



PUFFING BILLY PRESERVATION SOCIETY

ABN 79 004 621 505

annual report

AND FINANCIAL STATEMENTS

2017



HONORARY LIFE MEMBERS

4th Combat Engineers Regiment

Chris Alger (*dec.*) • Phil A'Vard AM • David Burke OAM • Les Edyvean (*dec.*)
Mel Elliott (*dec.*) • Tom Murray (*dec.*) • John Robinson • John Thompson • Reg Topp (*dec.*)
Norm Wadeson OAM (*dec.*) • Lon Wymond OAM (*dec.*) • Dorothy Wymond (*dec.*)

GOLD PASS AWARDS

	<i>* Recipients in 2016</i>	
Chris Alger (<i>dec.</i>)		Wilma Ratcliffe
Sheila Alger	Ron Gunn	Andrew Rayment
Phil Asker	Susan Ham	Philip Rayment
Jim Atkins	Peter Harcourt	Colin Rees
Phil A'Vard AM	John Hearsch	Andrew Richards
Alan Bailey	Andrew Hennell	Les Richards (<i>dec.</i>)
David Baker*	David Hennell	Shirley Richards
Hugh Ballantyne (<i>dec.</i>)	Ella Hennell (<i>dec.</i>)	Walter Ritter (<i>dec.</i>)
Carl Barnard	Hal Hennell (<i>dec.</i>)	Pat Ritter OAM
Venetia Barnard	Harry Hibgame	John Robinson
Chris Bell (<i>dec.</i>)	Don Horsburgh	Chris Rodakis (<i>dec.</i>)
Colin Benson	Norm Houston (<i>dec.</i>)	Barry Rogers
Chas Bevan (<i>dec.</i>)	John Hoy	Robert Rossiter
Doris Bevan (<i>dec.</i>)	June Ilett	Bill Russell
Frank Birch (<i>dec.</i>)	Larry James	Colin Rutledge
Beryl Birch (<i>dec.</i>)	Steven Kaye	Bob Sanderson
Russ Bowen	John Kerley	Ian Sanderson (<i>dec.</i>)
John Brady	David Kerry	John Shaw
Graeme Breydon (<i>dec.</i>)	Tom Kilner (<i>dec.</i>)	Cliff Simmons
Alan Bridge (<i>dec.</i>)	John Knight (<i>dec.</i>)	Marilyn Simmons
Henry Brohier (<i>dec.</i>)	Graham Knight	Frank Soden (<i>dec.</i>)
Rick Bryse (<i>dec.</i>)	Weston Langford (<i>dec.</i>)	Kevin Stanes
John Bugg	Corinne Larkin	John Stephens
Laurie Bunn (<i>dec.</i>)	Kevin Larkin	Peter Stowell
John Burrows (<i>dec.</i>)	Neil Lewis	Kevin Taig
Dorothy Burrows	Rob McUtchen	Geoff Tasker
Ralph Cleary	Ian Marks	John Thompson
Syd Cleland (<i>dec.</i>)	Hugh Markwick	Reg Topp (<i>dec.</i>)
Jean Clowes	Don Marshall	John Topp (<i>dec.</i>)
David Conlan	Kevin Mathisen	Stuart Turnbull
Thelma Cotter	Norm Mauger	Norm Wadeson OAM (<i>dec.</i>)
Alan Curtis (<i>dec.</i>)	Warren Mauseth	Peter Walker (<i>dec.</i>)
Graeme Daniel	Peter Medlin	Reg Walton (<i>dec.</i>)
Robert Dawson OAM	Greg Michael	Herb Warren
Ralph Dickinson (<i>dec.</i>)	John Munro	Graham Watsford
Les Edyvean (<i>dec.</i>)	Tom Murray (<i>dec.</i>)	Bruce West
Mel Elliott (<i>dec.</i>)	Doug Newberry	Andrew Wheatland
Leigh Ellis (<i>dec.</i>)	Ian Newman	Alan Williams (<i>dec.</i>)
Robert Emmerson	Doug Parbery	Ray Williams
Don English	Bruce Paroissien	Bob Wilson PSM
Bob Farr	Helen Paroissien	Deborah Woodward
Les Fenwick	Ron Peach	Lon Wymond OAM (<i>dec.</i>)
Kevin Findlay	Reg Phillips (<i>dec.</i>)	Dorothy Wymond (<i>dec.</i>)
John Frost	Eric Platt	
Grahame Gardner	Adrian Ponton*	
Ted Godwin	Peter Priestly (<i>dec.</i>)	
Howard Gratton (<i>dec.</i>)	Chris Raggett	
Alan Gray*		

PUFFING BILLY PRESERVATION SOCIETY

ABN 79 004 621 505

PRESIDENT'S REPORT

The year to 30th June 2017 has been another successful one for the Society. Although no significant anniversaries have fallen during the year and no major events have been held, one book has been reprinted (third edition of *Climax – a locomotive resurrected*) and a second one (*Speed Limit 20 – Plus*) continues in production with publication expected before the end of the year.

For the fifth year in a row our membership figures have continued to increase, and the Society now has more than 1,100 members on its books. Other Society organised events continue to attract growing numbers, such as the AGM, the Volunteers BBQ, and the Commissioners Trains and Social Committee functions.

We are proud to continue our important role in supporting the Emerald Tourist Railway Board, which we do by providing four members to the Board from our Executive Committee. Society members continue to be involved in the daily operation of the Railway and increasing numbers of volunteers are choosing to become members of the Society. During the year the Society was part of the development and feedback process for the Railway's Master Plan.

The Society has a comprehensive range of sub-committees, through which we continue to undertake a range of activities around the Railway, whether that be in fundraising, providing support in restoration projects, or participating in management committees. The use of Dropbox assists communication at committee level, providing a more secure means of distributing documents than by using email and Mailchimp is proving an attractive and successful way of promoting activities amongst the Membership and the Railway's volunteers. As Puffing Billy's passenger numbers continue to grow, the Society is pleased to support the Railway in the significant business challenges it faces.

Membership

Membership details in respect of the year ended 30 June 2016 are as follows:

	Full	Concession	Life (inc. Senior Life)	Hon. Life	Family	Junior/ Student	Total
As at 30/06/16	438	402	77	5	108	38	1068
As at 30/06/17	433	435	79	5	150	34	1136
	-5	+33	+2		+42	-4	+68

Climax Locomotive 1694

Once again, the Climax operated a Twilight train in October 2016 and a series of daytime Commissioners trains have been organised, running in September, April and June. All of these were well patronised and very positive feedback was received from passengers, post-event. It is interesting to note that the great majority of passengers on these trains are from outside the Puffing Billy family. A series of further trains is foreseen for 2017-18. Footplate Experience Trains continue to be popular and around 30 have operated during the year to raise funds to cover ongoing maintenance costs for the Climax locomotive.

50 Years of Membership awards

Once again during the year, the Society organised an event to acknowledge those members who have held 50 years of continuous membership. Held at the Packing Shed on 31 July 2016, all our current 50 Years members and partners were invited for lunch, 20 being eligible this year to receive their badges on the day. In addition, special mention should be made of Don Marshall who became the first Society member to receive a 60 Years badge. This day is now becoming an established event on the Society's calendar, and one which is much appreciated by our 50 Years badge holders.

New Books

Peter Charrett's book, *Climax – a Locomotive Resurrected*, went into its third edition during the year, bringing it up to date by including photographs of the engine in operation since its re-introduction to service in 2013. Also, the Publications Committee continues to work on a reprint of the Ted Downs classic book, *Speed Limit 20*. To be titled *Speed Limit 20 Plus*, it is anticipated that this new book will be available to purchase before the end of the year.

Volunteers BBQ

This event, organised by the Society, and held each year in February, is the Railway's 'Thank You' to the volunteers for their efforts during the year. This year, the event was moved from its previous home at Emerald, up the line to Gembrook. Using the Hocker (the large marquee used for Day out with Thomas events) allowed us to accommodate the numbers attending, as this event has now outgrown the GEMCO Theatre in Emerald. A special train was operated from Belgrave in conjunction with the event. This function continues to attract increasing numbers of people, and it is pleasing to note that the event today draws nearly twice the number of people it did only a few years ago.

Menzies Creek Museum

Work has continued throughout the year building the exterior trackwork as well as working inside the museum building. Work continues within the Museum to assess the condition of items of heritage rolling stock and to determine future options. Volunteers also continue to catalogue items within the Museum's collection and catalogue them using Victorian Collections. A staged and costed plan has been finalised, which identifies the work necessary to bring the museum to the point where it can be opened to the public and also to complete the works. The Museum project received the proceeds of the 2017 Great Train Race. The Museum continues to approach the day when it will re-open to the public.

Archives

The Archives team continues its work at Emerald. Early in the year, the Railway re-located its Finance Department to the former Emerald Police Station on Kilvington Drive. This has freed up the Kings Road premises for Society Archive use and with much more space now available, this allows the team to work much more effectively.

Great Train Race

The 36th Great Train Race was held on Sunday 30th April, attracting around 2,500 runners. This event, which is a considerable logistical exercise, and despite reduced numbers compared to last year, continues to be a major fundraiser for the Society. Proceeds from this year's event were directed to the Menzies Creek Museum project

Fundraising

Other fundraisers include the Footplate Experience Trains and the Gembrook book sale, raising money towards the maintenance costs of the Climax, and G42 book sales, whose proceeds go towards the maintenance of G42. Funding for the ongoing restoration of NGG16-129 continued during the year.

Social Committee

A series of well-attended events was organised for members and volunteers, their friends and families during the year. In addition to the regular New Year's Eve Train, a film night was held in the station at Gembrook and successful events were also held visiting the Walhalla Goldfields Railway and travelling to the Goulburn Valley to ride on the trains at Kerrisdale and Alexandra.

Santa Specials

After many years of operating between Belgrave and Emerald, the Santa Special days were revamped during 2016 and the events re-located to Gembrook. The change has been successful with increased numbers of passengers carried.

President's Report continued on page 25 ...

PUFFING BILLY PRESERVATION SOCIETY

ABN 79 004 621 505 ACN 004 621 505

ANNUAL REPORT of the EXECUTIVE COMMITTEE

THE Executive Committee submits herewith the Financial Statements of the Society for the year ended 30 June, 2017.

The Committee members in office at any time during or since the end of the year are:

Mr. R.D. Bowen	Mr. J.R. Brady	Mrs. J.L. Clowes	Mr. R.S. Cochrane
Mr. J.K. Goodwin	Mr. T. Heeks	Mr. R.W. Kingham	Mr. R.L. Leivers
Ms. A. MacLeish	Mr. A.D. Rayment	Mr L. Reed-Nickerson	Mr. R.A. Richens
Mr. J.A. Robinson	Mr. K. Stanes		

The principal activities of the Society in the course of the financial year were in relation to the continued preservation and operation of the Puffing Billy Railway and the provision of voluntary management, operational and support staff to supplement the staff of the Emerald Tourist Railway Board.

The surplus of the Society, before grants made to Emerald Tourist Railway Board, was \$256,877 (2016: \$280,479).

The Net Result of the Society, after grants made to Emerald Tourist Railway Board was a surplus of \$89,320 (2016: \$33,030).

No bequests were received during the past twelve months, (2016 - Nil).

In 2017 \$21,638 (2016: \$168,115) was donated to continue refurbishment of locomotive NGG16-129; \$25,854 (2016: \$75,068) was donated towards the refurbishment of the Climax locomotive; \$120,065 (2016: 3,416) was donated towards the Museum redevelopment at Menzies Creek (which included the net proceeds of \$99,611 from the 2016 Great Train Race in this financial year, and \$nil (2016: \$850) was donated to assist in the maintenance of locomotive G42. There were no other significant amounts transferred to or from reserves or provisions during the year.

The Society's constitution specifically prohibits the payment of any dividends.

The Society is limited by Guarantee. If the Society is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Society. At 30 June 2017 there were 1,136 members (2016: 1,068).

The Society's long and short term objectives are to:

- Restore and preserve the heritage assets of Puffing Billy Railway
- Raise funds to assist in covering the cost of restoring Puffing Billy's heritage assets
- Provide volunteers to assist in the daily operations of Puffing Billy Railway
- Conserve and catalogue all archival material which relates to the history of Puffing Billy Railway and its assets.
- Exhibit non-operational rolling stock and heritage assets in Puffing Billy Railway museum at Menzies Creek

The Society's strategy for achieving these objectives in the current year is as follows:

- Providing over 480 Volunteers to assist the Emerald Tourist Railway Board with the operation of the Puffing Billy Railway
- Funding several capital projects in the current year, including the continuing refurbishment of locomotive NGG16-129, \$21,638, redevelopment of Menzies Creek museum, \$120,065, and on-going maintenance of Climax locomotive 1694 (completed in September 2014), \$25,854.
- The Society owns a substantial amount of archival material which is gradually being restored or catalogued by Volunteers at the offices in Kings Road, Emerald.

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PUFFING BILLY PRESERVATION SOCIETY

ABN 79 004 621 505 ACN 004 621 505

ANNUAL REPORT of the EXECUTIVE COMMITTEE *(continued)*

- The Society owns a substantial amount of non-operational physical heritage assets which are exhibited at the Puffing Billy Museum site at Menzies Creek. The Society has provided \$647,481 towards a total redevelopment of the museum site since work commenced in late 2010. A new Museum building, which will house many non-operational narrow gauge locomotives and rolling stock, has been completed. Over the past year many interpretation boards have been produced to complement the displays and provide stories relating to the exhibit. Further development of the rest of the Museum site has also been proceeding, and the boiler house has also been further restored in readiness for opening.
- The Society runs several fund-raising events each year, including the Great Train Race, several Santa Special trains, and Footplate Experience Trains. The Australian Taxation Office has granted GST- exemption status to the Great Train Race, which means that GST is not required to be collected or paid on entry fees, and GST is not refundable on supplies of goods and services purchased for the race. This year's net proceeds from the Great Train Race, \$81,097 (2016: \$99,611) will be put towards the redevelopment of the museum at Menzies Creek.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of the Society, the results of these operations or the state of affairs of the Society in subsequent financial years.

There are no likely developments or changes in the operation of the Society which are expected to affect its operations or results in subsequent financial years.

No Committee member, since the end of the previous financial year, has received or has become entitled to receive a benefit by reason of a contract made by the Society or a related corporation with the Committee member or with a firm of which he is a member or with a company in which he has a substantial financial interest.

PUFFING BILLY PRESERVATION SOCIETY

Information on Committee Members in office at 30 June 2017

<i>Member</i>	<i>Experience</i>	<i>Special Responsibilities</i>
J.K. Goodwin B.Tech C.Eng. MIET.	President for 7 years Committee member for 8 years Chartered Engineer	President
J.L. Clowes	Vice President for 7 years Committee member for 10 years Passenger Business Manager – E.T.R.B.	Vice President P.B.P.S. Nominee to E.T.R.B.
J.A. Robinson F.C.A.	Treasurer for 11 years Past President Previously Committee member for 27 years Chief Executive Officer of Emerald Tourist Railway Board since January 2013	Treasurer
T. Heeks	Secretary for 1 year Committee member for 2 years Manager, Engineering Drawing Office, Emerald Tourist Railway Board	Secretary
R.D. Bowen C.P.A. (Canada)	Committee member for 2 years Retired Finance manager of Emerald Tourist Railway Board	P.B.P.S. Nominee to E.T.R.B.
J.R. Brady FIE Aust C.P.Eng. (retired)	Committee member for 7 years Fellow of the Institution of Engineers Company Director	P.B.P.S. Nominee to E.T.R.B.
R.S. Cochrane B.A., B.Ed., T.T.C.	Committee member for 10 years Chairman, Emerald Tourist Railway Board Retired Manager	P.B.P.S. Nominee to E.T.R.B.
R.L. Leivers	Committee member for 3 years Previously Committee member for 4 years. Deputy Chairman, E.T.R.B. Retired Chief Executive Officer of Emerald Tourist Railway Board.	
L. Reed-Nickerson B.F.A., M.A. Ph.D.	Committee member since October 2016 Retired Engineering Manager	
R. Richens	Committee member since October 2016 Previously Committee member for 5 years Train Driver	
K. Stanes	Committee member for 2 years Retired from transport administration	

PUFFING BILLY PRESERVATION SOCIETY

Meetings of Committee Members

During the financial year, eleven (11) meetings of the Executive Committee were held.

The number of meetings attended by each committee member was:

Mr. R.D. Bowen	8	Mr. J.R. Brady	9
Mrs. J.L. Clowes	11	Mr T. Heeks	8
Mr. R.S. Cochrane	10	Mr. J.K. Goodwin	10
Mr. R.W. Kingham	3	Mr R.L. Leivers	9
Ms A.M. MacLeish	3	Mr. L. Reed-Nickerson	8
Mr. A.D. Rayment	2	Mr. R.A. Richens	8
Mr. J.A. Robinson	9	Mr. K. Stanes	10

Indemnifying Officers of the Society

The Society has not, during or since the end of the financial year, in respect of any person who is or has been an officer or auditor of the Society indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

During or since the end of the financial year a premium of \$3,809 (2016 - \$3,846) has been paid by the Emerald Tourist Railway Board to insure officers and members of the Board and executive officers of the Puffing Billy Preservation Society against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of officer of either the Board or the Society, other than conduct involving a wilful breach of duty.

The Society Officers in respect of whom the premium was paid are:

Mr. R.D. Bowen	Mr. J.R. Brady	Mrs. J. L. Clowes
Mr. R.S. Cochrane	Mr. J.K. Goodwin	Mr. T. Heeks
Mr. R.W. Kingham	Mr. R.L. Leivers	Ms. A.M. MacLeish
Mr. A.D. Rayment	Mr. L. Reed-Nickerson	Mr. R. A. Richens
Mr. J.A. Robinson	Mr. K. Stanes	

The auditor's independence declaration for the year ended 30 June 2017 has been received and can be found on page 23 of the Annual Report.

This report is made by authority of a resolution of the Committee and signed on their behalf by:-



J.K. Goodwin
President

Dated this 28th day of August, 2017

PUFFING BILLY PRESERVATION SOCIETY

ABN 79 004 621 505 ACN 004 621 505

EXECUTIVE COMMITTEE DECLARATION

The Executive Committee of the Society declares that:

The financial statements and notes, as set out on accompanying pages 6 to 22 are in accordance with the *Australian Charities and Not-for-profit Commission Act 2012*:

(a) comply with accounting standards, reduced disclosure requirements, and the Australian Charities and Not-for-profit Commission Regulations 2013; and other mandatory professional reporting requirements, and

(b) give a true and fair view of the financial position as at 30th June, 2017 and performance of the Society for the year ended on that date, and

(c) In the opinion of the Executive Committee there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Executive Committee.

A handwritten signature in black ink, appearing to read 'J.A. Robinson', with a large, sweeping flourish extending to the left.

J.A. Robinson
Treasurer

Dated this 28th day of August, 2017

PUFFING BILLY PRESERVATION SOCIETY
COMPREHENSIVE OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Sales Revenue	2	4,556	35,378
Cost of Sales	2	(3,512)	(28,545)
		<hr/>	<hr/>
Gross Profit		1,044	6,833
		<hr/>	<hr/>
Other Income			
General Activities	2	547,733	555,371
Expenses			
General Activities	2	(291,900)	(281,725)
		<hr/>	<hr/>
Surplus before grants made		256,877	280,479
		<hr/>	<hr/>
Grants made to Emerald Tourist Railway Board			
Climax Locomotive		(25,854)	(75,068)
Maintaining G42 Locomotive		–	(850)
Museum Redevelopment		(120,065)	(3,416)
Refurbish Locomotive NGG16-129		(21,638)	(168,115)
		<hr/>	<hr/>
	11	(167,557)	(247,449)
		<hr/>	<hr/>
Comprehensive Result for the Year		89,320	33,030
		<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of the Financial Statements

PUFFING BILLY PRESERVATION SOCIETY
BALANCE SHEET
AS AT 30 JUNE 2017

	Note	2017 \$	2016 \$
Financial Assets			
Cash and Cash Equivalents	3	347,959	462,284
Receivables	4	50,888	31,323
Other Financial Assets	5	1,666,742	1,445,509
Total Financial Assets		<u>2,065,589</u>	<u>1,939,116</u>
Non-Financial Assets			
Inventories	6	18,907	21,751
Property, Plant and equipment	7	1,030,097	1,030,097
Total Non-Financial Assets		<u>1,049,004</u>	<u>1,051,848</u>
Total Assets		<u>3,114,593</u>	<u>2,990,964</u>
Liabilities			
Payables	8	25,867	11,819
Other	9	65,179	44,918
Total Liabilities		<u>91,046</u>	<u>56,737</u>
Net Assets		<u>3,023,547</u>	<u>2,934,227</u>
Equity			
Asset Revaluation Reserve		906,970	906,970
Retained Profits	10	2,116,577	2,027,257
Total Equity		<u>3,023,547</u>	<u>2,934,227</u>

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017

	2017 \$	2016 \$
Total Equity at beginning of Financial Year	2,934,227	2,901,197
Net Result for the Year	89,320	33,030
Physical Asset Revaluation	-	-
Total Equity at the end of Financial Year	<u>3,023,547</u>	<u>2,934,227</u>

The accompanying notes form part of the Financial Statements

PUFFING BILLY PRESERVATION SOCIETY
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 \$	2016 \$
Cash Flows from Operating Activities			
Receipts from Customers and Members		537,444	581,444
Payments to Suppliers		(306,092)	(323,114)
Interest Received		43,113	46,616
		274,465	304,946
Cash Flows from Investing Activities			
Grants to Emerald Tourist Railway Board for restoration Projects		(167,557)	(247,449)
Payment for / (Redemption of) Investments		(221,233)	177,019
		(388,790)	(70,430)
Net Cash used in Investing Activities		(388,790)	(70,430)
Net (Decrease) / Increase in Cash and Cash Equivalents		(114,325)	234,516
Cash and Cash Equivalents at the beginning of the Year		462,284	227,768
		347,959	462,284
Cash and Cash Equivalents at the end of the Year	14(a)	347,959	462,284

The accompanying notes form part of the Financial Statements

PUFFING BILLY PRESERVATION SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: Summary of Significant Accounting Policies

Summary of Significant Accounting Policies

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations and the Australian Charities and Not-for-profit Commission Act 2012 and the Australian Charities and Not-for-profit Commission Regulations 2013.

Puffing Billy Preservation Society is a company limited by guarantee, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 28 August 2017.

Basis of preparation

These financial statements comply with Australian Accounting Standards – Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB). The adoption of these standards has not had any impact on the current period or any prior period and is not likely to affect future periods.

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 the Society.

In the application of AAS, judgements, estimates and assumptions are required to be made about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstance. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements made by management in the application of AASs that have significant effects on the financial statements and estimates, with a risk of material adjustments in the next year, are disclosed throughout the notes to the financial statements.

The report has been prepared in accordance with the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2017, and the comparative information presented in these financial statements for the year ended 30 June 2016.

Income Tax

The Society qualifies as an organisation specifically exempted from income tax pursuant to section 50-45 of the Income Tax Assessment Act 1997. Therefore no provision has been made for income tax.

Scope and presentation of financial statements

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.

Continued ...

PUFFING BILLY PRESERVATION SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: Summary of Significant Accounting Policies *(continued)*

'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. Taxation is regarded as mutually agreed interactions between the Government and taxpayers. 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-financial physical and intangible assets and fair value changes of financial instruments.

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

Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets.

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

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.

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.

Income from transactions

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured.

Cash Donations

Cash donations are recognized as income when they are deposited into the Society's bank account

Interest income

Interest includes interest received on deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported either as part of income from other economic flows in the net result or as unrealised gains and losses taken directly to equity, forming part of the total change in net worth in the comprehensive result.

Sales of goods and services

Income from the provision of services is recognised by reference to the stage of completion of the services being performed. The income is recognised when:

- the amount of the income, stage of completion and transaction costs incurred can be reliably measured; and

Continued ...

PUFFING BILLY PRESERVATION SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: Summary of Significant Accounting Policies *(continued)*

- it is probable that the economic benefits associated with the transaction will flow to the Society. Under the stage of completion method, income is recognised by reference to labour hours supplied or to labour hours supplied as a percentage of total services to be performed in each annual reporting period.

Income from the sale of goods is recognised by the Society when:

- the significant risks and rewards of ownership of the goods have transferred to the buyer;
- the Society retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of income, and the costs incurred or to be incurred in respect of the transaction can be reliably measured; and
- it is probable that the economic benefits associated with the transaction will flow to the Society.

Grants

Grants from third parties (other than contribution by owners) are recognised as income in the reporting period in which the Society gains control over the underlying assets.

The Society received a number of resources and volunteer services free of charge as part of its operations. As the value of these resources and services cannot be reliably measured, they have not been recognised as revenue.

Expenses from transactions

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Depreciation

All plant and equipment and other non-financial physical assets that have finite useful lives are depreciated. Depreciation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life.

It is considered by the Society that Museum Exhibits are no longer depreciating and may well be appreciating in value. Accordingly no depreciation has been provided for these assets.

Interest expense

Interest expenses are recognised as expenses in the period in which they are incurred.

Other operating expenses

Other operating expenses generally represent the day to day running costs incurred in normal operations.

Supplies and services

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

Financial Assets

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in bank and highly liquid investments with original maturities of less than three months to maturity that are readily convertible to cash on hand and are subject to insignificant risk of changes in value, net of outstanding bank overdrafts. Bank overdrafts, if applicable, are shown within interest bearing liabilities in current liabilities in the balance sheet.

Receivables

Trade receivables, loans and other receivables are recorded at amortised cost, using the effective interest method, less impairment.

Continued ...

PUFFING BILLY PRESERVATION SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: Summary of Significant Accounting Policies *(continued)*

The effective interest rate method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, where appropriate, a shorter period.

The collectability of debts is assessed at balance date and specific provision is made for doubtful debts. A provision is made for doubtful debts based on a review of all outstanding receivables at balance date. Bad debts are written off in the period in which they are recognised.

The average credit period on sales of goods or provision of service is 30 days. No interest is charged on trade or other receivables.

Investments and other financial assets

Investments are classified in the following categories:

- financial assets at fair value through profit or loss,
- loans and receivables, and
- available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition. Any dividend or interest earned on the financial asset is recognised in the comprehensive operating statement as a transaction.

Impairment of financial assets

The Society assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Non-Financial Assets

Inventories

Inventories are valued at the weighted average cost or net realisable value. Costs are assigned to inventory on hand by the method most appropriate to each particular class of inventory, with the majority being valued on a weighted average acquisition cost basis. Net realisable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling and distribution.

Property, plant and equipment

All non-financial physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

Property, plant and equipment categories have been categorised into a hierarchy of three levels, which are as follows:

- Level 1 – are assets which can be purchased in an active market in which there are identical or similar assets readily available
- Level 2 – are assets in a market in which there are other like or observable assets, other than those included in Level 1, which can be quoted either directly or indirectly.
- Level 3 – are assets which are not observable against any other assets to determine a comparable cost.

Non-financial physical assets such as land assets are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or constructive restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply.

Continued ...

PUFFING BILLY PRESERVATION SOCIETY

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

NOTE 1: Summary of Significant Accounting Policies *(continued)*

Restrictive nature of cultural and heritage assets – Classified as Level 3 assets

The Society holds some heritage assets which are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. Consequently, there are certain limitations and restrictions imposed on their use and/or disposal.

The fair value of Museum Exhibits has been measured at cost and these Exhibits are not depreciated as it is considered by the Society that these Exhibits may well be appreciating in value.

LIABILITIES

Payables

Payables consist of:

- Contractual payables include accounts payable. Accounts payable represent liabilities for goods and services provided to the Society prior to the end of the financial year that are unpaid, and arise when the Society becomes obliged to make future payments in respect of the purchase of those goods and services; and
- Statutory payables include goods and services tax.

Other Liabilities

Other liabilities consist of payments made in advance for membership renewals and services to be provided after the end of the current year.

AASs issued that are not yet effective

Certain new AASs have been published that are not mandatory for the 30 June 2017 reporting period. The Society assesses the impact of these new standards and determines whether early adoption is applicable.

As at 30 June 2017, no standards and interpretations that have been issued but were not mandatory for the financial year ending 30 June 2017 have been adopted early.

Comparatives

There have been no changes to prior year's figures.

PUFFING BILLY PRESERVATION SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2: Operating Profit

	2017	2016
	\$	\$
Income		
Sale of Merchandise	4,556	35,378
Less: Cost of Sales		
Opening Stocks	21,751	4,683
Purchases	668	50,296
	<hr/>	<hr/>
	22,419	54,979
Less: Closing Stocks –	18,907	21,751
Write down of inventory value	–	4,683
	<hr/>	<hr/>
Cost of Sales	3,512	28,545
Gross Profit	<hr/>	<hr/>
	1,044	6,833
	<hr/>	<hr/>
Income		
Donations – General	6,474	9,656
– G42 Locomotive	4,297	2,548
– Climax Maintenance	7,930	7,958
– Belgrave Signal Box	8,158	8,525
– Heritage Rolling Stock	1,378	961
– 3NA Locomotive	2,930	1,498
– Garratt Locomotive NGG16-129	10,222	22,887
– Menzies Creek Museum	2,037	2,398
– Society Archives	15,683	–
Grants	8,524	4,658
Interest – Bank	–	29
– Investments	40,334	43,279
Membership Subscriptions	71,466	65,613
Gross Proceeds:		
– Fundraising Activities - General	13,965	10,235
– Fundraising Activities - Climax Maintenance	58,900	59,943
– Great Train Race	224,020	281,149
– Santa Specials	71,415	34,034
	<hr/>	<hr/>
	547,733	555,371
	<hr/> <hr/>	<hr/> <hr/>

Continued ...

PUFFING BILLY PRESERVATION SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2: Operating Profit *(continued)*

	2017	2016
	\$	\$
Less: Expenditure		
Auditors' Remuneration: Audit	3,450	5,150
Archive Expenses	9,037	533
Bank Charges and Government Taxes	861	674
Grant Expenses	10,604	8,410
Narrow Gauge and Membership Services	16,866	16,777
Printing and Stationery	5,048	9,973
Write down of Inventory Value	–	4,683
Sundry Expenses	15,361	16,814
Gross Expenses: – Fundraising Activities - General	8,564	5,107
– Fundraising Activities - Climax Maintenance	25,866	19,794
– Great Train Race	142,923	181,538
– Santa Specials	53,320	12,272
	291,900	281,725

NOTE 3: Cash and Cash Equivalents

Cash at Bank	85,737	211,943
Bank On-Line Saver Account	262,222	250,341
	347,959	462,284

NOTE 4: Receivables

Current

Contractual

Sundry Debtors	49,683	29,744
----------------	--------	--------

Statutory

GST Receivables	1,205	1,579
	50,888	31,323

The Society does not have any material credit risk exposure to any single receivable or group of receivables.

There are no balances within trade receivables that contain assets that are impaired or are past due. It is expected that all balances will be received when due.

The Society does not have any receivables whose terms have been renegotiated, but which would otherwise be past due or impaired.

Continued ...

PUFFING BILLY PRESERVATION SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	2017	2016
NOTE 5: Other Financial Assets	\$	\$
Held-to-maturity Investments		
Current:		
Interest Bearing Bank Term Deposits	1,666,742	1,445,509
	<u> </u>	<u> </u>
NOTE 6: Inventories		
Current		
Finished Goods, at net realisable value	18,907	21,751
	<u> </u>	<u> </u>
	18,907	21,751
	<u> </u>	<u> </u>
NOTE 7: Property, Plant and Equipment		
Land and Buildings, at fair value	995,000	995,000
	<u> </u>	<u> </u>
Museum Exhibits, at fair value	48,368	48,368
Less: Accumulated Depreciation	13,271	13,271
	<u> </u>	<u> </u>
	35,097	35,097
	<u> </u>	<u> </u>
Tools and Equipment, at fair value	4,391	4,391
Less: Accumulated Depreciation	4,391	4,391
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>
Total Property, Plant and Equipment	1,030,097	1,030,097
	<u> </u>	<u> </u>

Continued ...

PUFFING BILLY PRESERVATION SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

NOTE 7: Property, Plant and Equipment *(continued)*

(a) Movement in carrying amounts

Movement of the carrying amounts for each class of property, plant and equipment at the beginning and end of the current financial year:

	Land 2	Museum Exhibits 3	Tools and Equipment 1	Total
Fair Value Level	\$	\$	\$	\$
Carrying Amount at 1st July 2016	995,000	35,097	–	1,030,308
Additions	–	–	–	–
Depreciation Expense	–	–	–	–
Carrying Amount at 30 June 2017	995,000	35,097	–	1,030,097

NOTE 8: Payables

	2017	2016
Current	\$	\$
Contractual		
Sundry Creditors – unsecured	16,469	4,300
Statutory		
GST Payable	9,398	7,519
	<u>25,867</u>	<u>11,819</u>

Note 9: Other Liabilities

Current

Members Subscriptions in advance	48,730	44,918
Advance Sales – <i>Speed Limt 20 Plus</i>	16,449	–
	<u>65,179</u>	<u>44,918</u>

Continued ...

PUFFING BILLY PRESERVATION SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Note 10: Retained Profits	2017	2016
	\$	\$
General Fund		
Balance at beginning of the Year	954,912	921,882
Surplus before Grants	256,877	280,479
	<hr/>	<hr/>
Transfer to Endowment Fund	1,211,789	1,202,361
Grants to Emerald Tourist Railway Board	-	-
	<hr/>	<hr/>
Balance at end of the Year	(167,557)	(247,449)
	<hr/>	<hr/>
Balance at end of the Year	1,044,232	954,912
	<hr/>	<hr/>
Endowment Fund		
Balance at beginning of the Year	1,072,345	1,072,345
Transfer from General Fund	-	-
	<hr/>	<hr/>
Balance at end of the Year	1,072,345	1,072,345
	<hr/>	<hr/>
Total Retained Profits	2,116,577	2,027,257
	<hr/> <hr/>	<hr/> <hr/>

General Fund and Endowment Fund balances at the end of the year include amounts for the following specific purposes:

Garratt Locomotive G42 Maintenance	6,540	2,243
Gembrook Restoration	1,579	1,579
Climax Locomotive Maintenance	18,394	3,284
Belgrave Signal Box Appeal	178,648	170,490
Heritage Rolling Stock	20,803	19,425
Reconstruction of Locomotive 3NA	369,871	366,941
Garratt Locomotive NGG16-129 Restoration	9,032	20,448
Menzies Creek Museum	82,960	101,796
Archives at Kings Road, Emerald	6,646	-
	<hr/>	<hr/>
	694,473	686,206
	<hr/> <hr/>	<hr/> <hr/>

NOTE 11: Related Party

Four of the eight members of the Emerald Tourist Railway Board (J.L. Clowes, J.R. Brady, R.S. Cochrane, R.W. Kingham to 23 January 2017 and R.D. Bowen from 23 January 2017) are nominees of the Puffing Billy Preservation Society. In addition to the specific cash grants disclosed in the accounts (Note 11) the Society provides significant voluntary services to the Board.

NOTE 12: Related Party Transactions

In the year ended 30th June 2017 a premium of \$3,809 (2016: \$3,527) has been paid by the Emerald Tourist Railway Board to insure officers and members of the Board and executive officers of the Puffing Billy Preservation Society against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of officer of either the Board or the Society, other than conduct involving a wilful breach of duty.

Continued ...

PUFFING BILLY PRESERVATION SOCIETY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

No payments (2016: \$3,000) were paid to members of the Puffing Billy Preservation Society Executive Committee for event management assistance for the Great Train Race.

The Society sold books and DVD's to the value of \$2,941 (2016: \$9,038) to Emerald Tourist Railway Board.

NOTE 13: Members' Guarantee

The Society is limited by Guarantee. If the Society is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the Society. At 30 June 2017 the number of members was 1,136 (2016: 1,068).

NOTE 14: Cash Flow Information	NOTE	2017	2016
		\$	\$
(a) Reconciliation of Cash			
Cash and Cash Equivalents	3	347,959	462,284
Cash and Cash Equivalents, as per Cash Flow Statement		347,959	462,284
(b) Reconciliation of Net Cash provided by Operating Activities to Operating Profit			
Surplus before grants to Emerald Tourist Railway Board		256,877	280,479
Non-cash flows in Surplus:			
– Depreciation		–	–
		256,877	280,479
Changes in Assets and Liabilities			
– (Increase) Decrease in Receivables		(19,565)	22,391
– (Increase) Decrease in Prepayments		–	26,900
– Decrease in Inventories		2,844	(17,068)
– (Decrease) Increase in Accounts Payable		14,048	(2,574)
– (Decrease) Increase in Other Liabilities		20,261	(5,182)
		274,465	\$304,946

NOTE 15: Subsequent Events

There has been no event occurring after the balance date that would have a material effect on the accounts.

NOTE 16: Commitments and Contingencies

At the date of this report, the Executive Committee is unaware of any assets or liabilities, contingent or otherwise, that were not already disclosed elsewhere in this report.

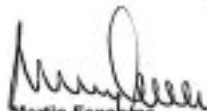
**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 60-40 OF THE AUSTRALIAN CHARITIES AND NOT-FOR-PROFITS
COMMISSION ACT 2012 TO THE DIRECTORS OF PUFFING BILLY PRESERVATION SOCIETY**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2017 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Australian Charities and Not-for-profits Commission Act 2012 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.



McLean Delmo Bentleys Audit Pty Ltd



Martin Fensome
Partner

Hawthorn
28 August 2017

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PUFFING BILLY PRESERVATION SOCIETY

Opinion

We have audited the financial report of the Puffing Billy Preservation Society, which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion, the financial report of the Puffing Billy Preservation Society is in accordance with Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, including:

- (a) giving a true and fair view of the Entity's financial position as at 30 June 2017 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards – Reduced Disclosure Requirements, and Division 60 of the Australian Charities and Not-for-profits Commission Regulations 2013.

Basis for Opinion

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

In conducting our audit, we have complied with the independence requirements of the Australian Charities and Not-for-profits Commission Act 2012, which has been given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors for the Financial Report

The Directors of the Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Australian Charities and Not-for-profits Commission Act 2012 and for such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF PUFFING BILLY PRESERVATION SOCIETY (CONTINUED)**

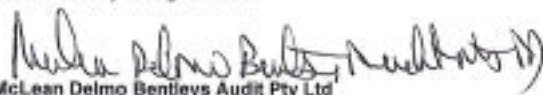
Auditor's Responsibilities for the Audit of the Financial Report

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

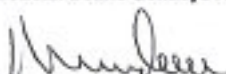
As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



McLean Delmo Bentleys Audit Pty Ltd



Martin Fansome
Partner

Hawthorn
31 August 2017

President's Report continued from page 2 ...

Website

All Society event booking continues to be made online, which is quicker, simpler and much more efficient than the previous method. Any members without internet access are able to contact the Railway's call centre during business hours and make bookings over the phone.

Strategic Plan

During the year, the Executive continued to work on a new Strategic Plan which will determine what the Society does, and how, in the coming years. This is expected to be finalised in late 2017.

Publications Group

This group continues to produce *Narrow Gauge* magazine to a high standard and continues to work on other projects for the future, including *Speed Limit 20 Plus*, as previously mentioned.

Rex Kingham

After five years in the Secretary's position, Rex stepped down in early 2017 on health grounds. Rex has served the Society well, both as Secretary and as a Society nominee to the ETRB. Rex continues to volunteer in the Belgrave booking office and we wish him well for the future. Tim Heeks was appointed Secretary to replace Rex.

Information evening

An information evening was held in Belgrave on 30 May 2017. This gave members and volunteers the opportunity to listen to the latest information from the Society, the Board and the Railway's management and to ask questions on matters of interest.

Conclusion

I would like to thank all those members who have contributed towards the Society's achievements and successes during the year. It is important that the Society remains active, attractive and relevant in the 21st Century and indications are that we are succeeding in this. Let us continue to do so.



Jeff Goodwin
PRESIDENT

PUFFING BILLY PRESERVATION SOCIETY

*gratefully acknowledges generous contributions
by the following sponsors of the*

2017 GREAT TRAIN RACE

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Colonial Tramcar Restaurant
Eureka Skydeck
Sealife Melbourne
Peninsula Hot Springs
Trees Adventure
Legoland Discovery Centre**

PUFFING BILLY PRESERVATION SOCIETY

also thanks the following organisations

**Country Fire Authority and Local Brigades
Victoria Police
Emerald SES Unit
Cardinia Shire Council
Shire of Yarra Ranges
Vicroads
Hermon's Rainbow Removals & Storage
Mater Christi College
Rotary Club of Emerald and District
145/37 Foresters Venturer Unit
Australian College of Fitness and Bodywork
All PBPS Members and PBR Volunteers
Puffing Billy Management and Staff**

COVER PICTURE Climax 1694 double-heading with 6A on a special 'Commissioners Train', approaching Emerald station on Saturday 8 April 2017.

PHOTO: MICHELLE ROGERS