

Ballarat Tramway Museum Inc. Annual Report 2002 - 2003



Following the repainting and truck overhaul, Ballarat No. 28 has it's first revenue run on 5 November 2002. Driven by Roger Salen, the tram crosses Wendouree Parade to enter service for the day.

Photo Austin Brehaut.



Museum Accreditation Program
Accredited Museum

Ballarat Trams are Ballarat History



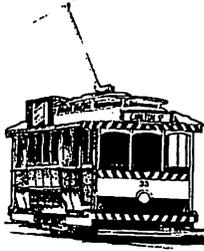
The reconstruction of the northern section of Wendouree Parade during March and April 2003, saw the Museum replace many sleepers, lift and realign some 90m of track. Paul Mong and Alan Snowball assist in the lifting of the track using a backhoe on 29 March 2003.

Photo Alastair Reither.



Sam Boon and Gary Wood observe No. 8 pass over the track to check the packing on 6 April 2003.

Photo Warren Doubleday.



Ballarat Tramway Museum Inc.

Annual Report 2002 - 2003

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The Board

President	Richard Gilbert
Vice Presidents	Stephen Butler Garry Wood
Secretary	Peter Winspur
Treasurer	Carolyn Dean
Board Members	Andrew Cox Warren Doubleday Clayton Giles Simon Green John Phillips Greg Rodgers

Mission Statement

The Museum's Mission Statement for its activities is:

"Continue the development of a working museum to preserve the style of Ballarat's former street tramways and trams for the public benefit in a safe environment."

The Ballarat Tramway Museum Inc. (Association No: A0031819K)
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1. President's Report

The past year has offered challenges, particularly in the area of finance, in the running of our museum.

The Public Liability Insurance issue confronts us with a hefty premium each year, and our usual budget income and expenditure cannot absorb this large expense into our finances. We have to be inventive at looking at our market and income potential in all areas. Charter and theme outings on our trams and more use of them when they would normally not be running, as in weekdays, is one area we need to develop. We are fully appreciative of the Victorian Government in underwriting our Public Liability, along with the other tourist railways and tramways in Victoria, but we are all aware this is only a bridging arrangement until the private insurance sector delve into this area of their business again. We attend the monthly meetings of the Association of Tourist Railways to be fully appraised of the issue and offer our input.

The city tramway has come and gone, certainly the idea is not dead, but not actively being pursued by the promoters. This will allow us to concentrate on the development and maintenance of our infrastructure within the confines of our tramway museum.

The big project that took a good amount of planning and financing was the relay of 440 metres of our track at the St. Aidans Drive end of our line. The enthusiastic support from our workers resulted in a professional looking reconstruction which has greatly enhanced the quality of the ride.

I am developing a submission seeking

funding for a relay of a further portion of the existing line and a possible planned extension of our line, now that the grander city tramway proposal is well deferred.

During the year we had some great social contact with our fellow tramway enthusiasts. Lindsay Richardson and John Shaw of the Perth Electric Tramway Society spent a week with us to involve themselves in helping out at the Begonia Festival. Bruce Worthington of the Sydney Tramway Museum joined us over the busy long weekend in that same festival. In May we took part in the Trammies Exhibition at the Immigration Museum, Melbourne. These were rewarding experiences for us all.

We hosted a visit to the museum by the Bungaree Historical Society for the February outing.

In the year ahead we have to keep moving forward and take on the challenges mentioned earlier. To this end, the Board has continued to work strongly and cohesively during the year, as the detail of this report will show.

I thank those in Local and State Government for their assistance in various matters pertaining to our business. Those Members leading the areas of responsibility, being Secretary, Treasurer, Engineering, Traffic, Marketing, Membership and Safety Incidence Management have done an admirable job. The dedication and support from the membership truly shows the success of this museum and it is most enjoyable to be part of a wonderful team.

I thank all the members for their contribution and look forward to another successful and enjoyable year.

Richard Gilbert

2. Secretary's Report

It has been another busy year for the Secretary. Email correspondence continued to increase dramatically. Junk e-mails (or "spam") are now arriving at the rate of about 15 to 20 a day. The benefits of the development in communications far outweigh this problem and I sometimes think back to the days of postage stamps, the spirit duplicator and later the photocopier.

The Board met ten times during the year and meetings continued to be conducted in a harmonious manner. A Sunday morning board and planning meeting followed by a barbecue was very successful and a fuller than expected meeting at the Railway Hotel, North Melbourne, followed the annual Christmas dinner.

A busy work schedule led Alastair Reither to decide to not seek re election and Garry Wood returned as Vice President after a long absence from the Board with John Phillips becoming an Ordinary Board Member. Al is still to be seen at the Depot as much as ever and it is hoped he will rejoin the Board sometime in the future. Garry agreed to take over as Technical Services Manager from Warren and has proved to be a valuable new member.

Membership stood at 194 at the end of the year, the highest for several years. Eleven new members and two junior supporters joined during the year. Two long time members, Ben Parle and John Redman passed away during the year. The Museum also noted the passing of former foundation member and well known western Victorian identity Brian Brooke.

With the public liability crisis looming membership fees were reluctantly increased and the Museum was heartened when donations accompanying membership renewals increased even more than the previous year. Greg Rodgers again continued the thankless task of Membership Officer.

The Museum was admitted as a member of the Association of Tourist Railways and Stephen and Warren are our representatives. The ATR is the appropriate organisation to represent Victorian heritage operators at the State level. With so much at stake, especially in regards to public liability insurance and the imposition of new safety requirements it is vital that museums are well represented.

The Safety and Incident Management Committee continued to meet as required during the year. Two internal audits were carried out in addition to the annual visit from the Department of Infrastructure Safety Branch's auditors. One of the internal audits actually picked up more than the DOI audit and proved the worth of continually monitoring our systems. I continued to spend many hours ensuring that our Safety Management System documentation was up to date.

I have attended the bimonthly meetings of the Tramway Access and Accreditation Committee at the Department of Infrastructure. Chaired by Mike Ryan, Heritage Coordinator for the Department, these meetings have been very valuable well beyond their original purpose of facilitating access for museums to the Melbourne system.

On 12 April 2003. I represented the Museum at a ceremony to celebrate 100 years of electric tramways in Bendigo. Our own centenary is only two years away!

Simon Green took over as editor of "Fares Please" from Warren Doubleday and this important link to our members has continued to be published every other month. Thank you Simon.

Andrew Cox continued to maintain our web page, an important tool in promoting the Museum world wide. Andrew has ensured that "Fares Please" is available on request to members via the Internet. This gives them access to all the colour photos beyond our annual colour issue.

Our President refers to the support that all heritage operators have received from the State Government to ensure that they weather the public liability insurance crisis. Unfortunately this has come at a heavy price. The present method of determining premiums is based on income and not risk. It was determined that the BTM should pay 25% of its income in premiums. Combined with TAC insurance the Museum now pays approximately 70 cents per passenger, \$1.50 per kilometre operated and \$57.00 per operating day in insurance. There has also been a substantial increase in the cost of electricity. A tight reign on expenditure has enabled the Museum to attain a slight surplus for the year. Our next debate will involve the risks which would flow from an increase in our charges.

During the previous year the Museum was required to put in place systems to deal with the possibility of alcohol and drug use among our workers. This year

we have been faced with proposals for unrealistic medical standards.

Following several serious railway accidents the State government appointed a taskforce to overhaul medical standards for "rail safety workers". Both the railway and tramway heritage groups were represented but they have been overwhelmed by the juggernaut of "safety". The fact standards are useless without compliance and this is where the real problem has been is totally ignored in the rush to "fix" a perceived problem.

From March 2004 all our tram drivers will be required to comply with the same medical standard as those applying to a mainline train driver. The Museum already requires all its drivers to undertake medical examinations but the new regime will be even more onerous for both our volunteer drivers and the Museum. Who will bear the cost is yet to be determined. We are continuing to argue that circumstances in Wendouree Parade are very different but so far have only come up against a brick wall. The ultimate cost in lost volunteers is yet to be determined.

To say I am angry is an understatement. For over thirty years a very small number of volunteers have given so much of their time to ensure that this wonderful part to Ballarat's history is preserved in its original environment in an operating condition. This has occurred at virtually no cost to the community. Now we are faced with cost and legislative pressures which threaten the very existence of the Museum and we feel powerless to resolve them so as to ensure that the Museum can continue to carry out its mission.

Peter Winspur

3. Marketing Manager's Report

This year, as in previous years, the Museum has monitored advertising opportunities carefully and has continued to avail itself of any free publicity or marketing initiatives. Due to the nature of our business and the 'ad hoc' way visitors attend the gardens precinct we feel that spending huge dollars on advertising does not return the income invested. There has been no specific marketing undertaken this year.

The Museum participated in the *Goldfields Getaways Campaign* which was supported by Ballarat Tourism and the State Government through its regional tourism program. A discount voucher was provided. The response from the public was abysmal and continued to affirm our research that most of our visitors are people who have come to the gardens for other reasons.

During the year the Museum adopted a revised marketing plan.

Our membership to the Ballarat Tourist Association remains current and volunteer BTA members attended the museum for an awareness session during the year. They spent approximately 2 hours looking through the museum, having a tram ride and then morning tea in the depot. All volunteers who attended this session appreciated the efforts we go to for our presentation, upkeep and running of the museum.

We are also a current member of Museums Australia. Our accredited museum status was renewed and this entitled the Museum to become an accredited Tourism Victoria business.

In March the Museum participated in the annual Victorian government sponsored Seniors Festival.

The Museum continues to participate in the Seniors Card program.

All free listings, particularly on web sites are actively pursued. Web listings often involve a link to our own site at www.btm.org.au.

A redesigned brochure was produced during the year with the slogan of 'Australia's most authentic tramway museum'. The Museum paid for the new design and Mr Daryl Burt, owner of McDonalds Wendouree agreed to continue a sponsorship agreement reached with the previous owner and pay for the printing of 10,000 brochures. The museum also paid for the printing of an extra 10,000 to ensure stock levels remain high. The design and printing was done by Henksan Printers of Ballarat, who also print our tickets.

Brochures are distributed throughout the region and can also be found at the new Federation Square information centre in Melbourne.

On tram sales continue at lower levels than previous years. The Museum has continued to stock a range of items aimed at the tourist market as well as a small selection of books, videos, calendars, etc for the enthusiast or more interested member of the public.

Stephen Butler

4. Technical Services Manager's Report

To say that the past year has been anything but big would indeed be an understatement, not due to the number of tasks undertaken but more for the size of the major projects that were tackled. Once again we have been fortunate to maintain a small but dedicated work force to carry out tramcar maintenance and restoration works and, when needed, many others have come forward to offer their time for specific projects.

In a year dominated by uncertainty regarding both the availability and the high cost of public liability insurance it is reassuring to think that the museum had the foresight to undertake the largest single track reconstruction project in many years. Of course the rebuilding of approximately 100 metres of track in Wendouree Parade during March and April 2003 not only provided an immediate benefit of a much improved ride but also laid the foundation for future work to completely rebuild our obviously aging but historically important street tramway. This section of trackwork was, more so than we knew, mostly a learning exercise and has provided valuable information about how much this sort of work costs, how many people are required and how much time it takes. Much discussion has followed regarding what we did well, what could be done better in future and how to fund future projects.

Tram No 28 was relaunched into service at the AGM and work then focused squarely on No 27 which by the end of the financial year had reached the point of final reassembly. It is worth noting that

the mechanical overhaul of No 27 is almost certain to become the most costly overhaul of its type to date, this reflects an ongoing effort by the museum to continually improve the quality of our major works and to maintain the trams to a standard which will allow them to operate safely for many more years to come.

The body of ESCo No 21 was transferred to our Bungaree storage facility to wait the day when time and money are available to undertake a full reconstruction. The Bungaree property also continued to be improved with a number of members contributing significantly to make both the house and the facilities more beneficial to the museum.

Tramcar Status

Nos 1, 13, 18, 26, 33, 40, 45, 661 and 671 - in service and receiving regular maintenance on a scheduled basis. No 45 was originally scheduled to return to Bendigo in February 2003, however the agreement has been extended and the tram will now remain with us for the immediate future.

No 14 - although still officially in service this tram has seen very little use due to the declining condition of the wheels and will be withdrawn from service when workshop space becomes available to undertake a full overhaul.

No 38 - currently remains withdrawn from service awaiting mechanical overhaul.

No 27 - as of the end of June the truck had been completed and was ready to be reunited with the body. It is expected that the tram will return to active service by around September 2003.

No 28 - after being recommissioned in October 2002 ready for the AGM, the tram has remained in active service and has received regular scheduled maintenance along with minor repairs.

No 8 (Scrubber) - work is under way on repainting into the 1950s MMTB colour scheme with stripping and undercoating now well advanced. Water restrictions in Ballarat during the year have meant that it must be used sparingly to avoid water wastage.

No 12 - continued progress is being made on the reconstruction of the roof and saloon body framing. Negotiations continued during the year to attempt to obtain mechanical equipment for this tram but have so far not been successful.

Thanks to all those who have contributed time during the past year to make the ongoing work of tramcar and infrastructure maintenance possible. A special thanks to those who worked so tirelessly on the Wendouree Parade track works and helped us to move one step closer to our goals.

Garry Wood

5. Traffic Manager's Report

After a great year in 2001-2002 we started the year with high hopes that the patronage figures would be at least maintained or even improved. We were soon sadly disappointed. In the first six months only August and October saw increases and they were modest. By the end of December we were only 538 down although still up on most of the previous ten years. January saw a modest improvement and February was still good and then the Begonia Festival disaster struck. Poor weather and a general scaling back of the Festival saw figures plummet to only 2850 for the eleven days. This was 1750 less than in 2002 and the worst figure for ten years.

With the massive increase in the cost of public liability insurance it had been agreed that the Museum could not afford

to offer half price fares. Normal fares were charged and passengers were encouraged to enjoy the whole journey and alight when it suited them. The decision on fares at least stopped the Festival being a financial disaster and revenue was actually the highest ever.

The drop in patronage cannot be ascribed to the increased fares as all the feedback our crews received was positive. Rather it was due to poor weather, particularly during the first weekend, and a general reduction in the scale of the Festival which had begun the previous year. In the last two years there has been simply less for visitors to do and this was evident in the general reduction in the number of people enjoying the gardens.

Since the end of the reporting year Council has decided to cut the Festival to

only five days and this will have a further effect on the Museum's overall patronage.

Good weather led to good numbers over the April holidays but the year ended up as the worst ever. As we have come to realise over the years our visitor numbers are always so fragile and so subject to many variables.

An interesting aside is the variation which can occur between financial years and annual years as the table below attests:

Financial Year	Total		Annual Year	Total
1996/97	16922		1996	16833
1997/98	18215		1997	18258
1998/99	14265		1998	17441
1999/00	14551		1999	13386
2000/01	14981		2000	15115
2001/02	16859		2001	16203
2002/03	14250		2002	16321

The annual "Springfest" was held on Sunday 3rd November. This year the responsibility of organising the event was taken up by Ballarat Rotary. 611 people travelled and although fewer than in the previous year it was still a great result.

Father Christmas appeared again on Sunday 22nd December and volunteered to drive the whole shift. His offer was gratefully accepted. Like the previous year the young passengers again discovered that his beard was real. Thank you Roger and Sam.

The Museum is one of the only tourist attractions to be open on Christmas Day and this year Alastair Reither and Sam Boon gave up their afternoon to ensure

that the tram would operate.. Thank you guys. I know it is appreciated by our visitors.

Trams then ran every day until the Australia Day holiday. January patronage was the best since 1998, a remarkably good result considering the drought and generally uninspiring weather.

The Museum took the opportunity to take up the offer from Bendigo to continue to make use of Tram No 45 and its lease was renewed for a further two years.

Major road and track works led to our operations being cut short at the north end of the loop from March 15th. Debate in the meal room centred around the cost-benefit of the shortened journey. The Museum finished its work on time but there were the usual delays before the line was reopened on May 24th. Anyone who has ridden on the re-laid track would agree it was worthwhile.

The Museum participated in a "Tram Pull" on May 25th. Organised by Rotary - Young Ambition, the event was a great success and raised approximately \$8,000 for charity. It is expected that it will become an annual event.

I must thank our small band of drivers and conductors and in particular those who are prepared to show up so regularly every month or even more than every month for without them there would not be an operating museum. Thanks also to Alan Snowball who always seemed to be on hand to tend to mechanical and infrastructure problems and to Dave Macartney who continued to hold everything together for another 365 days.

Peter Winspur

6. Museum Services Manager's Report

One of our achievements during the past 12 months was the successful renewal of our museum accreditation. The Museum Accreditation Program has recently been linked with the Australian Tourism Business Accreditation through the Tourism Accreditation Board of Victoria and this entitles the Museum to use the "Tick" logo as an accredited tourism business.

The BTM through the Manager's involvement with the Museum Accreditation Committee continues to be an active participant in Museums Australia.

A significant involvement with the Museum of Victoria occurred early in 2003 with the Immigration Museum's "Trammies" Exhibition. We provided a number of the items on display; and input into the planning, text panels and the brochure produced for the three month exhibition held in the Museum's Flinders St. building.

Our cataloguing of the collection continues with some 330 Registered Items added to the collection. The collection now has some 2400 Registered Items, with over 3350 images. The data base is available on a CD-ROM using the Inmagic Run Time system to members. A small dent was made into the backlog during the early part of the year.

The major donation to the collection was from Travis Jeffery's estate, courtesy of his sister Vicky. This comprises many photographs of the Ballarat and Bendigo

systems, along with SEC tickets and associated equipment. The cataloguing of this is proceeding.

One of our activities during the early part of the year, was our involvement in the research for the Ballarat City Tramway Project. Although this project has now been "pigeon holed", it could have had a major impact on the organisation had it proceeded. For the record, all the relevant reports, papers and newspaper cuttings have been formally collected.

Assistance has been given to a proposed rewrite of the book *Destination Eaglehawk* by provision of photographs for book planning purposes and in the Museum's book *The Golden City and its Tramways*, written by Alan Bradley which is now in a detailed layout planning stage.

Other activities have been the updating of the Education Kit, responding to a number of enquiries received through our web site or on the e-mail and completing a stocktake or check of items within the Archives Room. In the room itself, shelving was extended and additional boxes for future items purchased. Our computer system was updated, with a secondhand PC and the former Archives room PC relocated to the downstairs office.

Warren Doubleday

2002/2003 OPERATING STATISTICS

	DAYS RUN	KILOMETRES RUN	PASSENGERS CARRIED	AV PASS PER KM	AV KM PER DAY	AV PASS PER DAY
JULY	18	540.8	836	1.55	30.04	46.4
AUGUST	10	327.6	440	1.34	32.76	44.0
SEPTEMBER	16	546.0	1011	1.85	34.13	63.2
OCTOBER	12	507.0	1050	2.07	42.25	87.5
NOVEMBER	13	496.6	1295	2.61	38.20	99.6
DECEMBER	17	582.4	1034	1.78	34.26	60.8
JANUARY	27	1014.0	2131	2.10	37.56	78.9
FEBRUARY	11	361.4	618	1.71	32.85	56.2
MARCH	17	1033.6	3240	3.13	60.80	190.6
APRIL	18	469.4	1756	3.74	26.08	97.6
MAY	10	288.8	483	1.67	28.88	48.3
JUNE	11	366.6	356	0.97	33.33	32.4
TOTAL	180	6534.2	14250	2.18	36.30	79.2
OVERALL	5135	204272.6	531426	2.60	39.78	103.5
Previous Year	183	7071.3	16859	2.38	38.64	92.1

Note: Overall Kilometre total excludes Km run in Melbourne.

2002/2003 TRAMCAR STATISTICS

CAR	2002 - 2003 TOTALS			PROGRESSIVE TOTALS		
	DAYS RUN	HOURS RUN	KILOMETRES RUN	DAYS RUN	HOURS RUN	KM RUN
1	0	0:00	0.0	4	6:50	22.7
13	20	91:12	546.0	319	1551:10	9874.8
14	1	3:45	2.6	1138	5411:51	38721.8
18	36	166:06	1016.6	676	3215:17	21353.8
26	17	70:34	483.6	529	2440:06	20675.2
27	0	0:00	0.0	1177	5285:45	38558.0
28	29	114:44	709.8	440	1939:20	13283.4
33	37	164:53	1016.6	950	4261:10	29255.2
38	0	0:00	0.0	220	608:50	4188.6
40	8	39:15	280.8	373	1488:05	11377.6
45	47	230:35	1518.4	170	801:24	5371.6
661	14	38:25	221.0	278	779:27	4947.8
671	21	95:28	665.6	304	992:36	6424.6
8	17	24:34	73.2	50	57:22	217.5
TOTALS		1039:31	6534.2		28839:13	204272.6
Previous Year		1075:20	7071.3			

Kilometres run are calculated by the number of trips multiplied by 2.6

BALLARAT TRAMWAY MUSEUM INCORPORATED

Association No. A0031819K

Statement of Financial Performance for Year Ended 30th June, 2003

2002		
\$	INCOME	
2,437	Membership Subscriptions	3,162
63	Donations Received - General	44
9,449	- Museum	12,632
1,020	Surplus Souvenir & Kiosk Operations	(1,206)
19,794	Fares	19,288
310	Advertising	310
12	Bungaree House Rent	8
1,016	Interest Received	1,229
0	Grants Received	1,500
1,758	Sundry Income	243
<u>35,859</u>	Total Income	<u>37,210</u>
	LESS EXPENDITURE	
921	Advertising	57
326	Bank Charges & Duties	303
2,464	Bungaree House Expenses	1,156
6,109	Depreciation	6,813
1,797	Electricity	2,047
3,068	General Expenses	512
1,635	Gold Tram Expenses	0
5,302	Insurance	7,806
140	Land Rent	140
273	Motor Vehicle Expenses	283
1,741	Printing & Stationery	1,440
158	Rates	138
7,484	Repairs & Maintenance	8,190
505	Subscriptions	210
2,176	Telephone & Postage	2,413
<u>34,099</u>	Total Expenditure	<u>31,508</u>
\$1,760	SURPLUS (DEFICIT) FOR YEAR	\$5,702
118,283	Accumulated Funds as at 30th June, 2002	120,043
<u><u>\$120,043</u></u>	Accumulated Funds as at 30th June, 2003	<u><u>\$125,745</u></u>

BALLARAT TRAMWAY MUSEUM INCORPORATED

Association No. A0031819K

Statement of Financial Position as at 30th June, 2003

2002			
	\$	CURRENT ASSETS	
100		Cash on Hand	100
5,925		Commonwealth Bank of Australia	3,825
32,000		Commonwealth Financial Services	32,000
258		Debtors & Prepayments	1,008
8,892		Stock on Hand (at lower of cost or sale value)	<u>5,011</u>
<u>47,175</u>		Total Current Assets	41,944
		NON CURRENT ASSETS	
20,125		Land & Buildings (at cost)	20,125
44,233		Tram Depot & Trackwork (at cost)	53,516
(43,763)		Less Provision for Depreciation	<u>44,572</u> 8,944
3,201		Electrical & Overhead Equipment (at cost)	3,201
(3,201)		Less Provision for Depreciation	<u>3,201</u> 0
4,101		Trams (at cost)	4,101
(3,880)		Less Provision for Depreciation	<u>3,993</u> 108
4,497		Other Equipment (at cost)	4,497
(4,322)		Less Provision for Depreciation	<u>4,382</u> 115
200		Motor Vehicle (at cost)	200
(200)		Less Provision for Depreciation	<u>200</u> 0
87,340		Trams Restoration (at cost)	96,924
(43,498)		Less Provision for Depreciation	<u>48,343</u> 48,581
23,329		Museum Equipment (at cost)	23,329
(10,485)		Less Provision for Depreciation	<u>11,471</u> 11,858
<u>77,677</u>		Total Non Current Assets	<u>89,731</u>
<u>\$124,852</u>		TOTAL ASSETS	<u>\$131,675</u>
		CURRENT LIABILITIES	
4,594		Creditors	5,930
215		Income Received in Advance	0
<u>4,809</u>		Total Current Liabilities	<u>5,930</u>
<u>4,809</u>		TOTAL LIABILITIES	<u>5,930</u>
<u>\$120,043</u>		NET ASSETS	<u>\$125,745</u>
		ACCUMULATED FUNDS	
<u>\$120,043</u>		Accumulated Funds as at 30th June, 2003	<u>\$125,745</u>

BALLARAT TRAMWAY MUSEUM INCORPORATED

Association No. A0031819K

Statement of Cash Flows for Year Ended 30th June, 2003

2002			
\$	Cash Flows from Operating Activities		
44,405	Revenue from Operations	39,728	
(35,450)	Payments to Suppliers and Employees	(24,190)	
1,016	Interest Received	1,229	
<u>9,971</u>	Net Cash provided by Operating Activities		16,767
	(see Note 2)		
	Cash Flows from Investing Activities		
0	Additions to Tram Depot & Trackwork	(9,283)	
(2,895)	Additions to Tram Restoration	(9,584)	
80	Repayment of Shares in B.T.P.S. Co-Op	0	
<u>(2,815)</u>	Net Cash used in other activities		(18,867)
7,156	Net Increase (Decrease) in Cash Held		(2,100)
30,869	Cash at beginning of year		38,025
<u>\$38,025</u>	Cash at end of year		<u>\$35,925</u>

NOTES TO THE STATEMENT OF CASH FLOWS

1. Reconciliation of Cash

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the financial statements as follows:

100	Cash on Hand	100
5,925	Commonwealth Bank of Australia	3,825
<u>32,000</u>	Commonwealth Financial Services	<u>32,000</u>
<u>\$38,025</u>		<u>\$35,925</u>

2. Reconciliation of Net Cash provided by Operating Activities to Operating Profit after Income Tax

1,760	Operating Surplus	5,702
6,109	Depreciation	6,813
	Changes in Assets and Liabilities	
4,847	(Increase) Decrease in Debtors	(750)
1,179	(Increase) Decrease in Stock on Hand	3,881
(4,139)	Increase (Decrease) in Creditors	1,336
215	Increase (Decrease) in Income Received in Advance	(215)
<u>\$9,971</u>		<u>\$16,767</u>

Cash Outflows shown in brackets

BALLARAT TRAMWAY MUSEUM INCORPORATED

Association No. A0031819K

Notes to and Forming Part of the Financial Statements Year Ended 30th June, 2003

1. Summary of Significant Accounting Policies

The Society's financial statements have been drawn up in accordance with the accounting standards of the Australian Accounting Bodies approved accounting standards. They have been prepared in accordance with the historical cost convention except for certain assets which are at valuation. The accounting policies adopted are consistent with those of the previous year.

2. Depreciation

Depreciation is provided on a straight line basis on all tangible fixed assets, other than freehold land, at rates calculated to allocate their cost or valuation less estimated residual value, against revenue over their estimated useful lives.

Where it has been impossible to determine the cost of an asset, the Directors' valuation has been used as the basis for calculating depreciation.

Major depreciation periods are:-

Trams	20 years
Motor Vehicles	7 years
Museum Site Improvements	20 years
Plant & Equipment	20 years

Additions and disposals are depreciated for a pro rata period in the year of acquisition or disposal.

2. Income Tax

The Museum is exempt from Income Tax under Section 50.45 of the Income Tax Assessment Act 1997.

4. Inventories

Inventories are valued at lower of cost and net realisable value, and include all costs incurred in bringing it to the society's store.

BALLARAT TRAMWAY MUSEUM INCORPORATED

Association No. A0031819K

Statement by the Committee

Year Ended 30th June, 2003

(1) In the opinion of the committee of Ballarat Tramway Museum Inc.

(a) the financial statements and notes, set out on pages 13 to 16 are in accordance with the Incorporated Association's Law, including:

i) giving a true and fair view of the financial position of the association as at 30th June, 2003 and of its performance, as represented by the results of its operations and its cash flows for the year ended on that date; and

ii) complying with the Accounting Standards and the Constitution of the Association;

(b) there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due and payable.

In accordance with a resolution of the committee dated at Ballarat in the State of Victoria this 13th day of August, 2003.

R. Gilbert
President

C. Dean
Treasurer

**INDEPENDENT AUDIT REPORT
TO THE MEMBERS OF**

**BALLARAT TRAMWAY MUSEUM INCORPORATED
Association No. A0031819K**

Scope

We have audited the financial report of the Ballarat Tramway Museum Incorporation for the year ended 30th June, 2003 as set on pages 13 to 16. The Committee is responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion to the members.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements so as to present a view which is consistent with our understanding of the association's financial position and the results of their operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of Ballarat Tramway Museum Incorporated, as at 30th June, 2003 and the results of its operations and its cash flows for the year then ended.

K.L. Paroissien & Associates
Certified Practising Accountants

R.G. Paroissien
Partner

Hawthorn, 13th August, 2002



No. 25 was photographed by Travis Jeffery at the Haddon St. terminus in Wendouree Parade about 1960. This is prior to the fitting of the dash canopy lighting.



Tram 27, currently being overhauled by the Museum, was photographed at the Victoria St. terminus on 21 August 1971 by Travis Jeffery.



For a number of years, Dave O'Neil has promoted the Museum's community involvement in the annual Ballarat Cops n' Kids Cancer Camp through a visit to our trams. Dave O'Neil and Austin Brehaut surrounded by kids on 18 November 2002.

Photo Austin's camera.



Ballarat Rotary's Young Ambition group hosted a very successful fund raising event on 25 May 2003 which involved participants pulling two single truck trams a set distance in our crossing loop. The Museum provided the trams and crews without charge as part of our community involvement.

Photo Carolyn Dean.