

ROYAL BOTANIC GARDENS AND DOMAIN TRUST

Financial Statements for the Year Ended 30 June 2007

Statement by Members of the Trust

Pursuant to Section 41C(1C) of the Public Finance and Audit Act 1983, I state that:

- a) the accompanying financial statements have been prepared in accordance with the provisions of the Public Finance and Audit Act, 1983, the Financial Reporting Code for Budget Dependent General Government Sector Agencies, the Public Finance and Audit Regulations 2000 (as applicable) and The Treasurer's Directions;
- b) the statements exhibit a true and fair view of the financial position and transactions of the Royal Botanic Gardens and Domain Trust; and
- c) there are no circumstances that would render any particulars included in the financial statements to be misleading or inaccurate.

Mr Greg Martin
Chairperson
Royal Botanic Gardens
and Domain Trust

Dr Katrina Fairley-Grenot
Trustee
Royal Botanic Gardens
and Domain Trust

Date

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
Operating Statement for the Year Ended 30 June 2007

	Notes	Actual 2007 \$'000	Budget 2007 \$'000	Actual 2006 \$'000
Expenses excluding losses				
Operating expenses:				
Other operating expenses	2(a)	29,920	28,469	28,835
Depreciation	2(b)	4,166	3,445	3,767
Grants and subsidies	2(c)	85	74	81
Finance costs	2(d)	7	0	10
Total Expenses excluding losses		34,178	31,988	32,693
Less:				
Retained Revenue				
Sale of goods and services	3(a)	7,812	6,273	7,340
Investment income	3(b)	243	250	189
Retained taxes, fees and fines	3(c)	171	1,352	180
Grants and contributions	3(d)	1,881	765	2,812
Other revenue	3(e)	1,359	348	791
Total Retained Revenue		11,466	8,988	11,312
Gain/ (loss) on disposal of non-current assets	4	(6)	40	(92)
Net Cost of Services	20	22,718	22,960	21,473
Government Contributions:				
Recurrent appropriation	5	17,379	17,379	17,034
Capital appropriation	5	5,476	5,540	3,053
Acceptance by the Crown Entity of employee benefits and other liabilities	6	1,272	1,907	1,972
Total Government Contributions		24,127	24,826	22,059
SURPLUS / (DEFICIT) FOR THE YEAR		1,409	1,866	586

[The accompanying notes form part of these statements]

ROYAL BOTANIC GARDENS AND DOMAIN TRUST

Statement of Recognised Income and Expense for the Year Ended 30 June 2007

	Notes	Actual 2007 \$'000	Budget 2007 \$'000	Actual 2006 \$'000
Net increase / (decrease) in property, plant and equipment asset revaluation reserve	16	(9)	0	13,481
Net increase / (decrease) in available for sale financial asset revaluation reserve		0	0	0
Other net increase / (decrease) in equity. Transfer from asset revaluation reserve on asset disposal		9	0	0
TOTAL INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY		<u>0</u>	<u>0</u>	<u>13,481</u>
Surplus/(Deficit) for the Year		<u>1,409</u>	<u>1,866</u>	<u>586</u>
TOTAL INCOME AND EXPENSES RECOGNISED FOR THE YEAR		1,409	1,866	14,067
EFFECT OF CHANGES IN ACCOUNTING POLICY AND CORRECTION OF ERRORS		0	0	0
Accumulated Funds		1,409	1,866	586
Reserves		0	0	13,481
		<u>1,409</u>	<u>1,866</u>	<u>14,067</u>

[The accompanying notes form part of these statements]

ROYAL BOTANIC GARDENS AND DOMAIN TRUST

Balance Sheet as at 30 June 2007

	Notes	Actual 2007 \$'000	Budget 2007 \$'000	Actual 2006 \$'000
ASSETS				
Current Assets				
Cash and cash equivalents	8	3,177	2,079	2,511
Receivables	9	430	660	988
Inventories	10	349	372	372
Total Current Assets		3,956	3,111	3,871
Non Current Assets				
Property, Plant and Equipment				
- Land and Building		204,715	202,950	202,038
- Plant and Equipment		3,255	2,677	3,536
- Infrastructure Systems		38,295	41,218	38,696
- Collection assets		26,177	26,177	26,177
Total Non-Current Assets	11	272,442	273,022	270,447
Total Assets		276,398	276,133	274,318
LIABILITIES				
Current Liabilities				
Payables	13	1,426	792	691
Borrowings	14	29	55	55
Provisions	15	1,743	1,306	1,458
Total Current Liabilities		3,198	2,153	2,204
Non Current Liabilities				
Borrowings	14	54	83	83
Provisions	15	18	312	312
Total Non Current Liabilities		72	395	395
Total Liabilities		3,270	2,548	2,599
Net Assets		273,128	273,585	271,719
EQUITY				
Reserves		122,997	123,006	123,006
Accumulated Funds		150,131	150,579	148,713
Total Equity	16	273,128	273,585	271,719

[The accompanying notes form part of these statements]

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
Cash Flow Statement for the Year ended 30 June 2007

	Notes	Actual 2007 \$'000	Budget 2007 \$'000	Actual 2006 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments				
Employee related		0	0	0
Grants and subsidies		(85)	(74)	(81)
Finance costs		(7)	0	(10)
Other (inc Personnel Services)		(27,947)	(26,615)	(26,773)
Total Payments		(28,039)	(26,689)	(26,864)
Receipts				
Sale of goods and services		8,088	6,273	7,305
Retained taxes, fees and fines		171	0	180
Interest received		243	250	189
Other		3,570	2,795	3,574
Total Receipts		12,072	9,318	11,248
Cash Flows from Government				
Recurrent appropriation		17,379	17,379	17,034
Capital appropriation		5,476	5,540	3,053
Cash reimbursements from the Crown Entity		0	0	0
Net Cash Flow From Government		22,855	22,919	20,087
NET CASH FLOWS FROM OPERATING ACTIVITIES	20	6,888	5,548	4,471
CASH FLOW FROM INVESTING ACTIVITIES				
Proceeds of sale of land and buildings, plant and equipment and infrastructure systems		13	40	34
Purchases of Land and Buildings, Plant and Equipment		(6,180)	(6,020)	(4,475)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(6,167)	(5,980)	(4,441)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from borrowings and advances		0	0	0
Repayment of borrowings and advances		(55)	0	(49)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(55)	0	(49)
NET INCREASE / (DECREASE) IN CASH		666	(432)	(19)
Opening cash and cash equivalents		2,511	2,511	2,530
CLOSING CASH AND CASH EQUIVALENTS	8	3,177	2,079	2,511

[The accompanying notes form part of these statements]

ROYAL BOTANIC GARDENS AND DOMAIN TRUST

Program Statement - Expenses and Revenues for the Year ended 30 June 2007

	Program 1 *		Program 2 *		Program 3 *		Program 4 *		Not Attributable		Total	
	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000
Expenses and Revenues												
Expenses excluding losses												
Operating expenses:												
- Other Operating expenses	5,786	1,896	16,370	15,789	1,187	407	6,577	10,743	0	0	29,920	28,835
Depreciation and amortisation	807	669	2,278	2,152	166	164	915	782	0	0	4,166	3,767
Grants and subsidies	26	37	41	30	3	2	15	11	0	0	85	81
Finance Costs	1	2	4	6	0	0	2	2	0	0	7	10
Total Expenses excluding losses	6,620	2,603	18,693	17,976	1,357	573	7,509	11,538	0	0	34,178	32,693
Retained Revenue												
Sale of goods and services	178	168	954	573	156	178	6,524	6,421	0	0	7,812	7,340
Investment income	153	189	90	0	0	0	0	0	0	0	243	189
Retained taxes, fees and fines	0	0	0	0	0	0	171	180	0	0	171	180
Grants and contributions	959	646	560	1,088	223	835	139	242	0	0	1,881	2,812
Other revenue	38	21	696	409	0	0	625	361	0	0	1,359	791
Total Retained Revenue	1,328	1,024	2,300	2,070	379	1,013	7,459	7,203	0	0	11,466	11,312
Gain / (Loss) on disposal of non current assets							-6	-92		0	-6	-92
Other gains / (losses)							0	0		0	0	0
Net Cost of Services	5,292	1,579	16,393	15,905	978	-439	56	4,427	0	0	22,718	21,473
Government Contributions**	0	0	0	0	0	0	0	0	24,127	22,059	24,127	22,059
NET EXPENDITURE / (REVENUE) FOR THE YEAR	5,292	1,579	16,393	15,905	978	-439	56	4,427	-24,127	-22,059	-1,409	-586

* Programs/activities are described in Note 7.

** Appropriations are made on an agency basis and not to individual programs. Consequently, Government Contributions are included in the 'Not Attributable' column.

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
SUMMARY OF COMPLIANCE WITH FINANCIAL DIRECTIVES

	2007				2006			
	Recurrent Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000	Capital Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000	Recurrent Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000	Capital Appropriation \$'000	Expenditure / Net Claim on Consolidated Fund \$'000
ORIGINAL BUDGET APPROPRIATION / EXPENDITURE								
- Appropriation Act	17,379	17,379	5,540	5,476	17,135	17,135	4,734	3,053
	17,379	17,379	5,540	5,476	17,135	17,135	4,734	3,053
OTHER APPROP'N / EXPENDITURE								
Treasurer's Advance s28 Appropriation Act	0	0	0	0	(101)	(101)	0	0
	0	0	0	0	(101)	(101)	0	0
Total Appropriations / Expenditure / Net Claim on Consolidated Fund (includes transfer payments)	17,379	17,379	5,540	5,476	17,034	17,034	4,734	3,053
Amount drawn down against Appropriation		17,379		5,476		17,034		3,053
Liability to Consolidated Fund		0		0		0		0

Notes to the Summary of Compliance with Financial Directives

The Summary of Compliance is based on the assumption that Consolidated Fund moneys are spent first (except where otherwise identified or prescribed).

The Liability to Consolidated Fund is calculated as the difference between "Amount drawn down against Appropriation" and "Total Expenditure/Net Claim on Consolidated Fund".

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The Royal Botanic Gardens and Domain Trust (the Trust), as a reporting entity, comprises all the entities under its control and is responsible for four programs as outlined in Note 7.

The Trust is a NSW government department. The Trust is a not-for-profit entity (as profit is not its principal objective). The reporting entity is consolidated as part of the NSW Total State Sector Accounts.

This financial report for the year ended 30 June 2007 has been authorised for issue by the Board of Trustees.

(b) Basis of Preparation

The Trust's financial statements are a general purpose financial report which has been prepared in accordance with:

- * applicable Australian Accounting Standards (which include Australian equivalents to International Financial Reporting Standards (AIFRS));
- * the requirements of the *Public Finance and Audit Act 1983* and Regulation;
- * the Financial Reporting Directions published in the Financial Reporting Code for Budget Dependent General Government Sector Agencies or issued by the Treasurer under section 9(2)(n) of the Act.

Property, plant and equipment are measured at fair value. Other financial statements items are prepared in accordance with the historical cost convention.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include AIFRS. The Trust's financial statements and notes also comply with Australian Accounting Standards.

(d) Administered Activities

The Trust does not administer or control any activities on behalf of the Crown Entity.

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

(e) Income Recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Additional comments regarding the accounting policies for the recognition of income are discussed below.

(i) Parliamentary Appropriations and Contributions from Other Bodies

Parliamentary appropriations and contributions from other bodies (including grants and donations) are generally recognised as income when the Trust obtains control over the assets comprising the appropriations / contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

An exception to the above is when appropriations are unspent at year end. In this case, the authority to spend the money lapses and generally the unspent amount must be repaid to the Consolidated Fund in the following financial year. As a result, any unspent appropriations are accounted for as liabilities rather than income.

(ii) Sale of Goods

Revenue from the sale of goods is recognised as revenue when the agency transfers the significant risks and rewards of ownership of the goods.

(iii) Rendering of Services

Revenue is recognised when the service is provided or reference to the stage of completion (based on labour hours incurred to date).

(iv) Investment Income

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Rental revenue is recognised in accordance with AASB 117 *Leases* on a straight-line basis over the lease term.

(f) Employee benefits and Other Liabilities

(i) Salaries and Wages, Annual Leave, Sick Leave and On-Costs

Liabilities for salaries and wages (including non-monetary benefits), annual leave and paid sick leave that fall due wholly within 12 months of the reporting date are recognised and measured in respect of employees' services up to the reporting date at undiscounted amounts based on the amounts expected to be paid when the liabilities are settled. These amounts are payable to Department of Environment and Climate Change NSW.

Long-term annual leave is measured at present value in accordance with AASB 119 *Employee Benefits*. Market yields on government bonds are used to discount long-term annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

The outstanding amounts for payroll tax, workers' compensation insurance premiums and fringe benefits tax, which are consequential to employment, are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised.

(ii) **Long Service Leave and Superannuation**

The Trust's liabilities for long service leave and superannuation are assumed by the Crown Entity as per TC0704. The Trust accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured on net present value method. The net present value method is based on remuneration rates at year end for all employees with five or more years of service. It is considered that this measurement technique produces results not materially different from the estimate determined by using the present value basis of measurement.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

(iii) **Other Provisions**

Other provisions exist when the entity has a present legal, or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

(g) Borrowing Costs

Borrowing costs are recognised as expenses in the period in which they are incurred, in accordance with Treasury's mandate to general government sector agencies.

(h) Insurance

The Trust's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self insurance for Government agencies. The expense (premium) is determined by the Fund Manager based on past experience.

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

(i) Accounting for the Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where:

- * the amount of GST incurred by the Trust as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense.
- * receivables and payables are stated with the amount of GST included.

(j) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Trust. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Australian Accounting Standards.

Assets acquired at no cost, or for nominal consideration, are initially recognised as assets and revenues at their fair value at the date of acquisition.

Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.

Where payment for an item is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted at an asset-specific rate.

Asset additions are held in Work in Progress pending reclassification to other asset categories.

(k) Capitalisation Thresholds

Property, plant and equipment and intangible assets costing \$5,000 and above individually (or forming part of a network costing more than \$5,000) are capitalised.

(l) Revaluation of Property, Plant and Equipment

Physical non-current assets are valued in accordance with the "Guidelines for the Valuation of Physical Non-Current Assets at Fair Value" (TPP 07-1). This policy adopts fair value in accordance with AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

Fair value of property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

The agency revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset in the class does not differ materially from its fair value at reporting date. The Trust's non current assets including the Collection Assets were revalued in 2006.

For non-specialised assets, where market based evidence is available, the revalued assets are to be disclosed in accordance with paragraph 35 (b) of AASB 116. Any balances of accumulated depreciation existing at the revaluation date in respect of those assets must be credited to the asset accounts to which they relate. The net asset accounts are to be increased or decreased by revaluation increments or decrements.

Revaluation increments are credited directly to the asset revaluation reserve, except that, to the extent that an increment reverses a revaluation decrement in respect of that asset previously recognised as an expense in the surplus/deficit, the increment is recognised immediately as revenue in the surplus/deficit.

Revaluation decrements are recognised immediately as expenses in the surplus/deficit, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect to the same class of assets, the decrements are debited directly to the asset revaluation reserve.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current asset, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to accumulated funds.

Land, buildings, plant and equipment, and infrastructure were valued in 2006 by Preston Rowe Paterson Pty Ltd. The collection assets were valued in 2006 by RHAS Pty Ltd through the NSW Department of Commerce Government Architect's Office.

(m) Impairment of Property, Plant and Equipment

As a not-for-profit entity, the Trust is effectively exempted from AASB 136 Impairment of Assets and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means that, for an asset already measured at fair value, impairment can only arise if selling costs are material. Selling costs are regarded as immaterial.

(n) Depreciation of Property, Plant and Equipment

Except for a limited number of heritage assets, depreciation is provided for on a straight line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life to the Trust.

All material separately identifiable component assets are recognised and depreciated over their shorter useful lives, including those components that in effect represent major periodic maintenance.

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
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Land is not a depreciable asset. Certain heritage assets have an extremely long useful life, including original artworks and collections and heritage buildings. Depreciation for these items cannot be reliably measured because the useful life and the net amount to be recovered at the end of the useful life cannot be reliably measured. In these cases, depreciation is not recognised. The decision not to recognise depreciation for these assets is reviewed annually.

Depreciable assets are depreciated from the date of acquisition.

Depreciation Rates	% Rate
Building	1.3% to 25%
Infrastructure	1% to 10%
Plant and equipment	10% to 25%

Collection Assets have not been depreciated.

(o) Major Inspection Costs

The labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

(p) Restoration Costs

The estimated cost of dismantling and removing an asset and restoring the site is included in the cost of an asset, to the extent it is recognised as a liability.

(q) Maintenance

The costs of day-to-day servicing costs or 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.

(r) Leased Assets

A distinction is made between finance leases which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of the leased assets, and operating leases under which the lessor effectively retains all such risks and benefits.

The leasing transactions of the Trust are restricted to operating leases of computer equipment, office equipment, and motor vehicles. Operating lease payments are charged to the Operating Statement in the periods in which they are incurred.

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

(s) Loans and receivables

Loans and receivables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial. An allowance for impairment of receivables is established when there is objective evidence that the entity will not be able to collect all amounts due. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. Bad debts are written off as incurred.

(t) Payables

These amounts represent liabilities for goods and services provided to the Trust and other amounts including interest. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

(u) Budgeted Amounts

The budgeted amounts are drawn from the budgets as formulated at the beginning of the financial year and with any adjustments for the effects of additional appropriations, s21A, s24 and / or s26 of the *Public Finance and Audit Act 1983*.

The budgeted amounts in the Operating Statement and the Cash Flow Statement are generally based on the amounts disclosed in the NSW Budget Papers (as adjusted above). However, in the Balance sheet, the amounts vary from the Budget Papers, as the opening balances of the budgeted amounts are based on carried forward actual amounts i.e. per the audited financial statements (rather than carried forward estimates).

(v) Inventories

Inventories held for distribution are stated at the lower of cost and current replacement cost. Inventories (other than those held for distribution) are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost.

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

2. EXPENSES EXCLUDING LOSSES

	2007	2006
	\$'000	\$'000
(a) Other operating expenses		
Personnel Services	19,524	19,792
Audit Remuneration	79	140
Bad Debts	10	77
Operating Leases	273	271
Insurance	169	187
Advertising	107	84
Consultants	264	22
Legal fees	125	69
Purchase of Plant and equipment under \$5,000	274	278
Plant and equipment hire	156	208
Cost of Goods Sold	841	854
Stores and Provisions	957	788
Maintenance	2,930	1,733
Energy	349	316
Contractors	474	636
Telephone and Communication	270	305
Cleaning and Waste collection	875	951
Books, printing and publications	232	263
Travel	169	202
Motor Vehicle	208	148
Rates	240	252
Security	489	437
Other	905	822
	29,920	28,835

Personnel Service expenses are acquired from the Department of Environment and Climate Change NSW and the cost comprises:

Salaries and Wages	15,732	15,636
Superannuation Entitlements	1,353	1,902
Long Service Leave	880	950
Workers Compensation Insurance	380	314
Payroll and Fringe Benefits Tax	1,179	990
	19,524	19,792

As a result of the *Public Sector Employment Legislation Amendment Act 2006* and *Treasury Circular TC06-13* Employee related expenses are included in Personnel Services in Other operating expenses see note 2 (a).

Maintenance Reconciliation:

Maintenance expense, as above	2,930	1,733
Maintenance related personnel services included in Note 2(a)	1,248	426
Total maintenance expenses included in Note 2(a)	4,178	2,159

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2007

	2007	2006
	\$'000	\$'000
(b) Depreciation expense		
Buildings	1,821	1,437
Infrastructure	1,568	1,230
Plant and Equipment	777	1,100
	<u>4,166</u>	<u>3,767</u>
(c) Grants and Subsidies		
NSW Public Sector Agencies	83	0
Federal Government Agencies	0	0
Other	2	81
	<u>85</u>	<u>81</u>
(d) Finance Costs		
Interest Paid on Treasury loan	7	10
	<u>7</u>	<u>10</u>
3. REVENUES		
(a) Sales of goods and services		
Gross sales through the shops	1,962	1,768
Publications	9	19
Fees received	4,173	3,931
Admissions	486	461
Rental Income	1,180	1,161
Other	2	0
	<u>7,812</u>	<u>7,340</u>
(b) Investment income		
Interest	243	189
	<u>243</u>	<u>189</u>
(c) Retained taxes, fees and fines		
Parking infringement	171	180
	<u>171</u>	<u>180</u>

ROYAL BOTANIC GARDENS AND DOMAIN TRUST
NOTES ACCOMPANYING AND FORMING PART OF THE FINANCIAL STATEMENTS
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(d)	Grants and contributions	2007	2006
		\$'000	\$'000
	Grants and Donations	1,245	2,230
	Research Grants	636	582
		<u>1,881</u>	<u>2,812</u>

Research grants are applied to those areas of scientific endeavour sponsored by the grantor.

(e)	Other Revenue		
	Insurance recoveries	997	442
	Cost recoveries and other non user charges	362	349
		<u>1,359</u>	<u>791</u>

4. GAIN / (LOSS) ON DISPOSAL

	Proceeds from the sale of assets	13	34
	Written down value of assets disposed	(19)	(126)
		<u>(6)</u>	<u>(92)</u>

5. GOVERNMENT CONTRIBUTION

Recurrent appropriations

	Recurrent drawdowns from Treasury (per Summary of Compliance)	17,379	17,034
	Less: Liability to Consolidated Fund (per Summary of Compliance)	0	0
		<u>17,379</u>	<u>17,034</u>

Comprising:

	Recurrent appropriations (per Operating Statement)	17,379	17,034
		<u>17,379</u>	<u>17,034</u>

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	2007	2006
	\$'000	\$'000
Capital appropriations		
Total capital drawdown from Treasury (per Summary of Compliance)	5,476	3,053
Less: Liability to Consolidated Fund (per Summary of Compliance)	0	0
	5,476	3,053
Comprising:		
Capital appropriations (per Operating Statement)	5,476	3,053
	5,476	3,053

6. ACCEPTANCE BY THE CROWN ENTITY OF EMPLOYEE BENEFITS AND OTHER LIABILITIES

The following liabilities and / or expenses have been assumed by the Crown Entity:

Superannuation	389	876
Long service leave	858	1,002
Payroll tax	25	94
	1,272	1,972

7. PROGRAMS / ACTIVITIES OF THE TRUST

Program 1 - Research

Objective: To investigate the systematics, ecology, horticulture and pathology of plants and related organisms and disseminate the results.

Program 2 - Botanic Gardens and Parks

Objective: To manage and develop garden sites to accommodate multiple uses including recreation, relaxation, celebrations, education and the promotion of conservation.

Program 3 - Public Programs

Objective: To promote community awareness and knowledge of plants, plant conservation and the importance of plants in the nature work through on-site and off-site programs.

Program 4 - Commercial Services

Objective: To manage and develop viable commercial business and to host externally operated commercial services that generate income to support the objective of the Trust.

In the 2007/08 financial year the four Programs will be restructured into two Programs.

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8. CURRENT ASSETS - CASH AND CASH EQUIVALENT

	2007	2006
	\$'000	\$'000
Cash at Bank	315	583
Petty Cash	11	11
At call deposits	2,851	1,917
	3,177	2,511
	3,177	2,511

For the purposes of the Cash Flow Statement, cash and cash equivalents include cash at bank, cash on hand, and at call deposits.

Cash and cash equivalent assets recognised in the Balance Sheet are reconciled at the end of the financial year to the Cash Flow Statement as follows:

Cash and cash equivalents (per Balance Sheet)	3,177	2,511
Closing cash and cash equivalents (per Cash Flow Statement)	3,177	2,511
	3,177	2,511

9. CURRENT ASSETS - RECEIVABLES

Debtors	325	601
GST Receivable from the Australian Taxation Office	135	426
Prepayments	56	18
Accrued Income	0	64
	516	1,109
Less: Allowance for impairment	(86)	(121)
	430	988
	430	988

10 CURRENT ASSETS - INVENTORIES

Held for distribution	349	372
	349	372
	349	372

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11 NON-CURRENT ASSETS - PROPERTY, PLANT AND EQUIPMENT

	Land and Building \$'000	Plant and Equipment \$'000	Infra- structure \$'000	Collection Assets \$'000	Total \$'000
At 1 July 2006					
At Fair Value	202,038	3,547	38,736	26,177	270,498
Accumulated Depreciation and impairment	0	(11)	(40)	0	(51)
Net Carrying Amount	<u>202,038</u>	<u>3,536</u>	<u>38,696</u>	<u>26,177</u>	<u>270,447</u>
At 30 June 2007					
At Fair Value	206,536	4,039	39,904	26,177	276,656
Accumulated Depreciation and impairment	(1,821)	(784)	(1,609)	0	(4,214)
Net Carrying Amount	<u>204,715</u>	<u>3,255</u>	<u>38,295</u>	<u>26,177</u>	<u>272,442</u>

Reconciliations

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the current reporting period is set out below.

	Land and Building \$'000	Plant and Equipment \$'000	Infra- structure \$'000	Collection Assets \$'000	Total \$'000
Year ended 30 June 2007					
Carrying amount at start of year	202,038	3,536	38,696	26,177	270,447
Additions	4,499	514	1,167	0	6,180
Disposals	(1)	(18)	0	0	(19)
Depreciation expense	(1,821)	(777)	(1,568)	0	(4,166)
Carrying amount at end of year	<u>204,715</u>	<u>3,255</u>	<u>38,295</u>	<u>26,177</u>	<u>272,442</u>

	Land and Building \$'000	Plant and Equipment \$'000	Infra- structure \$'000	Collection Assets \$'000	Total \$'000
At 1 July 2006					
At Fair Value	259,580	8,292	43,676	22,253	333,801
Accumulated Depreciation and impairment	(63,447)	(3,986)	(9,984)	0	(77,417)
Net Carrying Amount	<u>196,133</u>	<u>4,306</u>	<u>33,692</u>	<u>22,253</u>	<u>256,384</u>
At 30 June 2006					
At Fair Value	202,038	3,547	38,736	26,177	270,498
Accumulated Depreciation and impairment	0	(11)	(40)	0	(51)
Net Carrying Amount	<u>202,038</u>	<u>3,536</u>	<u>38,696</u>	<u>26,177</u>	<u>270,447</u>

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Reconciliations

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the previous reporting period is set out below.

	Land and Building \$'000	Plant and Equipment \$'000	Infra- structure \$'000	Collection Assets \$'000	Total \$'000
Year ended 30 June 2006					
Carrying amount at start of year	196,133	4,306	33,692	22,253	256,384
Additions	1,814	596	2,065	0	4,475
Disposals	(53)	(35)	(38)	0	(126)
Net revaluation increment less revaluation decrement					
recognised in reserves	5,581	(231)	4,227	3,904	13,481
Reclassification	0	0	(20)	20	0
Depreciation expense	(1,437)	(1,100)	(1,230)	0	(3,767)
Carrying amount at end of year	<u>202,038</u>	<u>3,536</u>	<u>38,696</u>	<u>26,177</u>	<u>270,447</u>

12 RESTRICTED ASSETS

	2007 \$'000	2006 \$'000
Cosh Bequest	378	422
Bowden Bequest	0	457
Swane Bequest	103	0
Webster Bequest	97	0
Research	560	1,038
	<u>1,138</u>	<u>1,917</u>

These contributions are held in investments and are applied in accordance with the conditions on each contribution. The Cosh Bequest is for the purpose of the National Herbarium of NSW. The Bowden Bequest was for the preservation, propagation and dissemination of Australian flora at Mount Annan Botanic Garden. This bequest has been fully utilised in 2006-07 with the construction of a new education building at Mount Annan. The Swane Bequest is for the purpose of botany, horticulture, research, education, expeditions, statues, fountains and buildings at Mount Annan Botanic Garden. The Webster Bequest is to be used for the National Herbarium of NSW. Research grants are applied to those areas of scientific endeavour sponsored by the grantors.

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13 CURRENT LIABILITIES - PAYABLES

	2007	2006
	\$'000	\$'000
Creditors	762	110
Accrued expenses	324	261
Income in Advance	340	320
	1,426	691
	1,426	691

14 CURRENT / NON CURRENT LIABILITIES - BORROWINGS

Secured/Unsecured		
Treasury advances repayable	83	138
Repayment of borrowings		
Not later than one year	29	55
Between one and five years	54	83
Later than five years		
Total Borrowings at face value	83	138

The Trust received a Crown advance of \$135,981 in 2005 under an Energy Performance Contract to install energy efficient products. This loan is repayable over a period of five years. Also, in 2002 the Trust received a Crown advance of \$114,075, to install energy efficient chillers in the Robert Brown Building. This loan was fully repaid in 2007.

15 CURRENT / NON CURRENT LIABILITIES - PROVISIONS

Employee benefits and related on-costs		
Recreation leave	1,322	1,300
Provision for Long Service Leave	195	240
Payroll Tax on employee benefits	244	230
	1,761	1,770
	1,761	1,770
Aggregate employee benefits and on-costs		
Provision - current	1,743	1,458
Provision - non current	18	312
	1,761	1,770
	1,761	1,770

As a result of the *Public Sector Employment Legislation Amendment Act 2006* the Provisions for Employee benefits and on-costs are payable to the Department of Environment and Climate Change NSW.

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16 CHANGES IN EQUITY

	Accumulated Funds		Asset Revaluation		Total Equity	
	2007 \$000	2006 \$000	2007 \$000	2006 \$000	2007 \$000	2006 \$000
Balance at the beginning of the financial year	148,713	148,023	123,006	109,525	271,719	257,548
AASB 139 first-time adoption changes in accounting policy	0	104	0	0	0	104
Correction of errors	0	0	0	0	0	0
Restated opening balance	148,713	148,127	123,006	109,525	271,719	257,652
Changes in equity-transactions with owners as owners	0	0	0	0	0	0
Total	148,713	148,127	123,006	109,525	271,719	257,652
Changes in equity-other than transactions with owners as owners	0	0	0	0	0	0
Surplus / (deficit) for the year	1,409	586	0	0	1,409	586
Increment / (decrement) on revaluation of:						
Land and Building	0	0	0	5,581	0	5,581
Infrastructure	0	0	0	4,227	0	4,227
Plant and Equipmer	0	0	0	(231)	0	(231)
Collections	0	0	0	3,904	0	3,904
Total	1,409	586	0	13,481	1,409	14,067
<u>Transfers within equity</u>						
Asset revaluation reserve balance transferred to accumulated funds on disposal of asset	9	0	(9)	0	0	0
Balance at the end of the financial year	150,131	148,713	122,997	123,006	273,128	271,719

AASB 101.76(b) Asset revaluation reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets. This accords with the agency's policy on the 'Revaluation of Property, Plant and Equipment' and 'Investments', as discussed in Note 1.

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17 COMMITMENTS FOR EXPENDITURE

(a) Capital Commitments

	2007	2006
	\$'000	\$'000
Aggregate capital expenditure for the acquisition of goods contracted for at balance date and not provided for:		
- Not later than one year	2,745	0
Total (including GST)	2,745	0

(b) Operating Lease Commitments

	2007	2006
	\$'000	\$'000
Future non-cancellable operating lease rentals not provided for and payable:		
- Not later than one year	114	226
- Later than one year, and not later than five years	71	201
- Later than five years	0	0
Total (including GST)	185	427

The total commitments above includes input tax credits of \$266,000 (2005-2006 \$39,000) that are expected to be recoverable from the ATO.

18 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Trust is not aware of any contingent liabilities and / or contingent assets associated with its operations.

19 BUDGET REVIEW

Net cost of services

The Net Cost of Services of \$22.7 million is \$0.2 million less than the budget of \$22.9 million. This is mainly due to an increase in maintenance expenditure funded by an increase in retained revenue.

Assets and liabilities

Total Current Assets is \$0.8 million higher than budget. The increase in cash balances is offset by an increase in payables balances. Non Current Assets are below budget by \$0.6 million due to higher than expected depreciation expense.

Cash flows

Net Cash Flows from Operating Activities is \$1.3 million higher than budget. This is due to a general increase in other operating expenses of \$1.5m and an increase in receipts of \$2.8 million

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20 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO NET COST OF SERVICES

	2007	2006
	\$'000	\$'000
Net cash used on operating activities	6,888	4,471
Cash Flows from Government / Appropriations	(22,855)	(20,087)
Acceptance by the Crown Entity of employee benefits and other liabilities	(1,272)	(1,972)
Depreciation	(4,166)	(3,767)
Decrease / (increase) in provisions	9	(166)
Increase / (decrease) in prepayments and other assets	(558)	190
Decrease / (increase) in creditors	(755)	(228)
Decrease / (increase) in income received in advance	20	185
Decrease / (increase) in inventory	(23)	(7)
Net gain / (loss) on sale of plant and equipment	(6)	(92)
Net cost of services	(22,718)	(21,473)

21 FINANCIAL INSTRUMENTS

(a) Cash

Cash comprises cash on hand, cash at bank and TCorp investments.

(b) Receivables

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. The credit risk is the carrying amount (net of any allowance for impairment). No interest is earned on trade debtors. The carrying amount approximates net fair value. Sales are made on 30 day terms.

(c) Authority Deposits

The Trust has placed funds on deposit with TCorp, which has been rated "AAA" by Standard and Poors. These deposits are similar to money market or bank deposits and can be placed "at call" or for a fixed term. The interest rate payable by TCorp is negotiated initially and is variable for the term of the deposit.

	2007	2007	2006	2006
	Carrying	Net Fair	Carrying	Net Fair
	Amount	Value	Amount	Value
	\$000	\$000	\$000	\$000
At call	2,851	2,851	1,917	1,917
Less than one year	0	0	0	0
One to five years	0	0	0	0
Greater than five years	0	0	0	0
Total	2,851	2,851	1,917	1,917

The deposits at balance date were earning an average interest rate of 6.2%.

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while over the year the weighted average interest rate was 6.14%.

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(d) Bank Overdraft

The Trust does not have bank overdraft facility.

(e) Trade Creditors and Accruals

Liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in Treasurer's Direction 219.01. If trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. Treasurer's Direction 219.01 allows the Minister to award interest for late payment. No interest was paid during the year (2005-2006 \$nil).

(f) Treasury Advances

	2007	2006
	\$'000	\$'000
Less than one year	29	55
One to five years	54	83
Greater than five years	0	0
Total	<u>83</u>	<u>138</u>

The Trust received advances of \$114,075 (2001-02) at a rate of 6.38%, and \$135,981 (2004-05) at a rate of 5.445% from the New South Wales Treasury. Interest was calculated based on the 10 year bond rate applicable at the drawdown date.

22 AFTER BALANCE DATE EVENTS

There are no events subsequent to balance date which affect the financial report.

(END OF AUDITED FINANCIAL STATEMENTS)