - | - |
| Net result for the year | 856 | 417 | 351 | 552 | 766 |
| Increase in asset revaluation reserve | - | (1 702) | 4 007 | - | - |
| Increase in contributed capital for nobbies building | - | - | - | 3 285 | 2 098 |
| Total changes in equity | 856 | (1 285) | 4 358 | 3 837 | 2 864 |

Abridged financial statements

Balance sheet as at 30 June 2010

| | 2010 | 2009 | 2008 | 2007 | 2006 |
|--------------------------------------|---------------|---------------|---------------|---------------|---------------|
| | 30 June | 30 June | 30 June | 30 June | 30 June |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Current assets | | | | | |
| Cash Assets | 5 317 | 4 340 | 4 926 | 799 | 1 779 |
| Other Financial Assets | - | - | - | 3 051 | 2 572 |
| Receivables | 640 | 357 | 361 | 734 | 576 |
| Other Current Assets | 49 | 64 | 59 | 56 | 62 |
| Inventory | 583 | 839 | 697 | 758 | 586 |
| Total current assets | 6 589 | 5 600 | 6 043 | 5 398 | 5 575 |
| Non current assets | | | | | |
| Property, Plant and Equipment | 50 576 | 50 207 | 51 621 | 48 101 | 43 510 |
| Total non current assets | 50 576 | 50 207 | 51 621 | 48 101 | 43 510 |
| Total assets | 57 165 | 55 807 | 57 664 | 53 499 | 49 085 |
| Current liabilities | | | | | |
| Payables | 1 054 | 668 | 1 025 | 1 262 | 923 |
| Employee Entitlements | 860 | 768 | 1 022 | 923 | 745 |
| Total current liabilities | 1 914 | 1 436 | 2 047 | 2 185 | 1 668 |
| Non current liabilities | | | | | |
| Employee Entitlements | 201 | 177 | 138 | 193 | 133 |
| Total non current liabilities | 201 | 177 | 138 | 193 | 133 |
| Total liabilities | 2 115 | 1 613 | 2 185 | 2 378 | 1 801 |
| Net assets | 55 050 | 54 194 | 55 479 | 51 121 | 47 284 |
| Equity | | | | | |
| Contributed Capital | 28 881 | 28 881 | 28 881 | 28 881 | 25 596 |
| Accumulated Surplus | 7 466 | 6 610 | 6 193 | 5 842 | 5 290 |
| Asset Revaluation Reserve | 18 703 | 18 703 | 20 405 | 16 398 | 16 398 |
| Total equity | 55 050 | 54 194 | 55 479 | 51 121 | 47 284 |

Compliance matters

Establishment and Minister

The Nature Park was created by the State Government of Victoria in 1996 and is reserved under Section 4(1) of the *Crown Land (Reserves) Act 1978* (the Act) for the conservation of areas of natural interest or beauty or of scientific, historic or archaeological interest.

Committees

The Nature Park committees listed below provided advice to the Board throughout the reporting period.

Audit, risk and compliance committee

| | |
|---|-------------------|
| Chair - Board of Management | Jason Perry* |
| Board of Management retired 4 September 2009 | David Beatty |
| Board of Management effective 5 September 2009 | Dr Irene Irvine* |
| Board of Management | Stella Axarlis* |
| Board of Management retired 30 June 2010 | Michael Gatehouse |

People and governance committee

| | |
|-----------------------------|---|
| Chair - Board of Management | Dr Irene Irvine |
| Board of Management | Stella Axarlis Kirsty Mawer Jason Perry |

Scientific and research advisory committee

| | |
|---|---|
| Chair - Board of Management | Professor Catherine Bull |
| Board of Management | Christine Wardle |
| Chair - former Board member 4 September 2009 | Dr Kath Handasyde |
| Committee | Dr Robin Lawson Dr Karl Harrigan Adrian Moorrees Dr Simon Goldsworthy Peter Menkhorst Dr Stephen Swearer |

Environment advisory committee

| | |
|-----------------------------|--|
| Chair - Board of Management | Christine Wardle |
| Board of Management | Michael Gatehouse |
| Committee | Bob & Pat Baird Penny Manning Patsy Hunt Margaret Hancock Nicola Tregear Bessie Tyers Paul Smith Michael Cleeland Eric Ealey Tania Maddigan Louise Parsons Hayley Bunting |

Education advisory committee

| | |
|-----------------------------|---|
| Chair - Board of Management | Stella Axarlis |
| Board of Management | Kirsty Mawer |
| Committee | Jim Wilson Rob Higgins Helen Lechte Pat O'Connell Don Paproth Wendy Major Linda Thompson Rick Pearce |

*Independent committee member

Compliance matters

Community advisory committee

| | |
|-----------------------------|---|
| Chair - Board of Management | Stella Axarlis |
| Board of Management | Kirsty Mawer Michael Gatehouse |
| Committee | Cr Jane Daly Patsy Hunt Jock McKechnie Stephen Fullarton Deborah Holland Pauline Taylor Julia Nelson Margaret Hancock Nerida Stubbles Patricia Baird |

Animal experimentation and ethics committee

| | |
|---|---|
| Chair - former Board member retired 4 September 2010 | Dr Kath Handasyde |
| Committee | Dr Jennifer Hibble Clare Davis Anne Davie |

Risk management

The Nature Park has an Audit, Risk and Compliance Committee which consists of four Board members that meet quarterly to discuss risk management. The Chief Executive Officer and Financial Controller attend these meetings. Management have identified the major risk areas and documented detailed strategies to mitigate these risks. As well as management, it is incumbent on each team member in every department to proactively identify and act upon risks as they arise – for themselves and visitors.

Also:

- At our instigation, insurers and risk assessors visited to identify potential risks within the Nature Park. Their recommendations were taken into consideration in the risk management process.
- Our Management team and full time Occupational Health and Safety Officer used a risk register matrix that calculated, evaluated and provided an overall rating for risks based on: likelihood, consequence and significance to the Nature Park.
- Action plans were developed to address identified risks which were supported by relevant policies and procedures, i.e. safety management systems and business continuity plans.

During the reporting period, the Nature Park continued to develop its risk management systems and framework to accommodate policy changes.

Occupational health and safety

The Nature Park demonstrated its commitment and positive approach to health and safety through the Occupational Health and Safety (OH&S) Committee, staff training (which included a detailed induction program), safety audits and effective policies and procedures that were enhanced by the Nature Park's safety management system.

The Nature Park has an OH&S and Workcover Policy and Procedures system. Safety representatives from every department met regularly during the reporting period to assess and improve health and safety throughout the organisation.

Compliance matters

The Nature Park has a full time OH&S Officer who is responsible for all OH&S matters. Lost time for injuries sustained in the workplace during this financial year was 412 hours.

Highlight of safety outcomes for 2009/10:

- Proactive safety audits were completed across all Nature Park operations
- Formal review of the Nature Park's safety management system was undertaken
- Further upgrades completed on 'Riskman' - the Nature Park's proactive risk reporting system
- Detailed review of the emergency and evacuation procedures was completed
- A reduction in the number of recorded incidents in comparison with the previous year

Industrial relations

Nature Park staff were employed under the *Phillip Island Nature Park Agreement 2007-10* and the applicable union is the Australian Services Union. No Industrial Relations claims were applicable during the reporting period.

Freedom of information act 1982

The *Freedom of Information Act 1982* allows the public a right to access to documents held by Phillip Island Nature Park. The Nature Park makes public information about our operations available by creating a general right of access to the information in a document or electronic form. All Freedom of Information requests are subject to a \$23.90 application fee.

There was one Freedom of Information request during the reporting period.

Written requests, as detailed in Section 17 of the *Freedom of Information Act* should be forwarded, with the prescribed fee, to:

Freedom of Information Officer
Phillip Island Nature Park
PO Box 97, Cowes, Victoria 3922

A written response will be sent to the applicant in accordance with the Act.

Privacy act

The Nature Park is committed to ensuring that the *Victorian Information Privacy Act 2000* is adhered to. This Act applies to all Nature Park operations including websites and emails. Our Privacy Policy is available to all staff, visitors and stakeholders as requested. A summary of the policy is also available on our website www.penguins.org.au

Whistleblowers Protection Act 2001

The *Whistleblowers Protection Act 2001* is designed to encourage and facilitate disclosures of improper conduct by public officers and public bodies and to provide protection for the persons who make disclosures.

There were no reports made under this Act during the reporting period. The protected disclosure coordinator for the Nature Park acts as an agent for the Authority to receive disclosures under the Act and applies the Department of Sustainability and Environment procedures in managing disclosures. Disclosures of improper conduct by the Authority or its employees may be made to:

Heather Goldberg, Human Resources Manager
Phillip Island Nature Park
PO Box 97, Cowes, Victoria 3922
E-mail: hgoldberg@penguins.org.au

The Ombudsman Victoria
Level 22, 459 Collins Street, Melbourne, Victoria 3000
Telephone: 03 9613 6222 Toll free: 1800 806 314
E-mail: ombudvic@ombudsman.vic.gov.au

The Nature Park's Whistleblowers policy is detailed in the appendix.

National competition policy

Competitive neutrality seeks to enable fair competition between government and private sector businesses. Any advantages or disadvantages that government businesses may experience, simply as a result of government ownership, should be neutralised. Phillip Island Nature Park continues to implement and apply this principle in its business undertakings.

Compliance matters

Building Act 1993

All buildings were constructed and maintained in compliance with the *Building Act 1993*.

Public Administration Act 2004

The Nature Park adheres to the merit and equity principles of the *Public Administration Act 2004* to ensure recruitment decisions are based on merit, that employees are treated fairly and reasonably, that equal employment opportunities are provided, and that procedures are in place to deal with disputes.

To ensure employees were aware of their responsibilities, the following policies were set out in the *Human Resources Policy and Procedure Manual* (which was made available to all staff):

Section 2.0

Recruitment and Appointment Policy and Procedures

Section 4.0

Training and Development Policy and Procedures

Section 5.0

Employees' Performance and Development Review Policy and Procedures

Section 7.0

Termination and Settlement of Disputes Procedure

Section 9.0

Employee Equal Opportunity Procedure

Section 11.0

Code of Practice for Employees

Consultancies and contracts

There was no individual consultancy above \$100 000 entered into during the reporting period. There were sixteen consultancy appointments made during the year at a total cost of \$147,500.

There were no major contracts entered into greater than \$10 million during the reporting period.

External reviews

Independent internal auditors performed four internal audit assignments during the reporting period.

Fee policy

The Nature Park has a policy of reviewing entry fees annually. During the reporting period, fees were increased within CPI by an average of 2.9%.

Statement of availability of other information

Information not fully detailed on pages 38-39 is available in the Full Financial Statements. Publications are listed on pages 44-46 and research activities on pages 18-26 of this report. Marketing and promotion activities are detailed on page 27-28.

Subsequent events

The Minister for Environment and Climate Change, the Hon. Gavin Jennings, appointed Mr Jeffrey Floyd and Mr Ralph Booth to the Phillip Island Nature Park Board of Management on 21 July 2010.

Ms Christine Wardle retired from the Board on 4 August 2010

Victorian Industry Participation Policy Act

The *Victorian Industry Participation Policy Act 2003* (VIPP) requires public bodies and Departments to report on the implementation of the Act. Departments and public bodies are required to apply VIPP in all tenders over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

The Nature Park has not commenced or completed any contracts during 2009/10 to which VIPP applied.

Publications

Reviewed publications, conference presentations, reports and theses

(Staff members and Nature Park fellows in bold and Scientific Research Advisory Committee members in italics). Further information available at www.penguins.org.au.

Reviewed publications

Penguins

Chiaradia, A., Forero, M. G., *Cullen, M.* and Hobson, K. A. (2010). Changes in diet and trophic position of a top predator ten years after a mass mortality of a key prey. *ICES Journal of Marine Science*. DOI:10.1093/icesjms/fsq067.

Nisbet, I. C. T. and **Dann, P.** (2009). Reproductive performance of Little Penguins in relation to Year, Age, Pair-Bond Duration, Breeding Date and Individual Quality. *Journal of Avian Biology* 40, 296-308.

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Chambers, L. E., Congdon, B., Dunlop, N., **Dann, P.** and Devney, C. (2009). Seabirds and Climate Change. In *A Marine Climate Change Impacts and Adaptation Report Card for Australia 2009* (Eds. E. S. Poloczanska, A. J. Hobday and A. J. Richardson), NCCARF Publication 05/09.

Chambers, L. E., Congdon, B. C., Dunlop, N., **Dann, P.**, Devney, C. and Woehler, E. (in press). Trends in Australian Seabirds as indicators of climatic variation and change: an interspecific review. *Emu*.

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Weston, M. A., Liu, X., Tsuzuki, T., **Fallow, J.** and **Dann, P.** (2009). Forensic fibre analysis to determine the origins of leg-entangling threads on shorebirds: a case study. *Wader Study Group Bulletin* 116, 46-48.

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Garlepp, L. (2010). Climatic correlates of haul-out by the Australian fur seal *Arctocephalus pusillus doriferus*. BSc. Hons Thesis, Monash University. (Roger Kirkwood and Murray Logan)

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Pitt, R. (2010). Diet segregation and food assimilation of Little Penguins. BSc. Hons Thesis, Monash University. (Andre Chiaradia and Richard Reina)

Back, J. (2010). The effects of boat-based ecotourism on the behaviour of Australian fur seals (*Arctocephalus pusillus doriferus*) at colonies. Masters Thesis, Deakin University. (Roger Kirkwood and John Arnould)

Kemp, J. (2010). The population dynamics of Red Cod *Pseudophycis bachus*: a contribution toward elucidating the trophic ecology of this important prey species. PhD. University of Melbourne. (Roger Kirkwood)

Leitch, T. (2010). The diet of breeding Pacific gulls *Larus pacificus* in northern Bass Strait. BSc. Hons Thesis, Deakin University. (Peter Dann and John Arnould).

Evans, J. (2010). The effect of the breeding state on immune function. BSc. Hons Thesis, Latrobe University. (Peter Dann and Theresa Frankel).

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Dann, P. Australasian Ornithological Congress-Armidale December 2009. Forty years of penguin research –where have we been and where should we go?

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Sutherland, D. R., Kearney, M. R., Glen, A. S., Hilmer, S., Schmidt, S., and de Tores, P. J. (2009). Mammalian and reptilian predators: niche overlap and competitive interactions. Australian Mammal Society Semi-Centenary and 55th Annual Conference, Perth, WA.

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National symposium on Gulls and Terns, Phillip Island, May 2010.

Leitch, T., **Arnould, J.** and **Dann, P.** The diet of breeding Pacific Gulls *Larus pacificus* in northern Bass Strait.

Dann, P. and Loyn, R. The Status of Kelp and Pacific Gulls in Victoria.

Jessop, R. and Minton, C. Crested Terns in Victoria.

Weller, D., **Swearer, S.**, **Jessop, R.** and **Chiaradia, A.** Inter-colony movements of the Crested Tern as a result of food resource quality and availability.

Disclosure index

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Financial Statements

Phillip Island Nature Park Board of Management Incorporated

Comprehensive operating statement for the financial year ended 30 June 2010

| | Notes | 2010 | 2009 |
|---|-------|---------------------|---------------------|
| Operating revenue | | \$ | \$ |
| Sales | 2 | 5,462,213 | 5,771,386 |
| Admissions | 2 | 8,812,606 | 8,461,298 |
| Total operating revenue | | 14,274,819 | 14,232,684 |
| Cost of sales | | (2,234,636) | (2,330,117) |
| Gross profit | | 12,040,183 | 11,902,567 |
| Other income | | | |
| Interest | 2 | 163,625 | 187,046 |
| Other operating income | 2 | 1,669,054 | 776,988 |
| Total other income | | 1,832,679 | 964,034 |
| Expenses | | | |
| Employee benefits | | (7,679,867) | (7,250,407) |
| Material and supplies | | (848,703) | (865,547) |
| Depreciation | 8 | (1,756,508) | (1,721,593) |
| Other operating expenses | 3b | (2,518,474) | (2,617,357) |
| Total expenses | 3a | (12,803,552) | (12,454,904) |
| Net result from operations | | 1,069,310 | 411,697 |
| Other economic flow included in net result | | | |
| Net gain/(loss) on non financial assets | 3c | (213,229) | 5,206 |
| Net result for the year | | 856,081 | 416,903 |
| Other non owner changes in equity | | | |
| Changes in physical asset revaluation surplus | | – | (1,701,557) |
| Comprehensive result | | 856,081 | (1,284,654) |

The comprehensive operating statement should be read in conjunction with the accompanying notes included on pages 53 to 71.

Phillip Island Nature Park Board of Management Incorporated

Balance sheet as at 30 June 2010

| | Notes | 2010 | 2009 |
|--------------------------------------|--------|-------------------|-------------------|
| Current assets | | \$ | \$ |
| Cash and cash equivalents | 4 & 16 | 5,316,842 | 4,340,490 |
| Receivables | 5 & 16 | 640,131 | 356,728 |
| Inventory | 6 | 582,521 | 839,103 |
| Other current assets | 7 | 49,105 | 63,569 |
| Total current assets | | 6,588,599 | 5,599,890 |
| Non-current assets | | | |
| Property, plant and equipment | 8 | 50,576,009 | 50,346,732 |
| Total non-current assets | | 50,576,009 | 50,346,732 |
| Total assets | | 57,164,608 | 55,946,622 |
| Current liabilities | | | |
| Payables | 9 & 16 | 1,053,571 | 806,692 |
| Employee provisions | 12 | 859,633 | 768,226 |
| Total current liabilities | | 1,913,204 | 1,574,918 |
| Non-current liabilities | | | |
| Employee provisions | 12 | 201,372 | 177,753 |
| Total non-current liabilities | | 201,372 | 177,753 |
| Total liabilities | | 2,114,576 | 1,752,671 |
| Net assets | | 55,050,032 | 54,193,951 |
| Equity | | | |
| Contributed capital | 1(p) | 28,881,619 | 28,881,619 |
| Accumulated surplus | | 7,465,400 | 6,609,319 |
| Asset revaluation reserve | 1(q) | 18,703,013 | 18,703,013 |
| Total equity | | 55,050,032 | 54,193,951 |

The above balance sheet should be read in conjunction with the accompanying notes included on pages 53 to 71.

Phillip Island Nature Park Board of Management Incorporated

Statement of changes in equity for the financial year ended 30 June 2010

| | Notes | Contributed capital | Asset revaluation reserve | Accumulated surplus | Total equity |
|--|-------|---------------------|---------------------------|---------------------|--------------|
| | | \$ | \$ | \$ | \$ |
| Balance at 30 June 2008 | | 28,881,619 | 20,404,590 | 6,192,416 | 55,478,625 |
| Transactions with owner in its capacity as owner | | - | - | - | - |
| Total comprehensive result | | - | (1,701,577) | 416,903 | (1,284,674) |
| Balance at 30 June 2009 | | 28,881,619 | 18,703,013 | 6,609,319 | 54,193,951 |
| Transactions with owner in its capacity as owner | | - | - | - | - |
| Total comprehensive result | | - | - | 856,081 | 856,081 |
| Balance at 30 June 2010 | | 28,881,619 | 18,703,013 | 7,465,400 | 55,050,032 |

The above balance sheet should be read in conjunction with the accompanying notes included on pages 53 to 71.

Phillip Island Nature Park Board of Management Incorporated

Cash flow statement for the financial year ended 30 June 2010

| | Notes | 2010 | 2009 |
|--|--------|--------------------|--------------------|
| Cash flows from operating activities | | \$ | \$ |
| Receipts from customers & other entities (incl GST) | | 17,292,280 | 15,985,634 |
| Payments to suppliers & other expenses (incl GST) | | (7,120,195) | (7,544,000) |
| Interest received | | 163,625 | 187,046 |
| Salaries & other payments to employees | | (7,160,344) | (7,070,419) |
| Net cash flows from operating activities | 10(ii) | 3,175,366 | 1,558,261 |
| Cash flows from investing activities | | | |
| Payments for property, plant & equipment | 8 | (2,246,650) | (2,205,750) |
| Proceeds from property, plant & equipment | 8 | 47,636 | 62,134 |
| Net cash flows used in investing activities | | (2,199,014) | (2,143,616) |
| Cash flows from financing activities | | | |
| Contributed capital from government | | - | - |
| Net cash flows from financing activities | | - | - |
| Net increase / (decrease) in cash and cash equivalents | | 976,352 | (585,355) |
| Cash and cash equivalents at the beginning of the financial year | | 4,340,490 | 4,925,845 |
| Cash and cash equivalents at the end of financial year | 10(i) | 5,316,842 | 4,340,490 |

The above balance sheet should be read in conjunction with the accompanying notes included on pages 53 to 71.

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

1 Summary of significant accounting policies

The annual financial statements of Phillip Island Nature Park Board of Management Incorporated are general purpose financial statements which have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards, which includes interpretations (AAS's).

The financial report also complies with relevant Financial Reporting Directions (FRDS) issued by the Department of Treasury and Finance, and relevant Standing Directions (SD) authorised by the Minister for Finance.

The financial statements were authorised for issue by Mark Manteit (Accountable Officer) on 20 August 2010.

Basis of preparation

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

These financial statements are presented in Australian dollars, the functional and presentation currency of Phillip Island Nature Park Board of Management Incorporated (the "Nature Park")

In the application of AAS's, management is required to make judgements, estimates and assumptions about the 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 judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period. Revisions to the estimates are recognised in the period of the revision and future periods if the revision affects both current and future periods. Judgements made by management in the application of AAS's that have significant effects on the financial statements. Estimates are disclosed throughout the notes of the financial statements.

The financial report has been prepared on a historical cost basis, except for the revaluation of certain non-current assets. Historical cost is based on the fair values of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2010 and the comparative information presented for the year ended 30 June 2009.

a) Comprehensive operating statement

Income and expenses in the comprehensive operating statement are classified according to whether or not they arise from 'transactions' or 'other economic flows'. This classification is consistent with the whole of government reporting format and is allowed under AASB 101 Presentation of financial statements.

'Transactions' and 'other economic flows' are defined by the Australian system of government finance statistics: concepts, sources and methods 2005 Cat. No. 5514.0 published by the Australian Bureau of Statistics.

'Transactions' are those economic flows that are considered to arise as a result of policy decisions, usually interactions between two entities by mutual agreement. Transactions also include flows within an entity, such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash.

'Other economic flows' are changes arising from market re-measurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets and actuarial gains and losses arising from defined benefit superannuation plans.

The net result is equivalent to profit or loss derived in accordance with AASs.

Balance sheet

Assets and liabilities are presented in liquidity order. Current and non-current assets and liabilities (those expected to be recovered or settled beyond 12 months) are disclosed in the notes, where relevant.

Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income related to other non-owner changes in equity.

Cash flow statement

Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under AASB 107 Statement of cash flows.

b) Sales of Goods and Services

Revenue from the rendering of services, including tourism admissions, is recognised upon the delivery of the service to the customer.

Revenue from the sale of goods is recognised upon the delivery of goods to the customer.

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

1 Summary of significant accounting policies (continued)

c) Other income

Rental income from leasing of land and facilities is recognised on a straight-line basis over the term of the agreement.

Interest revenue includes interest received on cash at bank and bank term deposits. Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Grants from third parties (including government departments) are recognised as income in the period in which the Nature Park gains control over the underlying assets. For reciprocal grant agreements that require the fulfilment of performance hurdles in exchange for cash, control over the cash is gained when the Nature Park satisfies the conditions of the agreement. Cash received from the grantor is recognised as a liability on the balance sheet until the agreement conditions have been satisfied.

For non-reciprocal grants, the Nature Park is deemed to have assumed control when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant agreement.

Donations and sponsorship revenue is recognised in the period received, except where monies are received to fund projects either for contracted periods of time or specific projects irrespective of the period of time required to complete those projects

d) Employee expenses

Employee expenses include superannuation expenses in respect of employee memberships in defined benefit or defined contribution superannuation plans.

The expense recognised for defined contribution superannuation plans is the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period.

The amount charged to the operating statement in respect of defined benefit superannuation plans represents the contributions made by the Nature Park to the superannuation plan in respect to the current services of employees. Superannuation contributions are made to the plans based on the relevant rules of each plan.

e) Maintenance and repairs

Plant and equipment and boardwalks are reviewed as part of an cyclical maintenance program. The costs of this maintenance are charged as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the costs are capitalised and depreciated in accordance with note 1(f). Other routine operating maintenance, repair costs and minor renewals are also charged as expenses as incurred.

f) Depreciation

All physical non current assets, with the exception of land, have limited useful lives and are depreciated. Depreciation is generally calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

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

The following estimated useful lives are used in the calculation of depreciation for the years ended 30 June 2010 and 30 June 2009.

| | |
|---------------------------------|----------|
| Boardwalks | 10 years |
| Buildings | 40 years |
| Car Parks | 20 years |
| Motor Vehicles | 5 years |
| Furniture, Fittings & Equipment | 5 years |
| Computer Hardware & Software | 3 years |

g) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand; cash in banks and deposits at call.

h) Receivables

Receivables consist predominantly of trade debtors in relation to the provision of services. Receivables are recognised at fair value less an allowance for impairment. A provision for doubtful receivables is made when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

i) Other financial assets

Other financial assets are valued at cost and are classified between current and non-current assets based on the Nature Park's intention at balance date with respect to the timing of disposal of each investment. Interest revenue from other financial assets is brought into account when it is earned.

The Nature Park assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

j) Inventory

Inventory is measured at the lower of cost and net realisable value. Cost has been assigned to inventory on a first in first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expense. Obsolete and slow moving stocks are provided for, to ensure the inventories are recorded at net realisable value where such value is below cost.

k) Property plant & equipment

All non-current physical assets are measured initially at cost and then subsequently measured at fair value less accumulated depreciation.

The fair value of motor vehicles, plant & equipment, furniture & fittings, computer hardware and computer software is normally determined by reference to the asset's depreciated cost. Depreciated historical cost is generally a reasonable proxy for depreciated replacement costs because of the short lives of the assets within these asset categories.

i) Revaluation

Non-current physical assets measured at fair value are revalued in accordance with FRD 103D issued by the Minister of Finance. This revaluation process normally occurs every five years based upon the asset's Government Purpose Classification. Revaluation increments or decrements arise from differences between carrying value and fair value.

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

1 Summary of significant accounting policies (continued)

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in other comprehensive income and accumulated in equity under the revaluation surplus, except that the net revaluation increase shall be recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised immediately as expenses (other economic flows) in the net result, except that the net revaluation decrease shall be recognised in other comprehensive income to the extent that a credit balance exists in the revaluation surplus in respect of the same class of property, plant and equipment. The net revaluation decrease recognised in other comprehensive income reduces the amount accumulated in equity under revaluation surplus.

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment, are offset against one another within that class but are not offset in respect of assets in different classes. Any revaluation surplus is not normally transferred to accumulated funds on de-recognition of the relevant asset.

ii) Acquisitions of assets

The cost method of accounting is used for all acquisitions of assets. Cost is determined as the fair value of assets given up at the date of acquisition plus costs incidental to the acquisition.

iii) Impairment of assets

Property, plant and equipment are assessed annually for indicators of impairment. If there is an indicator of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the operating statement except to the extent that the write down can be debited to an asset revaluation reserve amount applicable to that class of asset.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

l) Payables

Payables consist predominantly of creditors and other sundry liabilities. Accounts payable represent liabilities for goods and services provided to the Nature Park prior to the end of the financial year that are unpaid, and arise when the Nature Park becomes obliged to make future payments in respect of the purchase of these goods and services.

Other liabilities included in payables mainly consist of unearned/prepaid income and services and fringe benefit payables.

m) Provisions

Provisions are recognised when there is a present obligation, a future sacrifice of economic benefits is probable and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

n) Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

Employee benefit on-costs (payroll tax, workers compensation and superannuation) are recognised separately from provision for employee benefits.

i) Wages, salaries and annual leave

Liabilities for wages and salaries, including annual leave, are recognised in the provision for employee benefits.

Those liabilities which are expected to be settled within 12 months of reporting date are classified as current liabilities and measured at their nominal values.

ii) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

- Current liability – unconditional LSL (representing 7 or more years of continuous service) is disclosed as a current liability even when the Nature Park does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- Present value – component that is not expected to be settled within 12 months
- Nominal value – component that is expected to be settled within 12 months.
- Non current liability – conditional LSL (representing less than 7 years continuous service) is disclosed as a non current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non current LSL liability is measured at present value.

Present value is calculated as the present value of expected future payments to be made. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are Discounted using a weighted average of indicative mid rates for selected commonwealth government securities.

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

1 Summary of significant accounting policies (continued)

o) Comparative figures

Where applicable, comparative figures have been restated to aid comparison.

p) Contributed capital

Additions to net assets which have been designated as contribution by the Victorian State Government are recognised as contributed capital.

q) Asset revaluation reserve

The asset revaluation reserve arises on the revaluation of non current physical assets.

r) Changes in accounting policy

There have been no changes to accounting policies during the year ended 30 June 2010.

s) Goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST is not recoverable from the taxation authority. In this case it is recognised as part of the acquisition cost of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST component of cash flows arising from investing or financing activities which are recoverable from or payable to, the taxation authority, are presented as operating cash flow.

t) Rounding

Amounts in the financial report have been rounded to the nearest dollar, unless otherwise stated. Figures in the financial statement may not equate due to rounding.

u) Foreign currency

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Exchange differences are recognised in profit or loss in the period in which they arise.

v) Events after reporting date

Assets, liabilities or expenses arise from past transactions or other past events. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions which existed in the reporting period. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions which arose after the end of the reporting period and which may have a material impact on the results subsequent reporting periods.

w) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2010 reporting period. DTF assesses the impact of these new standards and advises departments and other entities of their applicability and early adoption where applicable.

As at 30 June 2010, the following standards and interpretations (applicable to departments and entities) had been issued but were not mandatory for financial year ending 30 June 2010. The Nature Park has not, and does not intend to, adopt these standards early.

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

1 Summary of significant accounting policies (continued)

| Standard/Interpretation | Summary | Applicable for annual reporting periods beginning on | Impact on financial statements |
|--|---|--|---|
| AASB 2009-5 Further amendments to Australian Accounting Standards arising from the annual improvements project [AASB 5, 8, 101, 107, 117, 118, 136 and 139] | Some amendments will result in accounting changes for presentation, recognition or measurement purposes, while other amendments will relate to terminology and editorial changes. | Beginning 1 Jan 2010 | Terminology and editorial changes. Impact minor. |
| Erratum General Terminology changes | Editorial amendments to a range of Australian Accounting Standards and Interpretations | Beginning 1 Jan 2010 | Terminology and editorial changes. Impact minor. |
| AASB 124 Related party disclosures (Dec 2009) | Government related entities have been granted partial exemption with certain disclosure requirements. | Beginning 1 Jan 2011 | Preliminary assessment suggests that impact is insignificant. However, the Nature Park is still assessing the detailed impact |
| AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a minimum funding requirement [AASB Interpretation 14] | Amendment to Interpretation 14 arising from the issuance of Prepayments of a minimum funding requirement | Beginning 1 Jan 2011 | Expected to have no significant impact |
| AASB 9 Financial instruments | This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial instruments: recognition and measurement (AASB 139 financial Instruments: recognition and measurement). | Beginning 1 Jan 2013 | Detail of impact is still being assessed. |
| AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12] | This gives effect to consequential changes arising from the issuance of AASB 9. | Beginning 1 Jan 2013 | Detail of impact is still being assessed. |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

2 Operating revenue and other income

| | 2010 | 2009 |
|--|------------------|------------------|
| | \$ | \$ |
| Revenue from trading activities | | |
| Food sales | 2,166,067 | 1,977,457 |
| Souvenir sales (including photography) | 3,296,146 | 3,793,929 |
| Total revenue from trading activities | 5,462,213 | 5,771,386 |
| Admissions | 8,812,606 | 8,461,298 |
| Interest | | |
| Interest from cash at bank | 163,625 | 187,046 |
| Total interest revenue | 163,625 | 187,046 |
| Income from other sources | | |
| Rental income | 52,159 | 20,929 |
| Donation, grant and sponsorship | 404,837 | 81,022 |
| Grants from government authorities | 468,843 | 232,843 |
| Proceeds from insurance claims | 287,963 | - |
| Miscellaneous income | 455,252 | 442,194 |
| Total income from other sources | 1,669,054 | 776,988 |

3 a) Expenses from operating activities

| | 2010 | 2009 |
|---|-------------------|-------------------|
| By function | \$ | \$ |
| Penguin Parade | 3,369,539 | 3,313,083 |
| Nobbies | 1,421,494 | 1,562,180 |
| Churchill Island | 600,608 | 535,744 |
| Koala Conservation Centre | 599,577 | 391,618 |
| Grounds services | 718,831 | 701,553 |
| Environment | 1,438,991 | 1,315,637 |
| Research | 653,845 | 554,229 |
| Education | 357,839 | 490,263 |
| Marketing | 1,118,350 | 987,712 |
| Parkwide administration | 2,524,478 | 2,602,885 |
| Total expenses from operating activities | 12,803,552 | 12,454,904 |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

3b Other operating expenses

| | 2010 | 2009 |
|---------------------------------------|------------------|------------------|
| | \$ | \$ |
| Advertising | 244,283 | 195,133 |
| Audit fees (refer note 11) | 62,754 | 71,559 |
| Bank charges | 83,102 | 67,649 |
| Conferences | 15,314 | 9,149 |
| Consultants | 189,096 | 308,912 |
| Contractors | 667,495 | 594,559 |
| Entertainment | 20,203 | 23,116 |
| Fringe benefits tax | 14,589 | 23,941 |
| Memberships & subscriptions | 21,800 | 30,328 |
| Motor vehicle expenses | 128,357 | 138,492 |
| Postage & cartage | 18,016 | 17,852 |
| Repairs & maintenance | 255,262 | 303,171 |
| Staff procurement | 30,811 | 50,553 |
| Utilities | 201,855 | 202,415 |
| Training | 28,119 | 53,268 |
| Telephone | 116,632 | 145,173 |
| Travel & accommodation | 115,160 | 158,835 |
| Doubtful debts | 7,987 | 13,537 |
| Miscellaneous expenses | 297,639 | 209,715 |
| Total other operating expenses | 2,518,474 | 2,617,357 |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

3c Other economic flows included in net result

| | 2010 | 2009 |
|--|------------------|--------------|
| | \$ | \$ |
| Net gain/(loss) on non-financial assets | | |
| Impairment of property plant and equipment | (218,247) | - |
| Net gain on disposal of property plant and equipment | 5,018 | 5,206 |
| Total net gain/(loss) on non financial assets | (213,229) | 5,206 |

4 Cash and cash equivalents

| | | |
|--------------|------------------|------------------|
| Cash on hand | 36,000 | 35,000 |
| Cash at bank | 5,280,842 | 4,305,490 |
| | 5,316,842 | 4,340,490 |

5 Receivables

| | | |
|-----------------------------------|----------------|----------------|
| Trade debtors | 406,598 | 317,444 |
| Less provision for doubtful debts | (28,117) | (23,306) |
| | 378,481 | 294,138 |
| Sundry debtors | 261,650 | 62,590 |
| | 640,131 | 356,728 |

5a Movement in provision for doubtful debts

| | | |
|---|-----------------|-----------------|
| Balance at the beginning of the year | (23,306) | (9,769) |
| Amounts written off during the year | 3,176 | - |
| Increase/Decrease in allowance recognised in profit or loss | (7,987) | (13,537) |
| Balance at end of the year | (28,117) | (23,306) |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

6 Inventory

| | 2010 | 2009 |
|---|----------------|----------------|
| | \$ | \$ |
| Penguin Parade | 373,897 | 569,129 |
| Koala Conservation Centre | 49,255 | 58,919 |
| Nobbies | 121,149 | 153,756 |
| Churchill Island | 72,588 | 91,780 |
| Total Inventory | 616,889 | 873,584 |
| Less provision for inventory obsolescence | (34,368) | (34,481) |
| | 582,521 | 839,103 |

6a Movement in provision for inventory obsolescence

| | | |
|---|-----------------|-----------------|
| Balance at the beginning of the year | (34,481) | (56,285) |
| Amounts written off during the year | 23,172 | 56,285 |
| Amounts recovered during the year | - | - |
| Increase/Decrease in provision recognised in profit or loss | (23,059) | (34,481) |
| Balance at end of the year | (34,368) | (34,481) |

7 Other current assets

| | | |
|-------------|--------|--------|
| Prepayments | 49,105 | 63,569 |
|-------------|--------|--------|

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

8 Property, plant and equipment

| | Crown land | Buildings | Boardwalks | Car parks | Motor vehicles | Furniture & fittings | Plant & equipment | Computer hardware/software | Work in progress | Total |
|--|-------------------|-------------------|----------------|------------------|----------------|----------------------|-------------------|----------------------------|------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2010 | | | | | | | | | | |
| At cost | 32,329,957 | 6,023,135 | 285,558 | 567,043 | 887,864 | 1,441,615 | 4,394,680 | 1,713,953 | 573,401 | 48,217,206 |
| Less accumulated depreciation and impairment | - | (533,164) | (76,516) | (70,391) | (536,932) | (1,156,299) | (3,145,753) | (1,504,031) | - | (7,023,086) |
| Total | 32,329,957 | 5,489,971 | 209,042 | 496,652 | 350,932 | 285,316 | 1,248,927 | 209,922 | 573,401 | 41,194,120 |
| At valuation | - | 8,208,871 | 686,373 | 2,401,500 | - | - | - | - | - | 11,296,744 |
| Less accumulated depreciation and impairment | - | (1,026,124) | (288,356) | (600,375) | - | - | - | - | - | (1,914,855) |
| Total | - | 7,182,747 | 398,017 | 1,801,125 | - | - | - | - | - | 9,381,889 |
| Total property, plant & equipment | 32,329,957 | 12,672,718 | 607,059 | 2,297,777 | 350,932 | 285,316 | 1,248,927 | 209,922 | 573,401 | 50,576,009 |
| 2009 | | | | | | | | | | |
| At cost | - | 4,823,175 | 284,438 | 519,839 | 820,964 | 1,385,761 | 4,186,924 | 1,832,772 | 419,544 | 14,273,417 |
| Less accumulated depreciation and impairment | - | (330,770) | (46,383) | (47,525) | (461,752) | (1,041,087) | (2,798,399) | (1,476,909) | - | (6,202,825) |
| Total | - | 4,492,405 | 238,055 | 472,314 | 359,212 | 344,674 | 1,388,525 | 355,863 | 419,544 | 8,070,592 |
| At valuation | 32,329,957 | 8,404,006 | 686,373 | 2,401,500 | - | - | - | - | - | 43,821,836 |
| Less accumulated depreciation and impairment | - | (840,403) | (224,993) | (480,300) | - | - | - | - | - | (1,545,696) |
| Total | 32,329,957 | 7,563,603 | 461,380 | 1,921,200 | - | - | - | - | - | 42,276,140 |
| Total property, plant & equipment | 32,329,957 | 12,056,008 | 699,435 | 2,393,514 | 359,212 | 344,674 | 1,388,525 | 355,863 | 419,544 | 50,346,732 |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

8 Property, plant and equipment (continued)

| | Crown Land | Buildings | Boardwalks | Car Parks | Motor Vehicles | Furniture & Fittings | Plant & Equipment | Computer hardware/software | Work in Progress | Total |
|---------------------------------------|-------------------|-------------------|----------------|------------------|----------------|----------------------|-------------------|----------------------------|------------------|-------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2010 | | | | | | | | | | |
| Carrying amount as at 1/07/09 | 32,329,957 | 12,056,008 | 699,435 | 2,393,514 | 359,212 | 344,674 | 1,388,525 | 355,863 | 419,544 | 50,346,732 |
| Additions | - | - | - | - | 159,715 | 5,138 | 39,308 | 89,122 | 1,953,367 | 2,246,650 |
| Transfer from Work in Progress | - | 1,239,573 | 1,120 | 47,204 | - | 89,810 | 377,274 | 44,529 | (1,799,510) | - |
| Revaluation | - | - | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | (42,618) | - | - | - | - | (42,618) |
| Impairments | - | (209,482) | - | - | - | (5,837) | (2,203) | (725) | - | (218,247) |
| Depreciation expense | - | (413,381) | (93,496) | (142,941) | (125,377) | (148,469) | (553,977) | (278,867) | - | (1,756,508) |
| Carrying amount as at 30/06/10 | 32,329,957 | 12,672,718 | 607,059 | 2,297,777 | 350,932 | 285,316 | 1,248,927 | 209,922 | 573,401 | 50,576,009 |
| 2009 | | | | | | | | | | |
| Carrying amount as at 1/07/08 | 34,031,534 | 11,010,325 | 669,416 | 2,535,085 | 458,360 | 402,010 | 1,852,893 | 536,917 | 124,540 | 51,621,080 |
| Additions | - | - | - | - | - | 95,872 | 48,642 | 137,586 | 1,923,650 | 2,205,750 |
| Transfer from Work in Progress | - | 1,420,052 | 115,130 | - | 93,464 | - | - | - | (1,628,646) | - |
| Revaluation | (1,701,577) | - | - | - | - | - | - | - | - | (1,701,577) |
| Disposals | - | - | - | - | (56,928) | - | - | - | - | (56,928) |
| Impairments | - | - | - | - | - | - | - | - | - | - |
| Depreciation expense | - | (374,369) | (85,111) | (141,571) | (135,684) | (153,208) | (513,010) | (318,640) | - | (1,721,593) |
| Carrying amount as at 30/06/09 | 32,329,957 | 12,056,008 | 699,435 | 2,393,514 | 359,212 | 344,674 | 1,388,525 | 355,863 | 419,544 | 50,346,732 |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

8 Property, Plant and Equipment (continued)

- a) An independent valuation of Crown Land, buildings, boardwalks and car parks was performed by Stephen Miles of Westernport Property Consultants in the financial year ended 30 June 2005. Stephen Miles is a Certified Practising Valuer and Licensed Estate Agent. All assets were valued on the basis of market value by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The next valuation is due to take place in the year ending 30 June 2011.

A fair value assessments was performed for 30 June 2010 for Crown Land and Buildings in accordance with FRD103D. No revaluation increments or decrements have been recognised as a result of the fair value assessment.

Boardwalks and car parks acquired since 1 July 2005 are valued at depreciated cost. In accordance with FRD103D, depreciated cost is used to approximate fair value where there is no evidence to suggest that a reliable market based fair value exists for these assets.

The fair value of motor vehicles, plant & equipment, furniture & fittings, computer hardware and computer software was determined by reference to the asset's depreciated cost

- b) Profit / (Loss) on Sale of Assets

| | 2010 | 2009 |
|--------------------------------|--------------|--------------|
| | \$ | \$ |
| Gross proceeds of assets sold | 47,636 | 62,134 |
| Less book value of assets sold | 42,618 | 56,928 |
| Gain on sale of assets | 5,018 | 5,206 |

9 Payables

| | | |
|-----------------------|------------------|----------------|
| Current | | |
| Trade Creditors | 545,847 | 330,514 |
| Accrued Expenses | 337,948 | 302,263 |
| GST | 169,776 | 173,915 |
| Total Payables | 1,053,571 | 806,692 |

10 Cash flow information

- (i) Reconciliation of Cash

Cash at the end of the financial year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

| | | |
|--------------|------------------|------------------|
| Cash on Hand | 36,000 | 35,000 |
| Cash at Bank | 5,280,842 | 4,305,490 |
| | 5,316,842 | 4,340,490 |

- (ii) Reconciliation of net cash provided by operating activities to net result for the year

| | | |
|---|------------------|------------------|
| Net Result for the Year | 856,081 | 416,903 |
| Net (Gain) from Sale of Assets | (5,018) | (5,206) |
| Impairment of non current assets | 218,247 | - |
| Depreciation and amortisation of non current assets | 1,756,508 | 1,721,593 |
| Increase (Decrease) in Creditors & Accruals | 246,879 | (218,930) |
| Decrease (Increase) in Receivables & other Current Assets | (268,939) | (665) |
| Decrease (Increase) in Inventory | 256,582 | (141,717) |
| Increase (Decrease) in Employee Provisions | 115,026 | (213,717) |
| Net cash provided by operating activities | 3,175,366 | 1,558,261 |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

11 Auditor's remuneration

Total amounts receivable by the Auditors of the Phillip Island Nature Park Board of Management Inc. for:

| | 2010 | 2009 |
|--|---------------|---------------|
| | \$ | \$ |
| External Audit – Victorian Auditor General | 11,600 | 15,744 |
| Internal Audit – Oakton | 51,154 | 55,815 |
| | 62,754 | 71,559 |

12 Provisions

| Employee Benefits | | |
|---|------------------|----------------|
| Current | | |
| Employee benefits | | |
| Unconditional and expected to be settled within 12 months | 394,972 | 315,412 |
| Unconditional and expected to be settled after 12 months | 157,596 | 183,884 |
| | 552,568 | 499,296 |
| Provisions related to employee benefits on-costs | | |
| Unconditional and expected to be settled within 12 months | 65,516 | 52,404 |
| Unconditional and expected to be settled after 12 months | 26,981 | 31,482 |
| | 92,497 | 83,886 |
| Superannuation | 20 | 11,440 |
| Accrued Wages | 214,548 | 173,604 |
| | 859,633 | 768,226 |
| Non-current | | |
| Conditional long service leave | 171,936 | 151,769 |
| Provisions related to employee benefit on-costs | 29,436 | 25,984 |
| | 201,372 | 177,753 |
| | 1,061,005 | 945,979 |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

12a Employee benefits and related on-costs

| | 2010 | 2009 |
|---|------------------|----------------|
| | \$ | \$ |
| Current employee benefits | | |
| Annual leave entitlements | 314,057 | 257,267 |
| Unconditional long service leave entitlements | 238,511 | 242,029 |
| Superannuation | 20 | 11,440 |
| Accrued wages | 214,548 | 173,604 |
| | 767,136 | 684,340 |
| Non-current employee benefits | | |
| Conditional long service leave entitlements | 171,936 | 151,769 |
| | 171,936 | 151,769 |
| "On-Costs" | | |
| Current on-costs | 92,497 | 83,886 |
| Non-current on-costs | 29,436 | 25,984 |
| | 121,933 | 109,870 |
| Total employee benefits and related on-costs | 1,061,005 | 945,979 |

| | Long Service Leave | Annual Leave | Superannuation | Accrued Wages | Total Provisions |
|--|--------------------|----------------|----------------|----------------|------------------|
| | \$ | \$ | \$ | \$ | \$ |
| Closing balance at 30 June 2009 | 461,219 | 299,715 | 11,440 | 173,605 | 945,979 |
| Payments | (95,681) | (381,811) | (11,440) | (173,605) | (662,537) |
| Increase in provision | 115,180 | 447,815 | 20 | 214,548 | 777,563 |
| Closing balance at 30 June 2010 | 480,718 | 365,719 | 20 | 214,548 | 1,061,005 |

The following assumptions were adopted in measuring the present value of the long service leave liability.

| | 2010 | 2009 |
|---|------------|------------|
| Weighted average discount rates | 5.16% | 5.50% |
| Weighted average terms to settlement of the liabilities | 13.0 years | 13.0 years |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

13 Responsible persons and related party disclosures

The names of persons who were responsible persons at any time during the financial year are:

Responsible Minister

The Hon. Gavin Jennings MLC, Minister for Environment, Climate Change and Innovation.

Accountable officer

Mark Manteit, Chief Executive Officer

Board members

The names of each person holding the position of board member during the financial year are:

- David Beatty (Chair- retired 4 September 2009)
- Dr Irene Irvine (Chair - appointed 5 September 2009)
- Stella Axarlis
- Christine Wardle (Resigned 4 August 2010)
- Michael Gatehouse (Resigned 30 June 2010)
- Jason Perry
- Dr Kath Handasyde (resigned 4 September 2009)
- Kirsty Mawer (appointed 5 September 2009)
- Catherin Bull (appointed 5 September 2009)

Remuneration

(i) Accountable officer

Remuneration received or receivable by the accountable officer in connection with the management of the Nature Park during the reporting period was in the range:

| | 2010 | 2009 |
|-----------------------|------|------|
| \$250,001 - \$260,001 | 1 | 1 |

Mark Manteit occupied the position as Chief Executive Officer from 1 July 2009 to 30 June 2010.

(ii) Board members

Members' remuneration received or due and receivable was \$58,000 (2008/09: \$69,750).

The following table shows the number of members of the board receiving gross remuneration from the Nature Park in the range stated:

| | 2010 | 2009 |
|---------------------|------|------|
| \$0 - \$10,000 | 8 | 6 |
| \$10,001 - \$20,000 | 1 | 1 |

There were no transactions outside the normal course of business during the financial year to report as related party transactions.

(iii) Amounts relating to the Ministers are reported in the financial statements of the department of premier and cabinet.

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

14 Contingent liabilities

The board is not aware of any material threatened or existing legal actions or other contingencies between Phillip Island Nature Park Board of Management Inc and third parties as at 30 June 2010.

15 Superannuation

The Nature Park makes employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). Obligations for contributions are recognised as an expense in profit or loss when they are due. The Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently.

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with the superannuation guarantee legislation (9% in 2009/10 and 2008/09). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

The Fund's defined benefit plan is a multi-employer sponsored plan. As the plan's assets and liabilities are pooled and are not allocated by employer, the actuary is unable to reliably allocate benefit liabilities, assets and costs between employers. As provided under paragraph 32(b) of AASB 119, the Nature Park does not use defined benefit accounting for these contributions.

The Nature Park makes employer contributions to the defined benefit category of the Fund at rates determined by the trustee on advice of the Fund's actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 31 December 2008, the Nature Park makes the following contributions:-

- 9.25% of member's salaries (same as previous year)
- The difference between resignation and retrenchment benefits paid to any retrenched employees, plus contribution tax (same as previous year)

Fund surplus or deficit (ie the difference between Fund assets and liabilities) are calculated differently for funding purposes (ie calculating required contributions) and for the calculation of accrued benefits as required in AAS 25 to provide the values needed for the AASB 119 disclosure in a council's financial statements. AAS 25 requires that the present value of the benefit liability which is calculated in respect of membership completed at the calculation date makes no allowance for future benefits that may accrue. The actuarial investigation concluded that although the net market value of assets was in excess of accrued benefits at 31 December 2008, based on the assumptions adopted, there was a shortfall of \$71 million when the funding of future benefits was also considered. However, the Nature Park has been advised that no additional contributions will be required as at 30 June 2010. The actuary has commenced undertaking the next actuarial investigation to ascertain if additional contributions would be required. The actuarial review will be as at 30 June 2010.

The result of the actuarial review is expected to be finalised during October 2010. Should the review identify a funding shortfall requiring additional contributions, the Nature Park will be notified of any amount payable by November 2010 for payment on 1 July 2011. A further actuarial review will be undertaken as at 30 June 2011. Based on the result of this further review, a detailed funding plan will be developed and implemented to achieve the target of fully funding the Fund by 31 December 2013.

The Fund's liability for accrued benefits was determined by the actuary at 31 December 2008 pursuant to the requirements of AAS25 as follows:

| | 31-Dec-2008 |
|--|-------------|
| | \$000 |
| Net market value of assets | 3,630,432 |
| Accrued benefits (per accounting standards) | 3,616,422 |
| Difference between assets and accrued benefits | 14,010 |
| Vested benefits | 3,561,588 |

The financial assumptions used to calculate the accrued benefits for the defined benefit category of the Fund were:

| | | |
|------------------------|-----------|-----------------------|
| Net investment returns | 8.50% p.a | (8.0% p.a In 2007/08) |
| Salary inflation | 4.25% p.a | (5.5% p.a In 2007/08) |
| Price inflation | 2.75% p.a | (3.0% p.a In 2007/08) |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

15 Superannuation (continued)

Employer superannuation contributions made by the Nature Park were:

| | 2010 | 2009 |
|--|----------------|----------------|
| | \$ | \$ |
| Accumulation funds | 494,420 | 435,476 |
| Defined benefit fund | 122,998 | 134,789 |
| Total employer superannuation contributions | 617,418 | 570,265 |

16 Financial instruments

(a) Categorisation of financial instruments

| | Notes | Category | Carrying Amount | Carrying Amount |
|------------------------------------|-------|---|------------------|------------------|
| | | | 2010 | 2009 |
| | | | \$ | \$ |
| Financial assets | | | | |
| Cash assets | 4 | N/A | 5,316,842 | 4,340,490 |
| Receivables | 5 | Loans & receivables | 640,131 | 356,728 |
| Total financial assets | | | 5,956,973 | 4,697,218 |
| Financial liabilities | | | | |
| Payables | 9 | Financial Liabilities measured at amortised costs | 1,053,571 | 806,692 |
| Total financial liabilities | | | 1,053,571 | 806,692 |
| Net financial assets | | | 4,903,402 | 3,890,526 |

(b) Interest rate risk

The Nature Park's exposure to interest rate risk and the effective weighted average interest rate for each class of financial asset and liability is set out below:

| | Notes | Floating interest rate | Non-interest bearing | Total | 2008/09 |
|------------------------------------|-------|------------------------|----------------------|------------------|------------------|
| | | \$ | \$ | \$ | \$ |
| Financial assets | | | | | |
| Cash assets | 4 | 5,280,842 | 36,000 | 5,316,842 | 4,340,490 |
| Receivables | 5 | - | 640,131 | 640,131 | 356,728 |
| Total financial assets | | 5,280,842 | 676,131 | 5,956,973 | 4,697,218 |
| Financial liabilities | | | | | |
| Payables | 9 | - | 1,053,571 | 1,053,571 | 806,692 |
| Total financial liabilities | | - | 1,053,571 | 1,053,571 | 806,692 |
| Net financial assets | | 5,280,842 | (-377,440) | 4,903,402 | 3,890,526 |

The weighted average interest rate for each class of asset is:

Floating Interest Rate 3.41% (3.5% 2008/09)

Phillip Island Nature Park adopts a policy of allowing 30 day credit on trading accounts and paying creditors in full within 30 days of month end.

(c) Sensitivity disclosure analysis

Taking into account past performance and future expectations a 1% increase or decrease in interest rates is reasonably possible over the next 12 months. The effect on Cash Assets would be an increase or decrease in fair value of \$52,806 (\$43,055 2008/09).

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

16 Financial instruments (continued)

(d) Foreign currency risk

The Nature Park is exposed to an insignificant amount of foreign currency risk through its payables relating to purchases from overseas. This is because of a limited amount of purchases denominated in foreign currencies and a short time frame between commitment and settlement.

(e) Credit risk exposure

Credit risk represents the loss that would be recognised if counter parties failed to perform as contracted. Maximum exposure to credit risk is the carrying amount of financial assets.

Credit Risk associated with the Nature Park's financial assets is minimal as the risk is spread across a large number of small debtors. In addition, each debtor must undergo a credit checking process before credit is provided and the outstanding balance is reviewed on a regular basis.

Provision of impairment for contractual financial assets is calculated based on past experience, and current and expected change in client credit ratings.

As at the reporting date, there is no event to indicate that any of the financial assets were impaired.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The following table discloses the ageing only of financial assets that are past due but not impaired:

| | | Carrying amount | Not past due and not impaired | Past due but not impaired | | | | Impaired financial assets |
|---------------|---|------------------|-------------------------------|---------------------------|---------------|-------------------|-----------|---------------------------|
| Notes | | | | Lees than 1 month | 1-3 Months | 3 Months - 1 Year | 1-5 Years | |
| 2010 | | | | | | | | |
| Cash assets | 4 | 5,316,842 | 5,316,842 | - | - | - | - | - |
| Receivables | 5 | 640,131 | 633,031 | 7,100 | - | - | - | 28,117 |
| Term Deposits | | - | - | - | - | - | - | - |
| | | 5,956,973 | 5,949,873 | 7,100 | - | - | - | 28,117 |
| 2009 | | | | | | | | |
| Cash Assets | 4 | 4,340,490 | 4,340,490 | - | - | - | - | - |
| Receivables | 5 | 356,728 | 324,681 | 4,126 | 24,575 | 3,346 | - | 23,306 |
| Term Deposits | | - | - | - | - | - | - | - |
| | | 4,697,218 | 4,665,171 | 4,126 | 24,575 | 3,346 | - | 23,306 |

Phillip Island Nature Park Board of Management Incorporated

Notes to the financial statements for the financial year ended 30 June 2010

16 Financial instruments (continued)

(f) Liquidity risk exposure

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

The Nature Park adopts a policy of paying creditors within 30 days of month end.

The Nature Park's exposure to liquidity risk is insignificant based on prior period's data and current assessment of risk. Cash is deposited to the trading account offering a competitive interest rate with at call accessibility of funds.

Maximum exposure to liquidity risk is the carrying amount of financial liabilities.

17 Commitments

The Nature Park received funding for specific purposes from various sources throughout the financial year. This funding is recognised as a liability on the balance sheet until it is utilised as prescribed in the funding agreement. At 30 June 2010 The Nature Park is committed to utilising \$90,545 in accordance with such agreements.

18 Subsequent Events

The Minister for Environment and Climate Change, the Hon. Gavin Jennings, appointed Mr Jeffrey Floyd and Mr Ralph Booth to the Phillip Island Nature Park Board of Management on 21 July 2010.

Ms Christine Wardle retired from the Board on 4 August 2010.

Phillip Island Nature Park Board of Management Incorporated

Statutory declaration

Year Ended 30 June 2010

We certify that the attached financial statements for the Phillip Island Nature Park have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Australian Accounting Standards, Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and notes to and forming part of financial statements, presents fairly the financial transactions during the year ended 30 June 2010 and financial position of the Phillip Island Nature Park as at 30 June 2010.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 20 August 2010.

On behalf of the Phillip Island Nature Park Board of Management Inc:



Mark Manteit

Chief Executive Officer (Accountable Officer)
Phillip Island
20 August 2010



Catherine Basterfield

Financial Controller (Accounting Officer)
Phillip Island
20 August 2010



Irene Irvine

Chair Phillip Island Nature Park (Board of Management)
Melbourne
20 August 2010



Appendix

Whistleblowers Protection Act 2001

Whistleblowers Protection Act 2001

Phillip Island Nature Park Policy & Procedures

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1. Statement of support to whistleblowers

Phillip Island Nature Parks (Nature Park) is committed to the aims and objectives of the *Whistleblowers Protection Act 2001 (the Act)*. It does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct.

The Nature Park recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Nature Park will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure.

2. Purpose of these procedures

These procedures establish a system for reporting disclosures of improper conduct or detrimental action by the Nature Park or its employees. The system enables such disclosures to be made to the protected disclosure coordinator or to one of the nominated Protected disclosure officers. Disclosures may be made by employees or by members of the public.

These procedures are designed to complement normal communication channels between supervisors and employees. Employees are encouraged to continue to raise appropriate matters at any time with their supervisors. As an alternative, employees may make a disclosure of improper conduct or detrimental action under the Act in accordance with these procedures.

3. Objects of the Act

The *Whistleblowers Protection Act 2001* commences operation on 1 January 2002. The purpose of the Act is to encourage and facilitate the making of disclosures of improper conduct by public officers and public bodies. The Act provides protection to whistleblowers who make disclosures in accordance with the Act, and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

4. Definitions of key terms

Three key concepts in the reporting system are improper conduct, corrupt conduct and detrimental action. Definitions of these terms are set out below.

4.1 Improper conduct

A disclosure may be made about improper conduct by a public body or public official. Improper conduct means conduct that is corrupt, a substantial mismanagement of public resources, or conduct involving substantial risk to public health or safety or to the environment. The conduct must be serious enough to constitute, if proved, a criminal offence or reasonable grounds for dismissal.

Examples

- To avoid closure of a town's only industry, an environmental health officer ignores or conceals evidence of illegal dumping of waste.
- An agricultural officer delays or declines imposing quarantine to allow a financially distressed farmer to sell diseased stock.
- A building inspector tolerates poor practices and structural defects in the work of a leading local builder.
- See 4.2 below for specific examples of corrupt conduct.

4.2 Corrupt conduct

Corrupt conduct means:

- Conduct of any person (whether or not a public official) that adversely affects the honest performance of a public officer's or public body's functions;
- The performance of a public officer's functions dishonestly or with inappropriate partiality;
- Conduct of a public officer, former public officer or a public body that amounts to a breach of public trust;
- Conduct by a public officer, former public officer or a public body that amounts to the misuse of information or material acquired in the course of the performance of their official functions; or
- A conspiracy or attempt to engage in the above conduct.

Examples

- A public officer takes a bribe or receives a payment other than his or her wages or salary in exchange for the discharge of a public duty.
- A public officer favours unmeritorious applications for jobs or permits by friends and relatives.
- A public officer sells confidential information.

4.3 Detrimental action

- The Act makes it an offence for a person to take detrimental action against a person in reprisal for a protected disclosure. Detrimental action includes:
 - Action causing injury, loss or damage;
 - Intimidation or harassment; and
 - Discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business, including the taking of disciplinary action.

Examples

- A public body refuses a deserved promotion of a person who makes a disclosure.
- A public body demotes, transfers, isolates in the workplace or changes the duties of a whistleblower due to the making of a disclosure.
- A person threatens, abuses or carries out other forms of harassment directly or indirectly against the whistleblower, his or her family or friends.
- A public body discriminates against the whistleblower or his or her family and associates in subsequent applications for jobs, permits or tenders.

5. The reporting system

5.1 Contact persons within the Nature Park

Disclosures of improper conduct or detrimental action by the Nature Park or its employee's may be made to the following officers:

The protected disclosure coordinator

Heather Goldberg

Human Resources Manager
Phillip Island Nature Park,
PO Box 97, Cowes 3922
Ph: 5951 2837
Email: hgoldberg@penguins.org.au

The protected disclosure officers:

Heather Goldberg

Human Resources Manager
Phillip Island Nature Park,
PO Box 97, Cowes 3922
Ph: 5951 2837
Email: hgoldberg@penguins.org.au

Financial Controller

Catherine Basterfield

Phillip Island Nature Park,
PO Box 97, Cowes 3922
Ph: 5951 2840
Email: cbasterfield@penguins.org.au

All correspondence, phone calls and emails from internal or external whistleblowers will be referred to the protected disclosure coordinator.

Where a person is contemplating making a disclosure and is concerned about approaching the protected disclosure coordinator or a protected disclosure officer in the workplace, he or she can call the relevant officer and request a meeting in a discreet location away from the workplace.

5.2 Alternative contact persons

A disclosure about improper conduct or detrimental action by the Nature Park or its employees, may also be made directly to the Ombudsman:

The Ombudsman Victoria

Level 3 (South Tower), 459 Collins St Melbourne Vic 3000

Telephone: (03) 9613 6222

Toll Free: 1800 806 314; Fax: 9614 0246; DX26

Internet: www.ombudsman.vic.gov.au

Email: ombudvic@ombudsman.vic.gov.au

The following table sets out where disclosures about persons other than employees of the Nature Park should be made.

| Person who is the subject of the disclosure | Person/body to whom the disclosure must be made Person/body to whom the disclosure must be made Person/body to whom the disclosure must be made |
|---|---|
| Employee of a public body | That public body or the Ombudsman |
| Member of Parliament (Legislative Assembly) | Speaker of the Legislative Assembly |
| Member of Parliament (Legislative Council) | President of the Legislative Council |
| Councillor | The Ombudsman |
| Chief Commissioner of Police | The Ombudsman or Deputy Ombudsman |
| Member of the police force | The Ombudsman, Deputy Ombudsman or Chief Commissioner of Police |

6. Roles and responsibilities

6.1 Employees

Employees are encouraged to report known or suspected incidences of improper conduct or detrimental action in accordance with these procedures.

All employees of the Nature Park have an important role to play in supporting those who have made a legitimate disclosure. They must refrain from any activity that is, or could be perceived to be, victimisation or harassment of a person who makes a disclosure. Furthermore, they should protect and maintain the confidentiality of a person they know or suspect to have made a disclosure.

6.2 Protected disclosure officers

Protected disclosure officers will:

- Be a contact point for general advice about the operation of the Act for any person wishing to make a disclosure about improper conduct or detrimental action;
- Make arrangements for a disclosure to be made privately and discreetly and, if necessary, away from the workplace;
- Receive any disclosure made orally or in writing (from internal and external whistleblowers);
- Commit to writing any disclosure made orally;
- Impartially assess the allegation and determine whether it is a disclosure made in accordance with Part 2 of the Act (that is, 'a protected disclosure');
- Take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential; and
- Forward all disclosures and supporting evidence to the protected disclosure coordinator.

6.3 Protected disclosure coordinator

The protected disclosure coordinator has a central 'clearinghouse' role in the internal reporting system. He or she will:

- Receive all disclosures forwarded from the protected disclosure officers;
- Receive all phone calls, emails and letters from members of the public or employees seeking to make a disclosure;
- Impartially assess each disclosure to determine whether it is a public interest disclosure;

- Refer all public interest disclosures to the Ombudsman;
- Be responsible for carrying out, or appointing an investigator to carry out, an investigation referred to the public body by the Ombudsman;
- Be responsible for overseeing and coordinating an investigation where an investigator has been appointed;
- Appoint a welfare manager to support the whistleblower and to protect him or her from any reprisals;
- Advise the whistleblower of the progress of an investigation into the disclosed matter;
- Establish and manage a confidential filing system;
- Collate and publish statistics on disclosures made;
- Take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential; and
- Liaise with the Chief Executive Officer of the public body.

6.4 Investigator

The investigator will be responsible for carrying out an internal investigation into a disclosure where the Ombudsman has referred a matter to the public body. An investigator may be a person from within an organisation or a consultant engaged for that purpose.

6.5 Welfare manager

The welfare manager is responsible for looking after the general welfare of the whistleblower. The welfare manager will:

- Examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and seek to foster a supportive work environment;
- Advise the whistleblower of the legislative and administrative protections available to him or her;
- Listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure; and
- Ensure the expectations of the whistleblower are realistic.

7. Confidentiality

The Nature Park will take all reasonable steps to protect the identity of the whistleblower. Maintaining confidentiality is crucial in ensuring reprisals are not made against a whistleblower.

The Act requires any person who receives information due to the handling or investigation of a protected disclosure, not to disclose that information except in certain limited circumstances. Disclosure of information in breach of section 22 constitutes an offence that is punishable by a maximum fine of 60 penalty units (\$6000) or six months imprisonment or both.

The circumstances in which a person may disclose information obtained about a protected disclosure include:

- Where exercising the functions of the public body under the Act;
- When making a report or recommendation under the Act;
- When publishing statistics in the annual report of a public body; and
- In criminal proceedings for certain offences in the Act.

However, the Act prohibits the inclusion of particulars in any report or recommendation that is likely to lead to the identification of the whistleblower. The Act also prohibits the identification of the person who is the subject of the disclosure in any particulars included in an annual report.

The Nature Park will ensure all files, whether paper or electronic, are kept in a secure room and can only be accessed by the protected disclosure coordinator, protected disclosure officer, the investigator or welfare manager (in relation to welfare matters). All printed material will be kept in files that are clearly marked as a *Whistleblower Protection Act* matter, and warn of the criminal penalties that apply to any unauthorised divulging information concerning a protected disclosure. All electronic files will be produced and stored on a stand-alone computer and be given password protection. Backup files will be kept on floppy disc. All materials relevant to an investigation, such as tapes from interviews, will also be stored securely with the whistleblower files.

The Nature Park will not email documents relevant to a whistleblower matter and will ensure all phone calls and meetings are conducted in private.

8. Collating and publishing statistics

The protected disclosure coordinator will establish a secure register to record the information required to be published in the annual report, and to generally keep account of the status of whistleblower disclosures. The register will be confidential and will not record any information that may identify the whistleblower.

The register will contain the following information:

- The number and types of disclosures made to public bodies during the year;
- The number of disclosures referred to the Ombudsman for determination as to whether they are public interest disclosures;
- The number and types of disclosed matters referred to the public body by the Ombudsman for investigation;
- The number and types of disclosures referred by the public body to the Ombudsman for investigation;
- The number and types of investigations taken over from the public body by the Ombudsman;
- The number of requests made by a whistleblower to the Ombudsman to take over an investigation by the public body;
- The number and types of disclosed matters that the public body has declined to investigate;
- The number and types of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation; and
- Any recommendations made by the Ombudsman that relate to the public body.

9. Receiving and assessing disclosures

9.1 Has the disclosure been made in accordance with Part 2 of the Act?

Where a disclosure has been received by the protected disclosure officer or by the protected disclosure coordinator, he or she will assess whether the disclosure has been made in accordance with Part 2 of the Act and is, therefore, a protected disclosure.

9.1.1 Has the disclosure been made to the appropriate person?

For the disclosure to be responded to by the Nature Park, it must concern an employee, member or officer of the Nature Park. If the disclosure concerns an employee, officer or member of another public body, the person who has made the disclosure must be advised of the correct person or body to whom the disclosure should be directed. (See the table in 5.2). If the disclosure has been made anonymously, it should be referred to the Ombudsman.

9.1.2 Does the disclosure contain the essential elements of a protected disclosure?

To be a protected disclosure, a disclosure must satisfy the following criteria:

- Did a natural person (that is, an individual person rather than a corporation) make the disclosure?
- Does the disclosure relate to conduct of a public body or public officer acting in their official capacity?
- Is the alleged conduct either improper conduct or detrimental action taken against a person in reprisal for making a protected disclosure?
- Does the person making a disclosure have reasonable grounds for believing the alleged conduct has occurred?
- Where a disclosure is assessed to be a protected disclosure, it is referred to the protected disclosure coordinator. The protected disclosure coordinator will determine whether the disclosure is a public interest disclosure.
- Where a disclosure is assessed not to be a protected disclosure, the matter does not need to be dealt with under the Act. The protected disclosure officer will decide how the matter should be responded to in consultation with the protected disclosure coordinator.

9.2 Is the disclosure a public interest disclosure?

Where the protected disclosure officer or coordinator has received a disclosure that has been assessed to be a protected disclosure, the protected disclosure coordinator will determine whether the disclosure amounts to a public interest disclosure. This assessment will be made within 45 days of the receipt of the disclosure.

In reaching a conclusion as to whether a protected disclosure is a public interest disclosure, the protected disclosure coordinator will consider whether the disclosure shows, or tends to show, that the public officer to whom the disclosure relates:

- 1 Has engaged, is engaging or proposes to engage in improper conduct in his or her capacity as a public officer; or
- 2 Has taken, is taking or proposes to take detrimental action in reprisal for the making of the protected disclosure.

Where the protected disclosure coordinator concludes that the disclosure amounts to a public interest disclosure, he or she will:

- 1 Notify the person who made the disclosure of that conclusion; and;
- 2 Refer the disclosure to the Ombudsman for formal determination as to whether it is indeed a public interest disclosure.

Where the protected disclosure coordinator concludes that the disclosure is not a public interest disclosure, he or she will:

- Notify the person who made the disclosure of that conclusion; and;

Advise that person that he or she may request the public body to refer the disclosure to the Ombudsman for a formal determination as to whether the disclosure is a public interest disclosure, and that this request must be made within 28 days of the notification.

In either case, the protected disclosure coordinator will make the notification and the referral within 14 days of the conclusion being reached by the public body. Notification to the whistleblower is not necessary where the disclosure has been made anonymously.

10. Investigations

10.1 Introduction

Where the Ombudsman refers a protected disclosure to the Nature Park for investigation, the protected disclosure coordinator will appoint an investigator to carry out the investigation.

The objectives of an investigation will be:

- To collate information relating to the allegation as quickly as possible. This may involve taking steps to protect or preserve documents, materials and equipment;

- To consider the information collected and to draw conclusions objectively and impartially;
- To maintain procedural fairness in the treatment of witnesses and the person who is the subject of the disclosure; and
- To make recommendations arising from the conclusions drawn concerning remedial or other appropriate action.

10.2 Terms of reference

Before commencing an investigation, the protected disclosure coordinator will draw up terms of reference and obtain authorisation for those terms by the Chief Executive Officer. The terms of reference will set a date by which the investigation report is to be concluded, and will describe the resources available to the investigator to complete the investigation within the time set. The protected disclosure coordinator may approve, if reasonable, an extension of time requested by the investigator. The terms of reference will require the investigator to make regular reports to the protected disclosure coordinator who, in turn, is to keep the Ombudsman informed of general progress.

10.3 Investigation plan

The investigator will prepare an investigation plan for approval by the protected disclosure coordinator. The plan will list the issues to be substantiated and describe the avenue of inquiry. It will address the following issues:

- What is being alleged?
- What are the possible findings or offences?
- What are the facts in issue?
- How is the inquiry to be conducted?
- What resources are required?

At the commencement of the investigation, the whistleblower should be:

- Notified by the investigator that he or she has been appointed to conduct the investigation;
- Asked to clarify any matters; and
- Provide any additional material he or she might have.

The investigator will be sensitive to the whistleblower's possible fear of reprisals and will be aware of the statutory protections provided to the whistleblower.

10.4 Natural justice

The principles of natural justice will be followed in any investigation of a public interest disclosure. The principles of natural justice concern procedural fairness and ensure a fair decision is reached by an objective decision maker. Maintaining procedural fairness protects the rights of individuals and enhances public confidence in the process.

The Nature Park will have regard to the following issues in ensuring procedural fairness:

- The person who is the subject of the disclosure is entitled to know the allegations made against him or her and must be given the right to respond. (This does not mean the person must be advised of the allegation as soon as the disclosure is received or the investigation has commenced);
- If the investigator is contemplating making a report adverse to the interests of any person, that person should be given the opportunity to put forward further material that may influence the outcome of the report and that person's defence should be fairly set out in the report;
- All relevant parties to a matter should be heard and all submissions should be considered;
- A decision should not be made until all reasonable inquiries have been made;
- The investigator or any decision maker should not have a personal or direct interest in the matter being investigated;
- All proceedings must be carried out fairly and without bias. Care should be taken to exclude perceived bias from the process; and
- The investigator must be impartial in assessing the credibility of the whistleblowers and any witnesses. Where appropriate, conclusions as to credibility should be included in the investigation report.

10.5 Conduct of the investigation

The investigator will make contemporaneous notes of all discussions and phone calls, and all interviews with witnesses will be taped. All information gathered in an investigation will be stored securely. Interviews will be conducted in private and the investigator will take all reasonable steps to protect the identity of the whistleblower. Where disclosure of the identity of the whistleblower cannot be avoided, due to the nature of the allegations, the investigator will warn the whistleblower and his or her welfare manager of this probability.

It is in the discretion of the investigator to allow any witness to have legal or other representation or support during an interview. If a witness has a special need for legal representation or support, permission should be granted.

10.6 Referral of an investigation to the Ombudsman

The protected disclosure coordinator will make a decision regarding the referral of an investigation to the Ombudsman where, on the advice of the investigator:

- The investigation is being obstructed by, for example, the non-cooperation of key witnesses; or
- The investigation has revealed conduct that may constitute a criminal offence.

10.7 Reporting requirements

The protected disclosure coordinator will ensure the whistleblower is kept regularly informed concerning the handling of a protected disclosure and an investigation.

The protected disclosure coordinator will report to the Ombudsman about the progress of an investigation.

Where the Ombudsman or the whistleblower requests information about the progress of an investigation, that information will be provided within 28 days of the date of the request.

11. Action taken after an investigation

11.1 Investigator's final report

At the conclusion of the investigation, the investigator will submit a written report of his or her findings to the protected disclosure coordinator. The report will contain:

The allegation/s:

- An account of all relevant information received and, if the investigator has rejected evidence as being unreliable, the reasons for this opinion being formed;
- The conclusions reached and the basis for them; and
- Any recommendations arising from the conclusions.

Where the investigator has found that the conduct disclosed by the whistleblower has occurred recommendations made by the investigator will include:

- The steps that need to be taken by the Nature Park to prevent the conduct from continuing or occurring in the future; and
- Any action that should be taken by the Nature Park to remedy any harm or loss arising from the conduct. This action may include bringing disciplinary proceedings against the person responsible for the conduct, and referring the matter to an appropriate authority for further consideration.

The report will be accompanied by:

- The transcript or other record of any oral evidence taken, including tape recordings; and
- All documents, statements or other exhibits received by the officer and accepted as evidence during the course of the investigation.

Where the investigator's report is to include an adverse comment against any person, that person will be given the opportunity to respond and his or her defence will be fairly included in the report.

The report will not disclose particulars likely to lead to the identification of the whistleblower.

11.2 Action to be taken

If the protected disclosure coordinator is satisfied that the investigation has found that the disclosed conduct has occurred, he or she will recommend to the Chief Executive Officer the action that must be taken to prevent the conduct from continuing or occurring in the future. The protected disclosure coordinator may also recommend that action be taken to remedy any harm or loss arising from the conduct.

The protected disclosure coordinator will provide a written report setting out the findings of the investigation and any remedial steps taken to the Ombudsman, the whistleblower and the responsible Minister. Where the investigation concludes that the disclosed conduct did not occur, the protected disclosure coordinator will report these findings to the Ombudsman and to the whistleblower.

12. Managing the welfare of the whistleblower

12.1 Commitment to protecting whistleblowers

The Nature Park is committed to the protection of genuine whistleblowers against detrimental action taken in reprisal for the making of protected disclosures. The protected disclosure coordinator is responsible for ensuring whistleblowers are protected from direct and indirect detrimental action, and that the culture of the workplace is supportive of protected disclosures being made.

The protected disclosure coordinator will appoint a welfare manager to all whistleblowers who have made a protected disclosure. The welfare manager will:

- Examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and, where the whistleblower is an employee, seek to foster a supportive work environment;
- Advise the whistleblower of the legislative and administrative protections available to him or her;
- Listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure;
- Keep a contemporaneous record of all aspects of the case management of the whistleblower including all contact and follow-up action; and
- Ensure the expectations of the whistleblower are realistic.

All employees will be advised that it is an offence for a person to take detrimental action in reprisal for a protected disclosure. The maximum penalty is a fine of 240 penalty units (\$24,000) or two years imprisonment or both. The taking of detrimental action in breach of this provision can also be grounds for making a disclosure under the Act and can result in an investigation.

Detrimental action includes:

- Causing injury, loss or damage;
- Intimidation or harassment; and
- Discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business (including the taking of disciplinary action).

12.2 Keeping the whistleblower informed

The protected disclosure coordinator will ensure the whistleblower is kept informed of action taken in relation to his or her disclosure, and the time frames that apply. The whistleblower will be informed of the objectives of an investigation, the findings of an investigation, and the steps taken by the Nature Park to address any improper conduct that has been found to have occurred. The whistleblower will be given reasons for decisions made by the Nature Park in relation to a protected disclosure. All communication with the whistleblower will be in plain English.

12.3 Occurrence of detrimental action

If a whistleblower reports an incident of harassment, discrimination or adverse treatment that would amount to detrimental action taken in reprisal for the making of the disclosure, the welfare manager will:

- Record details of the incident;
- Advise the whistleblower of his or her rights under the Act; and
- Advise the protected disclosure coordinator or Chief Executive Officer of the detrimental action.

The taking of detrimental action in reprisal for the making of a disclosure can be an offence against the Act as well as grounds for making a further disclosure. Where such detrimental action is reported, the protected disclosure coordinator will assess the report as a new disclosure under the Act. Where the protected disclosure coordinator is satisfied that the disclosure is a public interest disclosure, he or she will refer it to the Ombudsman. If the Ombudsman subsequently determines the matter to be a public interest disclosure, the Ombudsman may investigate the matter or refer it to another body for investigation as outlined in the Act.

12.4 Whistleblowers implicated in improper conduct

Where a person who makes a disclosure is implicated in misconduct, the Nature Park will handle the disclosure and protect the whistleblower from reprisals in accordance with the Act, the Ombudsman's guidelines and these procedures. The Nature Park acknowledges that the act of whistleblowing should not shield whistleblowers from the reasonable consequences flowing from any involvement in improper conduct. Section 17 of the Act specifically provides that a person's liability for his or her own conduct is not affected by the person's disclosure of that conduct under the Act. However, in some circumstances, an admission may be a mitigating factor when considering disciplinary or other action.

The Chief Executive Officer will make the final decision on the advice of the protected disclosure coordinator as to whether disciplinary or other action will be taken against a whistleblower. Where disciplinary or other action relates to conduct that is the subject of the whistleblower's disclosure, the disciplinary or other action will only be taken after the disclosed matter has been appropriately dealt with.

In all cases where disciplinary or other action is being contemplated, the Chief Executive Officer must be satisfied that it has been clearly demonstrated that:

- The intention to proceed with disciplinary action is not causally connected to the making of the disclosure (as opposed to the content of the disclosure or other available information);
- There are good and sufficient grounds that would fully justify action against any non-whistleblower in the same circumstances; and
- There are good and sufficient grounds that justify exercising any discretion to institute disciplinary or other action.

The protected disclosure coordinator will thoroughly document the process including recording the reasons why the disciplinary or other action is being taken, and the reasons why the action is not in retribution for the making of the disclosure. The protected disclosure coordinator will clearly advise the whistleblower of the proposed action to be taken, and of any mitigating factors that have been taken into account.

13. Management of the person against whom a disclosure has been made

The Nature Park recognises that employees against whom disclosures are made must also be supported during the handling and investigation of disclosures. The Nature Park will take all reasonable steps to ensure the confidentiality of the person who is the subject of the disclosure during the assessment and investigation process. Where investigations do not substantiate disclosures, the fact that the investigation has been carried out, the results of the investigation, and the identity of the person who is the subject of the disclosure will remain confidential.

The protected disclosure coordinator will ensure the person who is the subject of any disclosure investigated by or on behalf of a public body is:

- Informed as to the substance of the allegations;
- Given the opportunity to answer the allegations before a final decision is made;
- Informed as to the substance of any adverse comment that may be included in any report arising from the investigation; and has
- His or her defence set out fairly in any report.

Where the allegations in a disclosure have been investigated, and the person who is the subject of the disclosure is aware of the allegations or the fact of the investigation, the protected disclosure coordinator will formally advise the person who is the subject of the disclosure of the outcome of the investigation.

The Nature Park will give its full support to a person who is the subject of a disclosure where the allegations contained in a disclosure are clearly wrong or unsubstantiated. If the matter has been publicly disclosed, the Chief Executive Officer of the Nature Park will consider any request by that person to issue a statement of support setting out that the allegations were clearly wrong or unsubstantiated.

14. Criminal offences

The Nature Park will ensure officers appointed to handle protected disclosures and all other employees are aware of the following offences created by the Act:

1. It is an offence for a person to take detrimental action against a person in reprisal for a protected disclosure being made. The Act provides a maximum penalty of a fine of 240 penalty units (\$24,000) or two years imprisonment or both.
2. It is an offence for a person to divulge information obtained as a result of the handling or investigation of a protected disclosure without legislative authority. The Act provides a maximum penalty of 60 penalty units (\$6,000) or six months imprisonment or both.
3. It is an offence for a person to obstruct the Ombudsman in performing his responsibilities under the Act. The Act provides a maximum penalty of 240 penalty units (\$24,000) or two years imprisonment or both.
4. It is an offence for a person to knowingly provide false information under the Act with the intention that it be acted on as a disclosed matter. The Act provides a maximum penalty of 240 penalty units (\$24,000) or two years imprisonment or both.

15. Review

These procedures will be reviewed annually to ensure they meet the objectives of the Act and accord with the Ombudsman's guidelines.

Thank you

We listen, liaise and work with many community groups to achieve outcomes which improve our community and environment.

The Nature Park's achievements are a tribute to the generous and loyal support of our sponsors and supporters. We are indebted to our many volunteers who tirelessly dedicated their time and efforts to the Nature Park.

In particular, the Nature Park would like to thank the following organisations and volunteer groups for their exceptional support in 2009/10:

Government support

Bass Coast Shire Council

Commonwealth Government

- Caring for Our Country federal grants
- Coast Action Coast Care program

Melbourne Water grants

Victorian State Government:

- AusIndustry
- Australian Tourism Development Program
- Bush Guardians Program
- Central Coastal Board
- Community Support Fund
- Department of Primary Industries (DPI)
- Department of Sustainability and Environment (DSE)
- Good Neighbour Program
- Port Phillip and Western Port Catchment Management Authority
- Smart Water Fund

Volunteers

Churchill Island Volunteer Group
Clare Davis
Conservation Volunteers Australia (CVA)
Green Corps
Hespa Mann
Hooded Plover Watch
International Student Volunteers
Kerry Ritchie
Lyn Blom and Kerry Morrison for penguin jumpers
Marion Thomson and Jenny Mattingley
Monash Biological Society
National Australia Bank volunteers
Penguin Study Group
Phillip Island Wildlife Rescue/Transport Group
Schools and students
Shearwater Rescue Volunteers
Wildlife Victoria

Local community groups

Friends of Churchill Island Society
Friends of Koalas
Local Farmers – Fox Control Access control access
Phillip Island and District Historical Society
Phillip Island Conservation Society
Phillip Island Landcare Group
Silverleaves Conservation Association
Smiths Beachcomber Association Inc
The Barbara Martin Bush Bank
Western Port Bird Observation and Conservation

Supporting organisations

Australian Academy of Science
Australian Antarctic Division
Bass Coast Landcare Network
Bidvest Food Services
Blackmores
Cheetham Salt Limited
Deakin University
Dentche Papier
Department of Primary Industries (DPI)
Department of Sustainability and Environment (DSE)
Environment Canada
Environmental Protection Authority
Estacion Ecologica Doñana, Spain
Healesville Sanctuary
Heritage Victoria
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Institut Pluridisciplinaire Hubert Curien (France)
Japanese Penguin Fund
Luna Blu Slide Design
McLaughlins/Juro Pty Ltd
Monash University
National Institute of Polar Research (Japan)
National Trust of Australia (Victoria)
Newhaven, Wonthaggi & Cowes Veterinary Clinics
Parks Victoria
PFD Food Services
Rothwell Publishing
San Remo Fisherman's Cooperative
South Gippsland Local Learning and Employment Network
SPAusNnet
Sylvania Lighting
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