

# ANNUAL REPORT 2023-2024



**PUFFING BILLY**  
RAILWAY BOARD

## ACKNOWLEDGEMENT OF COUNTRY

Puffing Billy Railway acknowledges the Wurundjeri and Bunurong people as the Traditional Custodians of the land on which the railway operates. We pay our respects to their Elders past, present and emerging.





# ABOUT US

Puffing Billy Railway (PBR) is Australia's foremost operating heritage steam railway, and one of the largest narrow-gauge steam and heritage railways in the world. Its history spans a period of 123 years. Remarkably, for more than half that span, it has operated as a volunteer-based not-for-profit body. The Puffing Billy Railway is operated by the Puffing Billy Railway Board (PBRB) and operates every day except Christmas Day. During the 2023 – 2024 financial year, Puffing Billy Railway carried 398,523 passengers.

The narrow-gauge line between Belgrave and Gembrook in Victoria survives as one of the most intact examples of pioneering railway infrastructure in Australia. Its steeply graded banks, trestle bridges, line-side telegraph, signalling and rolling stock are of an era replaced elsewhere by more modern technology. This railway takes its "era of significance", dating from 1900 to 1930, seriously. This emphasis is the key to understanding the philosophy which drives the PBRB in achieving heritage railway preservation goals.

The 2'6" gauge line to Gembrook opened in 1900, initially to carry produce, livestock, and timber to Ferntree Gully, where the freight was transferred to broad gauge trains. However, it quickly became a great favourite of Melburnians, seeking a leisurely way of visiting "the hills". The railway closed in 1954 after a major landslide near Menzies Creek, and a succession of "Young Sun" steam train specials was organised by a Melbourne daily newspaper to farewell the railway. The success of these specials brought about the formation of the Puffing Billy Preservation Society, which quickly reopened the railway for the public to enjoy.

Puffing Billy Railway continues to offer a unique volunteer experience and is recognised throughout the country for its quality, dedication and diversity of community minded people who operate this iconic railway through the scenic Dandenong Ranges.

Puffing Billy Railway is pleased to present its forty-seventh Annual Report. This marks the first Annual Report of the newly formed Puffing Billy Railway Board.





## VISION

To preserve and share a world renowned, community-based heritage rail experience, which captures both natural beauty and the rich social history of Victoria's Dandenong Ranges.

## MISSION

To provide a unique opportunity for visitors to immerse themselves in our rich local history, environment, and communities, and foster and harness the passion our volunteers and staff have for our heritage rail whilst building community interaction.

## KEY ASPIRATIONS

Puffing Billy Railway's ongoing success is a product of the following four strategic pillars.



**PRESERVE, CELEBRATE, AND SHARE OUR HERITAGE RAIL EXPERIENCE FOR VISITORS, COMMUNITY, AND STAKEHOLDERS.**



**ACHIEVE SAFETY AND OPERATIONAL EXCELLENCE IN THE CONTEXT OF A STEAM HERITAGE RAILWAY.**



**COMMIT TO AND DELIVER A SUSTAINABLE FUTURE.**



**LEAD AN INSPIRED TEAM ALIGNED TO A COMMON PURPOSE OF PRESERVING THE "PUFFING BILLY RAILWAY EXPERIENCE".**

Pursuant to the provisions of the *Financial Management Act 1994* and the *Audit Act 1994*, the Board presents its Annual Report in respect of the year ended June 30, 2024. The report is prepared in accordance with all Victorian legislation.

# CHAIR'S MESSAGE

I am delighted to present the inaugural Annual Report of the Puffing Billy Railway Board for 2024. This year has been a landmark for us, being the first year governed under the *Puffing Billy Railway Act (2022)* and filled with significant achievements and transformative growth, driven by our collective dedication and passion to protect this iconic heritage railway for future generations.

## ECONOMIC SUSTAINABILITY

Emerging from the worldwide economic challenges experienced over the last few years, the economic sustainability and viability of Puffing Billy Railway has been a top priority. By delivering strategic initiatives to implement operational efficiencies and effective and sound financial management, we have laid a strong foundation for future growth.

## SAFE OPERATIONS

Safety remains at the core of our operations. Our proactive approach to training, reporting and remediating hazards ensures all our staff, volunteers, and visitors have a safe Puffing Billy Railway experience.

## TOURISM & VISITOR EXPERIENCE

With local, interstate, and international visitors making memories sitting on the sills of our open side carriages, soaking up the history at Menzies Creek Museum or enjoying the hospitality options of the Lakeside Visitor Centre, we have continued to expand and enhance the tourism offering and visitor experience of Puffing Billy Railway.

## CELEBRATING VOLUNTEERISM

Our volunteers are the heart and soul of the Puffing Billy Railway. Our dedicated volunteers have played a vital role throughout the year, with 355 active volunteers contributing 73,013 hours over the year.

## HERITAGE SIGNIFICANCE & EDUCATION

We continue to promote and celebrate the heritage significance of the narrow-gauge railway through the restoration and maintenance of our heritage rolling stock and infrastructure and the handing down of operational knowledge and trade skills from generation to generation. Our education programs have been developed to share the history and science of the narrow-gauge railway with the next generation.



## COMMUNITY STAKEHOLDERS

As community members of the beautiful Dandenong Ranges, we recognise the importance of working collaboratively with local community organisations and groups. We have strengthened our relationships with community stakeholders and developed collaborative working relationships in the areas of emergency management, environmental sustainability, biodiversity and visitor economy.

## INCLUSIVITY & DIVERSITY

We are committed to providing a safe, inclusive, and diverse working environment for all staff, volunteers, and visitors. We continue to deliver our Gender Equity Action Plan and Reconciliation Action Plan deliverables, ensuring that everyone working, volunteering or visiting Puffing Billy Railway feels valued and respected.

## LOOKING AHEAD

I am confident that the strategic decisions we have made, and the dedication of our team will ensure a sustainable future for Puffing Billy Railway.

In the coming year, we will continue to focus on these key areas, driving forward with the same passion and dedication and look forward to sharing more achievements and milestones with you.

I would like to extend my heartfelt thanks to the Minister for Tourism, Sport and Major Events, Steve Dimopoulos MP, the Minister's office, our Board of Directors, our executive team, and our dedicated staff and volunteers for their commitment and support to Puffing Billy Railway's success. Your unwavering support and dedication have been instrumental in our success. Thank you for being a part of our journey.



**TIM NORTH OAM KC**

Chair  
Puffing Billy Railway Board



# ACTING CEO MESSAGE

As we reflect on the past financial year, I am delighted to share the notable achievements and developments that have defined Puffing Billy Railway (PBR) during this period. Our focus on building a sustainable railway while enhancing the visitor experience has allowed us to build stronger connections with the community and provide unforgettable memories for our visitors.

While we welcomed the increase in visitation, the Board and Management team continued to evaluate and adjust our strategy to respond to the evolving environment. Key changes to the strategy included an enhanced emphasis on critical asset renewal, workforce development, revenue generation and community engagement.

As always, the significant achievements of the year would not have been possible without the hard work and dedication of our entire team. We are proud to be supported by our committed staff, volunteers, contractors, partner organisations, and community groups, each of whom contributes to Puffing Billy Railway's success.

## VISITOR GROWTH

This year has seen a substantial rise in visitation, with international tourist numbers approaching pre-pandemic levels. This growth highlights the enduring appeal of Puffing Billy Railway and reflects our commitment to providing an exceptional visitor experience. We welcomed close to 400,000 passengers, a remarkable achievement that underscores the collective efforts of the organisation and the distinctive experiences we offer.

## OPERATIONAL EXCELLENCE

Operations were robust during the summer peak, with five daily services successfully running at full capacity. Despite facing periods of severe weather throughout the year, we remained adaptable and ensured minimal disruption. Looking ahead, we are preparing for an active timetable to meet the increasing demand for services.

## MILESTONES AND HIGHLIGHTS

Our flagship events and experiences, including the Train of Lights, Day Out With Thomas, Puffing Billy Running Festival, and the Polar Express Train Ride, captivated visitors and significantly contributed to the Railway's success. Additionally, our commitment to community engagement was reinforced through the support of various local events, such as the Rotary Kids Fun Run, Variety Dream Day, ANZAC Day, and the Good Friday Appeal.

In partnership with the Association of Tourist and Heritage Rail Australia, Puffing Billy Railway hosted the first Australasian Tourist and Heritage Railway Conference 2023, with over 50 national and international delegates attending the three-day conference.

## INFRASTRUCTURE AND DEVELOPMENT

Significant progress was made on key projects that will enhance PBR for years to come. At the Belgrave precinct, we completed major roof repairs on the running shed and restored the historic façade of Belgrave Station, preserving its charm while enhancing functionality. The expansion of the Emerald Workshops with a new portable building has also improved our operational capacity.





## COMMUNITY ENGAGEMENT

Our local community and a large group of valued stakeholders are essential to the success of many of our projects, and we are truly grateful for their support. We continued to implement our first 'Reflect' Reconciliation Action Plan and engaged with the Traditional Owners of the land and affiliated organisations on a number of initiatives throughout the year.

Our first Stakeholder Consultative Committee has been formed, to share information, identify emerging issues and opportunities, and obtain valuable input and feedback from stakeholders on matters important to them and the local community.

The Youth Reference Group provides ongoing feedback to the Board and Management on a number of topics and initiatives across the railway.

## LOOKING AHEAD

As we look forward to the 2024-2025 financial year, we anticipate continued growth and new opportunities. With the ongoing support of our staff, volunteers, and the community, I am confident that Puffing Billy Railway will maintain its momentum and achieve even greater heights in the years ahead.

Sincerely,

**STEFANIE STRAUB**

Acting Chief Executive Officer  
Puffing Billy Railway

# BUILDING PARTNERSHIPS AND DRIVING PROGRESS

## KEY INITIATIVES IN FOCUS

With the start of another year at Puffing Billy Railway (PBR), our commitment to nurturing community connections remains stronger than ever. Building on the foundations laid in the previous year, we continue to strengthen our relationships with local groups, organisations, and stakeholders.

### DIVERSITY AND INCLUSION WORKING GROUP

Initiated in early 2023, the Diversity and Inclusion Working Group has continued its focus on addressing matters raised within the Gender Equality Action Plan (GEAP). A significant milestone achieved was the implementation of the inaugural Sexual Harassment Policy, accompanied by an online training module for all employees. Raising awareness and understanding of what constitutes workplace sexual harassment and what actions can be taken has been a key proactive response to our obligations to create a workplace free from harassment, including sexual harassment.

### RECONCILIATION ACTION PLAN WORKING GROUP

As we progress through the Reflect phase of our Reconciliation Action Plan (RAP), we are pleased to report on the significant initiatives undertaken by our RAP Working Group over the past year. A fundamental aspect of our efforts has been the facilitation of cultural awareness training for the organisation's leadership team, aimed at deepening their understanding of Indigenous cultures, histories, and perspectives. As we look to strengthen connections with the Wurundjeri Woiwurrung Cultural Heritage Aboriginal Corporation and Bunurong Land Council Aboriginal Corporation, we look forward to expanding these training opportunities to the wider organisation, ensuring all staff and volunteers can engage in meaningful learning experiences.

Additionally, we established a three-year partnership with Kinaway, the peak body representing Aboriginal businesses in Victoria, reinforcing our commitment to supporting Aboriginal enterprises and fostering economic development in the community.



### **YOUTH REFERENCE GROUP**

Throughout the second year of PBR's Youth Reference Group, our dedicated members have delivered meaningful outcomes for young people at the Railway. The group provided valuable insights by attending internal events, reviewing PBR's policies and procedures from a youth perspective, and conducting surveys with young visitors and their families to gather data that will inform future decisions. Additionally, the group designed and implemented a postcard feedback project, allowing young visitors to share their experiences at PBR. Members also had the unique opportunity to engage with PBR's Board and CEO, discussing ideas for the coming year, exploring decision-making processes, and gaining insights into the future of the Railway.

### **STAKEHOLDER CONSULTATIVE COMMITTEE**

The Stakeholder Consultative Committee (SCC) stands as an integral part of PBR's engagement framework. This committee acts as a vital community reference group, fostering a dynamic exchange of information, insights, and perspectives. Its primary function is to facilitate the sharing of relevant PBR updates, identify emerging trends, and unearth potential avenues for growth and collaboration.

In the 2023-24 period, the SCC engaged in in-depth discussions regarding the PBR Bushfire Management Plan and the PBR Carbon Assessment Report, ensuring that community concerns and insights were integrated into our strategic planning.



# CURRENT YEAR FINANCIAL REVIEW

## OVERVIEW

Puffing Billy Railway (PBR) considers the Net Result from Transactions to be the appropriate measure of financial management that can be directly attributed to operations. This measure excludes the effects of asset revaluations arising from changes in market prices shown under 'other comprehensive income' on the Comprehensive Operating Statement, which are outside the control of PBR.

PBR reported a Net Loss Result from Transactions, after depreciation and grants, for 2023-24 of \$913,000, \$1.6 million lower than 2022-23. Both income and expenses have increased over the past four years, however operating income in 2022-23 was supplemented by operating grants.

## FINANCIAL PERFORMANCE AND BUSINESS REVIEW

In 2023-24, PBR had an increase in operating income of 7%. This was attributable to a 55% increase in passenger numbers during the year. It is noteworthy that we received no operating grants in 2023-24, following the \$4.1 million received in 2022-23. While we are thankful for the support of the Victorian Government, these grants were not intended to be a long-term solution, and PBR is focused on ensuring financial sustainability moving forward.

Operating Expenditure increased by 14% in 2023-24. This increase was attributable to cost of increased train services, supporting the passenger increase, and expenditure incurred in running events.

The Net Resulting Loss for the year of \$913,000 in 2023-24 was \$1.6 million below the Net Profit Result of \$727,000 reported in 2022-23. This is due to the 2022-23 result including operating grant income of \$4.1 million.

Importantly, the financial year marked PBR's first full year of welcoming back visitors post-COVID, highlighting our commitment to rebuilding and enriching the visitor experience. The overall Comprehensive Operating Result for 2023-24 of \$3.9 million includes a fair market value revaluation of buildings of \$4.9 million.

## FINANCIAL POSITION AND BALANCE SHEET

Total Assets increased by \$5.5 million over the year to \$119.8 million. This increase was due to increases in cash, receivables and non-financial assets due to the revaluation of buildings by \$4.9 million offset by depreciation of plant and equipment (refer to note 4.1 Total property, plant and equipment in the financial statements for more details).

Donations received in 2023-24 totalled \$4,000, which are reserved for future projects. The total donated funds held in reserve for future projects as at 30 June 2024 is \$261,000.

Total Liabilities increased due to an increase in payables and an increase in passenger booking in advance due to increased passenger numbers.

## CASH FLOWS

The Net Cash Flow from Operations of \$3.5 million for the 2023-24 financial year was a net decrease of \$782,000 compared to the previous year. This was the result of the cessation of operational grant income in 2023-24, offset by an increase in receipts from customers and a reduction in capital investment.

## FIVE YEAR FINANCIAL SUMMARY

	YEAR 5 2024	YEAR 4 2023	YEAR 3 2022	YEAR 2 2021 (b)	YEAR 1 2020
Operating Income	24,649,927	23,066,473	19,438,738	15,044,848	22,920,144
Operating Expenditure	25,562,703	22,339,026	17,568,486	14,045,719	20,609,605
Net Result from Transactions	(912,776)	727,447	1,870,251	999,129	2,310,539
Other economic flows	-	-	-	1,273	-
Net Results for the year	(912,776)	727,447	1,870,251	1,000,402	2,310,539
Asset Revaluations	4,855,058	-	-	27,417,189	-
Comprehensive Operating Result	3,942,282	727,447	1,870,251	28,417,591	2,310,539
Net Cash Flow from Operations	3,484,936	4,267,074	2,906,302	9,701,477	3,764,570
Total Assets	119,757,271	114,293,377	112,921,846	111,415,888	70,405,184
Total Liabilities	5,865,101	4,343,488	3,699,404	5,299,697	2,785,567

(a) This table presents data from the current reporting year with comparative data from the past four reporting years. Year 5 represents the current year (2024).

(b) In the Annual Report of 2020-21 and 2021-22 Total Liabilities was incorrectly reported as \$7,797,901 and should have been \$5,299,697. This was first corrected in the Annual Report 2022-23.

## CAPITAL PROJECTS

The Total Estimated Investment (TEI) projects for PBR completed during the financial year did not meet the disclosure threshold of \$10 million.



## COMPARATIVE WORKFORCE DATA

The following table discloses the head count of staff and volunteers, and full-time staff equivalent (FTE) of all employees of PBR, engaged in the last full pay period in June of the current reporting period, and in the last full pay period in June of the previous reporting period.

June 2024							
	Entire Workforce				Employees		
	Work force (head count)	Employee (head count)	FTE	Active Volunteers	Full-time	Part-Time	Fixed term & Casual
<b>Gender</b>							
Women	133	71	50	62	25	28	18
Men	362	73	61	289	41	20	12
Self-described	3	-	-	3	-	-	-
Not provided	1	-	-	1	-	-	-
<b>Age</b>							
15-24	51	18	15	33	2	1	15
25-34	68	29	27	39	18	7	4
35-44	66	35	32	31	22	9	4
45-54	51	19	20	32	12	4	3
55-64	85	23	18	62	7	15	1
65+	178	20	15	158	5	12	3

June 2023							
	Entire Workforce				Employees		
	Work force (head count)	Employee (head count)	FTE	Active Volunteers	Full-time	Part-Time	Fixed term & Casual
<b>Gender</b>							
Women	113	69	60	44	24	18	27
Men	319	59	60	260	35	14	10
Self-described	1	-	-	1	-	-	-
Not provided	27	-	-	27	-	-	-
<b>Age</b>							
15-24	45	19	16	26	3	1	15
25-34	69	25	24	44	18	3	4
35-44	57	34	31	23	24	5	5
45-54	37	15	16	22	8	4	3
55-64	77	20	22	57	4	8	8
65+	175	15	11	160	2	11	2

The *Public Administration Act 2004* established the Victorian Public Sector Commission (VPSC). The VPSC's role is to strengthen public sector efficiency, effectiveness and capability, and advocate for public sector professionalism and integrity. PBR introduced policies and practices that are consistent with VPSC's employment standards and provide for fair treatment, career opportunities and the early resolution of workplace issues. PBR advised its employees on how to avoid conflicts of interest, how to respond to offers of gifts and deal with misconduct.

PBR is working towards creating an inclusive working environment where equal opportunity and diversity are valued, and that reflects the communities we serve. Consistent with the *Gender Equality Act 2020*, PBR has a target to maintain at least 50 per cent women on the executives' gender profile.

PBR values staff with non-binary gender identities at all levels. PBR acknowledges that due to historic and current barriers to disclosure of non-binary gender identities, staff may not choose to disclose this information. As a result, targets or quotas are not currently a useful way to promote opportunities for gender diverse staff at all levels.

## ENVIRONMENTAL IMPACTS

PBR is committed to improving its environmental footprint and actively pursues environmentally sustainable outcomes as a matter of priority. PBR reports against a range of indicators for energy consumption, transportation, and greenhouse gas emissions. Consumption and usage are captured through reports and surveys conducted at all sites.

## ELECTRICITY PRODUCTION AND CONSUMPTION

PBR consumes energy for many uses including office facilities, railway stations, retail outlets, cafés, public utilities, railway signalling and operational workshops.

PBR continues to implement a range of energy efficient policies across its sites to reduce electricity use. These measures include:

- 100% Green Power for the electricity usage at large sites.
- PBR purchased native vegetation credits during the construction of the Lakeside Visitor Centre, which has been constructed from a range of modern materials.
- LED lighting has now been installed in most PBR sites.

Data represented below was collected through energy retailer billing information and represents office, retail, café and operational consumption.

	2023/24	2022/23	2021/22
<b>Trading days</b>	353	364	252
Electricity (MWH)	816.87	787.19	658.81
Electricity (Co2t)	694	530	534

## TRANSPORTATION

PBR maintains vehicles essential to the delivery of Puffing Billy Railway train services. These vehicles include trucks, trolleys, utes, and locomotives. Energy used in transport fuels has increased due to increased trading days.

	2023/24	2022/23	2021/22
<b>Train services</b>	353	364	252
Diesel (Ltr)	168,218	128,332	48,015
Petrol (Ltr)	6,338	5,250	6,428
Coal (T)	613	435	324
Diesel (Co2t)	454	347	130
Petrol (Co2t)	15	12	15
Coal (Co2t)	1,483	1,053	785
<b>Total Co2 Emissions</b>	<b>1,952</b>	<b>1,965</b>	<b>1,484</b>

# PEOPLE & CULTURE – OUR PEOPLE

We are dedicated to creating a cohesive and supportive environment for our staff and volunteers. Our core initiatives are designed to enhance growth, engagement, and wellbeing, empowering individuals while nurturing a culture that reflects the railway's values.

## RECOGNISING OUR TEAM

For the third consecutive year, PBR hosted a recognition event celebrating and acknowledging the contributions of our team over the past 12 months.

The evening was held at the Puffing Billy Lakeside Visitor Centre with 170 volunteers and staff in attendance. Hosted by Former CEO, Peter Abbott, with Board Member, Gabrielle Lim, team members were presented with acknowledgements for their Years of Service, highlighting their invaluable contributions to PBR.

Volunteers acknowledged for 30 years or more service included:

- Peter Stowell
- Murray Holmes
- Stephen Nichols
- Michael Strangward
- Mike Topp
- David Conlan
- Rob McUtchen

Employees acknowledged for 25 years or more of service included:

- Sue Ham



## CELEBRATING CONTINUED CONNECTIONS WITH FORMER VOLUNTEERS

In its second year, the PBR Guild serves as a space for past volunteers to remain connected to both Puffing Billy Railway and one another. Through the PBR Guild, we recognise the importance of volunteering at PBR in the lives of many individuals, and honour that connection through an active post-volunteering community.

Members receive regular updates to keep them informed about the latest developments at PBR. Over the past year, we held two formal in-person events, where members spent time at our sites, the Nobelius Packing Shed and Menzies Creek Museum.

As of June 2024, the PBR Guild has 61 members.

## RISK & RESILIENCE GRANTS PROGRAM – DEPARTMENT OF JUSTICE AND COMMUNITY SAFETY, VICTORIAN GOVERNMENT.

PBR successfully secured a grant to support our volunteer programs and improve working conditions in a changing climate. This project specifically addressed climate change resilience, focusing on responses to heatwaves and extreme heat.

The grant has enabled the establishment of a heat refuge at Lakeside Station, providing an air-conditioned space for volunteers to escape the heat, rest, and rehydrate between outdoor shifts. Additionally, the grant will fund 250 'Cool Kits,' which include insulated lunch boxes, cooling neckties, sunscreen, hydration sachets, 'Coolie towels,' and a Heat Health Pocket Guide to support the health and comfort of our outdoor workers.





## GROWING AND DIVERSIFYING OUR VOLUNTEER TEAM

A key focus of our volunteer recruitment program has been to diversify the demographic of our volunteers, ensuring it reflects the broader Australian population. While men aged 65 and older remain a core and essential part of our workforce, we are actively targeting millennials by building relationships and offering unique experiences that appeal to this cohort.

Equally important is our ongoing effort to increase female representation, which currently stands at just 18% of our volunteers, as well as attract culturally diverse volunteers. We are focused on building connections with local cultural networks to ensure our volunteer teams reflect the diversity of our visitors from around the world.

## OUR WORKFORCE

WORKFORCE DATA	FULL TIME PERMANENT EMPLOYEES	PART TIME PERMANENT EMPLOYEES	CASUAL	VOLUNTEERS	TOTAL WORKFORCE
As at 30 June 2023	59	32	28	332	451
As at 30 June 2024	66	48	22	355	491

As of 30 June 2024, there are eight fixed term contracts. Eight casuals converted to part time during the period.

## ENGAGEMENT SURVEYS

In May 2024, employees had the opportunity to participate in the Victorian State Government People Matter Survey, achieving a 56% participation rate, up from 36% in 2023.

Key outcomes from the survey included:

- Engagement Index – 58% (down from 63% in 2023), indicating a moderate response and a slight decline in employee connectedness and enthusiasm towards the organisation.
- Satisfaction level – 53% (down from 64% in 2023)
- Wellbeing – 27% (up from 26% in 2023), indicating stable work stress levels.
- Inclusion – 64% (down from 67% in 2023)

PBR acknowledges the importance of these results and is proactively implementing measures to enhance performance and strengthen our response plan with a focus on the following areas:

1. Creating opportunities to develop skills and experience.
2. Enhancing workplace systems and processes for greater efficiency.
3. Continuing to recognise team achievements within the organisation.
4. Building skilled and supportive leadership.

# WAY & WORKS

Puffing Billy Railway prioritises the operational capability and functionality of our track, corridor, and associated rail and civil infrastructure to support safe and reliable train services.

## KEY GOALS

KEY GOAL	MEASURE	RESULT
To ensure that track, bridges corridor, and associated rail, civil and related infrastructure remains operationally functional.	• Operational capability and readiness at all times.	Ongoing
	• Resolution of Incident Defect Reports (IDRs) relating to track and perway infrastructure.	Ongoing
	• Issues impacting potential operational conditions have not impacted the business and are addressed.	Complete
Ensure safe, compliant, and environmentally acceptable working methods and practices and adhere to industry standards.	• No Lost Time Injuries (LTIs); consistent application of Job Safety Analyses (JSAs), Safe Work Method Statements (SWMS), and Standard Operating Procedures (SOPs).	Ongoing
	• No public safety incidents; proactively managed perway public risks.	Ongoing
	• Enhanced safety culture within the team.	Ongoing
	• Job Safety Analyses (JSAs) are fully integrated into processes.	Ongoing
Complete Capital Projects.	• Monitor performance and quality, ensuring that all work is completed on time and within budget.	Ongoing
Maintain heritage and enhance the visitor experience.	• Maintain safe, reliable, and sustainable rail services that enhance the customer experience while preserving the heritage value of the railway.	Ongoing
Enhance W&W maintenance capabilities and flexibility.	• Provide mentoring and supervised training, collaborate with a Registered Training Organisation (RTO) for training and reaccreditations, identify individual strengths, and manage personal development plans.	Ongoing



## NOTABLE ACHIEVEMENT

Successfully completed the rerailing of the 'Landslide' section of the railway line, which lifted the speed restriction and restored normal train speeds.

## STAKEHOLDER ENGAGEMENT

- **Community** – Engaged with the community to respond to reports of issues, faults, or defects along the corridor, addressing each concern appropriately.
- **Vendors** – Communicated the value of procurement, ensuring the availability of necessary resources and investing in the right tools for the job. Provided updates on outcomes to drive future improvements.
- **Regulators** – Fostered cooperation and information sharing, actively participating in audits.

## WORKING TOWARDS 2024 – 2025

1. Complete the Selby Bridge works.
2. Rerail 1 to 2 kilometres of track.
3. Lift and line the track to ensure a smoother train ride.
4. Maintain a full complement of safety-minded staff and volunteers while enhancing team skills.
5. Complete the laying of the Emerald storage track and associated works.



# FACILITIES

At PBR, we work to keep our physical assets functional, safe, and sustainable, with a focus on daily operations, maintenance, and infrastructure improvements across the following areas:

## FACILITIES MANAGEMENT

Ensures that facilities operate efficiently, comply with safety standards, and are utilised effectively. This includes oversight of vendor contracts for essential services such as waste management and security.

## MAINTENANCE SERVICES

Focuses on preventive maintenance to minimise operational interruptions and ensure the seamless functioning of equipment and systems. The team promptly addresses repair needs to reduce downtime and maintain operational efficiency.

## CAPITAL PROJECTS

Involves planning and managing new construction, renovations, and major upgrades, all while adhering to budget constraints and compliance standards.

## SUSTAINABILITY INITIATIVES

Promotes energy efficiency, effective waste management, and green building practices to foster environmental responsibility.

The facilities branch is dedicated to enhancing operational efficiency, promoting sustainability, completing projects on time and within budget, and upholding high safety standards, all in support of the PBR strategic plan.

## KEY GOALS

KEY GOAL	MEASURE	RESULT
Enhance operational efficiency.	• Continuously improve facility operations and maintenance practices to support the organisation's strategic objectives.	Ongoing
	• Achieve 100% of scheduled preventive maintenance tasks on time, reducing unexpected downtime and operational disruptions.	Complete
Improve sustainability.	• Advance sustainability initiatives to reduce environmental impact and operational costs.	Ongoing
	• Work with the environmental team on waste streams and energy consumption.	Ongoing
Complete Capital Projects on time and within budget.	• Assess project completion against deadlines and budget constraints.	Ongoing
	• Deliver 90% of capital projects on or ahead of schedule and within 10% of the allocated budget, ensuring cost-effective and timely project execution.	Ongoing
Maintain high safety standards.	• Record the number of incidents, and compliance with safety protocols.	Complete
	• Conduct quarterly safety inspections and maintain compliance with established safety protocols.	Complete
Optimise facility space utilisation.	• Evaluate existing spaces and departments' occupancy efficiency of space allocation.	Ongoing
	• Achieve higher space utilisation and implement a revised space allocation plan to better meet organisational needs, improving overall efficiency and effectiveness.	Ongoing



## NOTABLE ACHIEVEMENTS

- **Belgrave precinct works** – Achieved notable progress and enhancements in the Belgrave precinct through a blend of capital projects and maintenance initiatives. These improvements were made possible by the dedicated teamwork of contractors, staff, and volunteers, all contributing their efforts towards our shared goals. The seamless collaboration among volunteers and staff was instrumental in enabling the Facilities branch to deliver substantial results.
- **Roof repairs and facility enhancements** – Completion of major roof repairs on the Belgrave running shed, addressing leaks and structural weaknesses with a comprehensive overhaul. This project significantly improved the shed's durability and operational reliability. Additionally, the restoration of Belgrave Station preserved its historical features, while the renovation of the Gate 8 meeting room upgraded its facilities with modern technology and furnishings, improving support for meetings and presentations.
- **Security enhancements** – Installation of new diamond fencing around key facility perimeters. The new fencing enhances both security and the facility's overall appearance and updated the signage to provide clearer visual direction.
- **Visual enhancements** – Garden beds were revitalised with fresh mulching and the addition of new plantings, significantly enhancing the aesthetics and health of the landscape. Additionally, new flagpoles were installed to enhance the visual appeal and functionality of the area while acknowledging the Traditional Custodians of the land.

## STAKEHOLDER ENGAGEMENT

- **External contractors and vendors**
  - **Construction firms** – Handled the construction, renovation, and major repairs involved in capital projects.
  - **Maintenance service providers** – Offered specialised services for ongoing maintenance needs, including heating, ventilation, and air conditioning (HVAC), plumbing, and electrical work.
  - **Consultants** – Provided expertise and recommendations for project planning, design, and implementation.
- **Regulatory bodies and local authorities**
  - **Building inspections** – Ensured that construction and renovation projects complied with local building codes and regulations.
  - **Local council** – Addressed land use and zoning requirements for new projects.

## WORKING TOWARDS 2024 – 2025

1. Implementation of a comprehensive preventive maintenance program.
2. Ongoing PBR precinct improvements to enhance the visitor experience.
3. Timely completion of capital projects.
4. Collaborating with other departments to achieve shared objectives.
5. Optimisation of space within existing facilities.

# SAFETY

PBR continues to prioritise the safety of all who work at and visit PBR. Our emphasis on cultivating a strong safety culture has led to steady and transparent incident reporting. The introduction of the safety initiative, “Start Safe, Work Safe, Finish Safe,” has further strengthened the workforce’s commitment to proactively reporting any safety concerns.

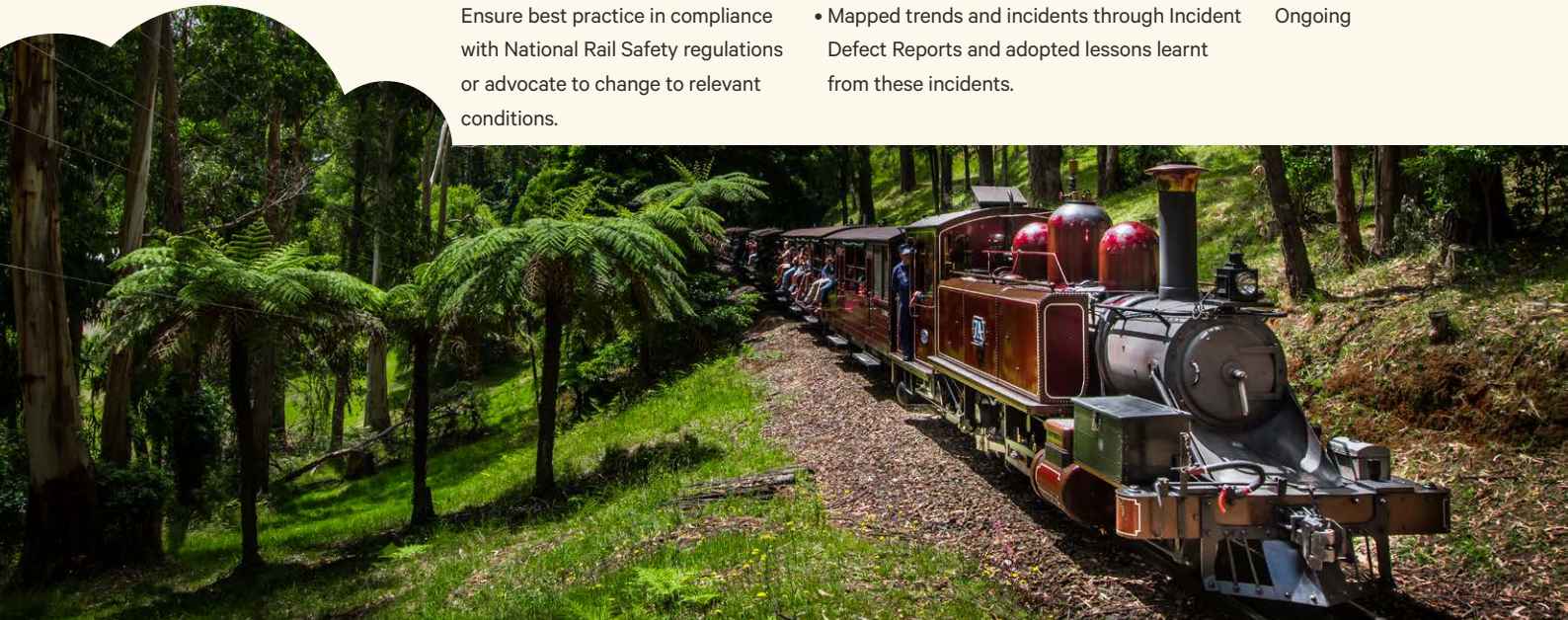
This year, both internal and external audits and investigations have identified areas where we can improve. In response, PBR is actively refining and implementing corrective action plans to ensure continuous improvement in our safety practices.

During 2023-2024, the following was recorded:

- 667 Incident Defect Reports (IDRs) submitted.
- 60 Notifiable Occurrences reported with the Office of the National Rail Safety Regulator (ONRSR).
  - 5 Category A
  - 20 Category B
  - 35 Category C
- 64 injuries reported to Puffing Billy Railway:
  - 33 employees – seven resulted in a WorkCover claim
  - 17 volunteers
  - 14 visitors
- Five Incident notifications to Worksafe.
- Three Safety Management Investigations completed.
- Zero statutory notices issued.

## KEY GOALS

KEY GOAL	MEASURE	RESULT
Provide mental health first aid.	• Ensuring qualified personnel are trained in mental health first aid.	Complete
Implement Electronic Incident Management Systems.	• Performed due diligence and assessed potential electronic systems.	Ongoing
Launch Safety Awareness program.	• Established and implemented a monthly Safety Awareness initiative.	Complete
Ensure best practice in compliance with National Rail Safety regulations or advocate to change to relevant conditions.	• Mapped trends and incidents through Incident Defect Reports and adopted lessons learnt from these incidents.	Ongoing





## NOTABLE ACHIEVEMENT

The transition of the Safety Management System (SMS) from paper based to electronic form is a significant advancement in the organisation's safety journey. This entailed a comprehensive overhaul of the SMS, streamlined processes, enhanced accessibility, and improved overall safety performance. The retired paper-based system, while effective, was often cumbersome, with physical documents prone to being misplaced, delayed, or inconsistently updated.

## STAKEHOLDER ENGAGEMENT

- **WorkSafe and other public sector departments**  
– Collaborated extensively with WorkSafe and various public sector entities through a series of WorkSafe forums and webinars. These events provided an opportunity to gain insights into the strategies and initiatives that other government departments are implementing to reduce workplace injuries. This exchange of knowledge and best practice is instrumental in enhancing overall workplace safety standards.
- **Office of the National Rail Safety Regulator (ONRSR)** – Through collaborative co-regulatory meetings, PBR and ONRSR worked closely together to enhance safety measures and significantly reduce the likelihood of incidents.
- **Commission for Children and Young People** – Engaged in Child Safe Standards Community of Practice sessions, uniting professionals from child safe organisations to share insights, foster mutual learning, and forge connections.

## WORKING TOWARDS 2024 – 2025

1. Safely reintroducing “Sitting on Sills” to the Gembrook section of the railway line.
2. Streamlining maintenance and incident management.
3. Rolling out a structured housekeeping program.
4. Enhancing PBR fatigue management program.
5. Enhancement of PBR Emergency Management plans.



# ROLLING STOCK

It is vital for Puffing Billy Railway to ensure the safety and reliability of our locomotives, passenger, and goods rolling stock. This is achieved through a rigorous preventative maintenance program, with daily upkeep and overhauls supported by the following facilities:

- Locomotive workshop and pits
- Engineering / planning office
- Technical library
- Main tool store
- Brake and instrument room
- Carriage mechanical maintenance workshop
- Painting workshop
- Carpentry / joinery workshop
- General parts storage
- Pattern storage

## KEY GOALS

KEY GOAL	MEASURE	RESULT
Locomotive and carriage availability.	• Ensure locomotives and carriages are available as per the timetable, with a focus on the number of working locomotives that are in service, safe, compliant, and fit for operation.	Ongoing
	• Meet visitation demand effectively.	Complete
Achieving required, skilled resource levels.	• Attain the total production time necessary for operations.	Ongoing
	• Maintain the capability to perform corrective repairs, planned maintenance, major rebuilds, and projects.	Ongoing
	• Achieve safety and operational excellence within the context of a steam heritage railway.	Ongoing
Increased internal capability.	• Reduce the need for corrective actions and rework while increasing overall productivity.	Ongoing
	• Decrease reliance on external engineering resources.	Ongoing
	• Sustainable asset management practices.	Ongoing
Improved overall efficiency through development and retention of corporate knowledge.	• Develop and retain corporate knowledge through shared workshop resources and knowledge exchange, resulting in reduced repair times.	Ongoing
	• Foster repeatability and the ability to establish best practices within our area of specialisation.	Ongoing



## NOTABLE ACHIEVEMENT

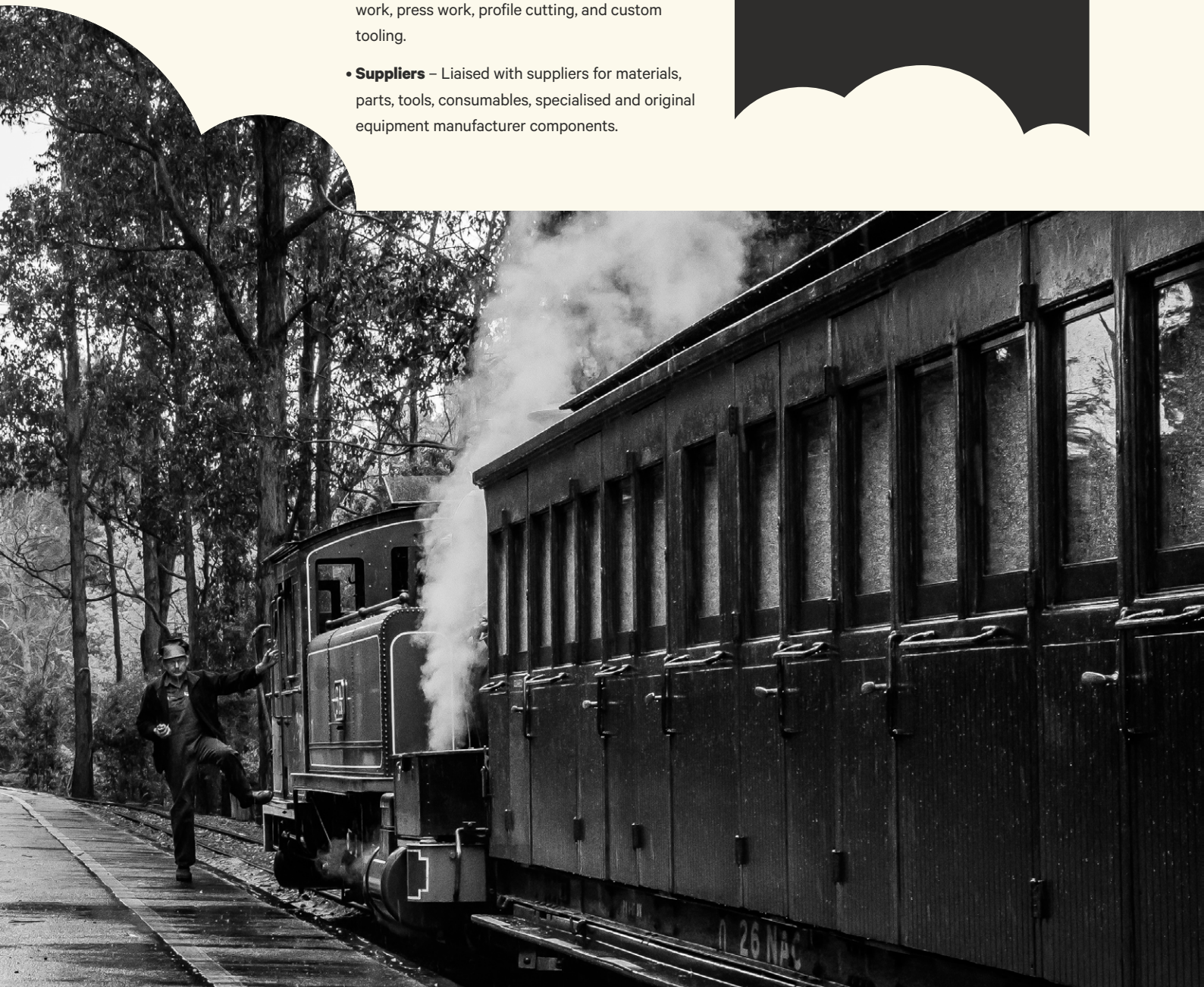
Focused on leveraging internal and external expertise while expanding workshop capacity. This initiative successfully transitioned previously outsourced tasks in-house, addressing economic and logistical challenges.

## STAKEHOLDER ENGAGEMENT

- **External contractors** – Ensuring the delivery of works that could not be completed in-house, such as pressure welding, non-destructive testing, boiler inspections, and diesel engine overhauls.
- **External engineering** – Project managed manufacture or design tasks, such as foundry work, press work, profile cutting, and custom tooling.
- **Suppliers** – Liaised with suppliers for materials, parts, tools, consumables, specialised and original equipment manufacturer components.

## WORKING TOWARDS 2024 – 2025

1. Continue to build workshop resources to meet demand.
2. Sustainably resource workshops with robust staff engagement and retention to ensure future repeatability.
3. Develop volunteer-based projects.
4. Continuous improvement of systems to provide efficiency, measurability, and traceability.
5. Further develop and explore methods of knowledge management.



# ENVIRONMENTAL SUSTAINABILITY

The establishment of an environmental sustainability function across the business is a key part of PBR's operating future. Addressing PBR's impact on the planet, both from an emissions perspective and as the 'custodian' of the natural capital along the railway corridor will continue to underpin PBR's long term performance as an iconic railway experience.

## KEY GOALS

KEY GOAL	MEASURE	RESULT
Calculate PBR's carbon emissions footprint.	<ul style="list-style-type: none"> <li>• Calculate the base year greenhouse gas (GHG) emissions.</li> <li>• Determine the carbon emissions boundary.</li> <li>• Establish a tool for ongoing measuring of carbon emissions.</li> </ul>	<p>Complete</p> <p>Ongoing</p> <p>Ongoing</p>
Investigate the potential for the railway corridor biodiversity to be measured.	<ul style="list-style-type: none"> <li>• Establish a mechanism in which a biodiversity 'return' can be delivered.</li> </ul>	Ongoing
Strengthen community reputation and demonstrate our commitment to environmental responsibility.	<ul style="list-style-type: none"> <li>• Engagement with environmental groups to improve the overall environmental outcomes along the corridor.</li> </ul>	Ongoing
Improve volunteering outcomes.	<ul style="list-style-type: none"> <li>• Develop the environmental volunteering proposition by aligning with environmental themes and measured outcomes.</li> </ul>	Complete
Identify priority projects which will deliver GHG reductions.	<ul style="list-style-type: none"> <li>• Analyse waste streams.</li> <li>• Analyse clean energy options.</li> </ul>	<p>Complete</p> <p>Ongoing</p>

## NOTABLE ACHIEVEMENTS

PBR successfully established its carbon emissions footprint, aligning with the Victorian Government's objectives for reducing greenhouse gases. This initiative provides a clear framework for identifying emission sources and prioritising strategies for reduction.

Additionally, PBR has significantly strengthened its reputation among Landcare and environmental groups, resulting in collaborative efforts such as joint grant applications, shared volunteer resources, and strategic long-term planning to support the region's environmental sustainability goals.

## STAKEHOLDER ENGAGEMENT

- **Nangana Landcare** – Collaborated on tree plantings along the railway corridor and supported joint grant applications.
- **Parks Victoria, Beyond Yellingbo Landcare and New Futures, Emerald Business association** – Engaged in strategic regional planning and green financing proposals.
- **Friends of Gembrook and Friends of Emerald Lake** – Worked together on efforts to enhance the railway corridor.
- **Yarra Ranges council** – Partnered on waste management and energy efficiency initiatives.



## WORKING TOWARDS 2024 – 2025

1. A reduction in food waste to landfill.
2. A reduction in ash waste to landfill.
3. New approaches to maintaining and preserving the corridor biodiversity.
4. Clean energy feasibility.
5. Evolve the natural capital returns strategy.

# VISITOR EXPERIENCE

## TRAIN SERVICES

The daily rail operations of PBR are managed with a focus on ensuring safe and efficient train services. This includes overseeing approximately 150 drivers, firemen, guards, signalmen, and engine cleaners, along with their competency-based training.

During this financial year, we successfully operated over 1,400 passenger train journeys, excluding special and maintenance runs, highlighting our commitment to reliable service delivery despite operational constraints.

Training and development remained a key focus, with notable progress across various roles. During the year, 21 new Engine Cleaners were inducted, eight steam Firemen commenced their training, and four steam Drivers successfully passed their intermediate evaluations and are now preparing for their final exams. Additionally, 11 Guards and Signalmen completed their training, with a total of 19 assessments conducted for these roles. To further enhance service stability, we also added three new Assistant Locomotive Officers to our Train Services group.

## KEY GOALS

KEY GOAL	MEASURE	RESULT
Development of the Emerald Running Shed and timetabling options to operate more trains out of Lakeside.	<ul style="list-style-type: none"> <li>Development of the Emerald running shed.</li> </ul>	In progress
Continue training and qualification of new volunteers and review opportunities to recognise prior learning.	<ul style="list-style-type: none"> <li>21 new Engine Cleaners have been inducted, eight steam Firemen have begun their training, and four steam Drivers have passed their intermediate evaluations and will soon complete their final exams.</li> <li>Created a formal assessment process for recognition of prior learning, which helps fast track training.</li> <li>11 new Guards and Signalmen were added to the safe working team.</li> <li>19 Guards and Signalmen assessments were completed.</li> </ul>	Complete
Development and operation of special heritage events.	<ul style="list-style-type: none"> <li>The 'Drive a Train' product is in its final stages and will be available for sale early 2025.</li> </ul>	Ongoing
Continuing to ensure the railway reaches 310,000 passengers.	<ul style="list-style-type: none"> <li>Ensured there were no train cancellations due to workforce related issues.</li> </ul>	Complete
Support the delivery of the current timetable and review opportunities for additional services.	<ul style="list-style-type: none"> <li>The current timetable is being delivered without any significant disruptions.</li> <li>Additional train services from Belgrave to Menzies Creek were added to accommodate increased demand.</li> </ul>	Complete



## NOTABLE ACHIEVEMENTS

Notably, no passenger trains were cancelled despite ongoing crewing challenges, reflecting PBR's adaptability and commitment to maintaining uninterrupted services.

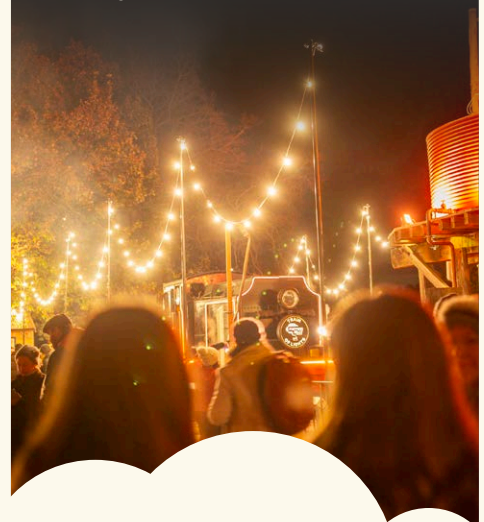
Significant safety upgrades were also completed at the Belgrave locomotive running shed, with the installation of new LED lighting throughout the facility. This enhancement improved visibility and working conditions. Further improvements across the rest of the yard are planned.

## STAKEHOLDER ENGAGEMENT

- **ResolutionX / LightMoves** – Successfully coordinated the setup of the Train of Lights display, enhancing the overall visual experience.
- **Suppliers** – Engaged with suppliers as needed to ensure smooth and efficient train operations.
- **ATHRA** – Continued collaboration with the Australian Tourist and Heritage Railway Association (ATHRA) for the development and assessment of training materials.

## WORKING TOWARDS 2023 – 2024

1. Continuing progress on the Emerald running shed project.
2. Modulise the safe working training material.
3. Increase the workforce to strengthen and support operational crew.
4. Streamline engine cleaning induction and training.



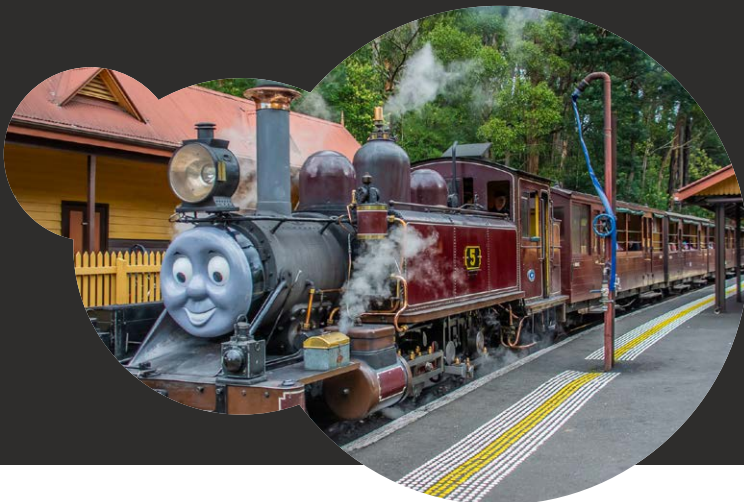
# PASSENGER SERVICES

At PBR, delivering memorable experiences for our visitors is at the heart of what we do. We ensure that every aspect of a passenger's journey – from booking tickets to travelling on the train – is managed with the highest level of customer service and safety standards.

We take great pride in creating engaging and unforgettable experiences that leave lasting impressions, with our dedicated volunteers serving as the backbone of passenger service operations. Their commitment is crucial to maintaining the exceptional experiences we aim to provide.

## KEY GOALS

KEY GOAL	MEASURE	RESULT
Positive volunteer engagement.	• 22 new volunteers were recruited to the Passenger Services volunteer group.	Complete
	• 78 newly qualified Booking Officers, Passenger Guides, Conductors, Outstation - Station Masters, and Belgrave Station Masters.	Complete
	• Training volunteers in multiple roles to provide more depth across all stations.	Complete
	• Regular meetings conducted to better understand volunteer challenges and enhance the volunteer experience.	Complete
Facilitate workforce to support the PBR timetable, special events, and activities.	• Successfully supported the roster without any vacancies across the timetable, special events, and activities.	Complete
	• Outstation Master recruitment, which saw five additional Outstation Masters join the Passenger Services team.	Complete
Improve passenger traffic management at Belgrave, Lakeside, and Menzies Creek.	• Optimisation of passenger flow, updating directional signage, and enhancing staff presence on the stations, leading to smoother operations and improved overall passenger experience.	Complete



## NOTABLE ACHIEVEMENT

Swiftly and successfully added an extra train service from Belgrave to Menzies Creek at short notice to accommodate tour operators and meet increased demand. This flexibility showcases PBR's ability to respond promptly to operational needs while maintaining high standards of service and safety.

## STAKEHOLDER ENGAGEMENT

- **CustomLinc – Booking system** – Continued support in enhancing the booking system, providing training, and developing new features to improve the user experience.
- **Victoria Police** – Organised a community engagement activity at Belgrave platform featuring Sergeant Sensible Police mascot and other interactive initiatives.
- **Passenger Services suppliers** – Liaised with suppliers for ticketing supplies and uniforms.
- **Emerald Market** – Liaised with market organisers to align train arrival and departure times with market schedule and station requirements.
- **Gembrook Craft Market** – Worked closely with Gembrook craft market to support Sunday market operations.
- **SingleTrack** – Provided updates and coordination for the Puffing Billy Running Festival.
- **Belgrave Metro station project** – Provided updates about signage and managed passenger flow between the Metro Station and PBR.

## WORKING TOWARDS 2024 – 2025

1. Secure or enhance wheelchair ramps to improve accessibility across all stations.
2. Maintain and expand volunteer training programs to increase engagement and skills, ensuring that volunteers are well-prepared to support operations effectively.
3. Enhance workforce planning and recruitment strategies to support comprehensive 7-day coverage, addressing any gaps in workforce and improving operational efficiency.
4. Create and refine training materials and manuals to be current, comprehensive, and effective in delivering necessary knowledge and skills to staff and volunteers.
5. Assist in procuring heritage-style uniforms to support the heritage experience, ensuring that they are well-maintained and align with the PBR's historical presentation.



# MARKETING AND EVENTS





Marketing and Events is integral for promoting and building brand awareness of PBR to ensure it is a preferred destination of choice for domestic and international visitors alike.

We continued to develop and implement the events program and new experiences, support commercial activities with food and beverage packages and function sales, and secure commercial and community partnerships to enhance the visitor experience, encourage new and repeat visitation, and increase spending at the Lakeside Visitor Centre (LVC).

This year, we were pleased to welcome 398,523 visitors, comprising 58% domestic and 42% international of total visitation.

## KEY GOALS

KEY GOAL	MEASURE	RESULT
Develop experiences, special events, and activities that are aligned with PBR's heritage values.	<ul style="list-style-type: none"> <li>Launched the Puffing Billy Running Festival, with the addition of three new distances to the existing route across two-days. The event attracted 2,025 runners and 881 race-train passengers.</li> </ul>	Complete
	<ul style="list-style-type: none"> <li>Hosted the inaugural Variety Charity Event, welcoming 600 children and families for an exclusive experience at PBR.</li> </ul>	Complete
	<ul style="list-style-type: none"> <li>Continued to offer an unforgettable nighttime experience with our highly acclaimed Train of Lights</li> </ul>	Complete
Support the delivery of the current timetable, including special events, dining experiences, and other heritage train experiences.	<ul style="list-style-type: none"> <li>Achieved 398,523 visitors, exceeding budget by 28.7%.</li> </ul>	Complete
	<ul style="list-style-type: none"> <li>Achieved 22,525 visitors across three sold out events; the Train of Lights, THE POLAR EXPRESS TRAIN RIDE™ and Day Out With Thomas events™ (an increase of 6.6% from last financial year).</li> </ul>	Complete
Develop high-yield experiences across the Railway and LVC including F&B packages and supporting LVC Commercial revenue.	<ul style="list-style-type: none"> <li>Introduced a new Paint &amp; Sip experience.</li> </ul>	Complete
	<ul style="list-style-type: none"> <li>Developed and distributed new functions and events packages and collateral.</li> </ul>	Complete
	<ul style="list-style-type: none"> <li>Introduced new F&amp;B packages to pre-sale online, selling 12,035 grazing boxes, meal deals and Devonshire teas (209% increase from last financial year).</li> </ul>	Complete
Conduct consumer-centric research to support strategic decisions.	<ul style="list-style-type: none"> <li>Engaged a market research agency to conduct a consumer market research project. The findings will assist PBR in developing its long-term visitor strategy and ensure the needs of the existing and future visitors are met.</li> </ul>	Complete
Develop a donations webpage on the PBR website to gain donations.	<ul style="list-style-type: none"> <li>A new website landing page was created to promote and accept donations for the Puffing Billy Railway Museum Project.</li> </ul>	Complete

## NOTABLE ACHIEVEMENTS

Key achievements included:

- Delivered four key events, including The Train of Lights, The Puffing Billy Running Festival, THE POLAR EXPRESS TRAIN RIDE™ and two Day Out With Thomas™ seasons.
- Expanded the partnership with RACV to deliver four exclusive events and promotions. This included the Dog Express Train, the Murder Mystery Train, The Puffing Billy Running Festival and Day Out With Thomas™.
- Collaborated with Playgroup Victoria to host their members at the Lakeside Visitor Centre in October 2023 and May 2024. This resulted in increased awareness of PBR's offering among their member database subscribers and 150 members attending across the two days.
- Enhanced and expanded PBR's accessible marketing assets on the website including sensory maps and social stories for every event, introduced audio guides in collaboration with Vacayit, and updated access information including descriptions and images showing the gradients and topography of our station precincts.
- Attended Tourism Australia's annual Australian Tourism Exchange (ATE) Trade Show, meeting with over 120 international wholesale, retail and inbound agents, as well as over 20 international media outlets. At ATE we announced new premium experiences and food & beverage packages.
- Participated in the Asia Pacific Incentives and Meeting Event (AIME) trade event and Business Events Victoria Regional Showcase to promote the Lakeside Visitor Centre venue and function dining packages to qualified international and local event planners.

Key media achievements included:

- The inaugural Puffing Billy Running Festival garnered substantial media coverage, including early features in the Herald Sun and multiple post-event stories in Herald Sun, ABC Radio, 3AW, and TV news broadcasts like 7 News and 9 News Melbourne. This coverage reached a cumulative audience of over 2.18 million, with an advertising value exceeding \$86,000. The 2024 return of the festival received further media attention with an additional feature in the Herald Sun, reinforcing its public interest.
- PBR marked a special milestone and partnership opportunity in November 2023 with its debut at LEGOLAND Discovery Centre's MINILAND. The LEGO replica of a Puffing Billy locomotive, made from 7,500 bricks, was featured in metropolitan media outlets, including 7 News Melbourne.
- The railway continued to be a popular destination for television content, hosting My Road to Adventure on the 7 Network and welcoming programs like ABC's Australian Story, and national breakfast show, Sunrise, which reaches over 2.27 million viewers each day. International attention came from Malaysian and Singaporean TV, with Travelling with Parents, Projek Bapak Bapak, and Uncle Taxi filming segments at the railway.
- PBR was featured in Visit Victoria's new global tourism campaign Every Bit Different, which aired during the Australian Open 2024, one of the world's biggest sporting events. The campaign is expected to reach an audience of over 18 million.
- The 2024 Train of Lights strategically harnessed the power of social media by collaborating with 12 influential content creators. The campaign reached a cumulative audience of over 16 million views in the first week of the event, with one video amassing 11.7 million views, demonstrating the Railway's ability to reach a younger, tech-savvy audience.



## STAKEHOLDER ENGAGEMENT

- **Yarra Ranges Tourism** – Continued representation on the Yarra Ranges Tourism Marketing Subcommittee to provide input on the region’s marketing and events strategy.
- **PBR Collaborative Marketing packages** – Collaborated with 31 local businesses with our Collaborative Marketing Program, comprising 9 STAY, 9 EAT and 13 DO businesses. The program aims to promote our partners and encourage overnight visitation, spending and dispersal in conjunction with a visit to PBR, supporting the local visitor economy.
- **Variety Australia** – Partnered with the children’s charity, Variety Australia to host the inaugural Variety Dream Day. The railway was closed to the public for the day to provide exclusive access to Puffing Billy’s trains and the Lakeside Visitor Centre, which was filled with meaningful activities from partners such as Zoos Victoria and The Yarra Valley Chocolaterie & Ice Creamery.
- **The Good Friday Appeal** – This year, we were thrilled to donate 50% of the ticket revenue from the 10.00am Belgrave to Lakeside return service on the Good Friday trading day to the Good Friday Appeal, supporting The Royal Children’s Hospital in Melbourne.
- **Rotary Club of Emerald and District** – Continued sponsorship of the Kids Run with Puffing Billy Railway in November 2023. The Rotary Club of Emerald District raised over \$50,000, with proceeds going to the Monash Children’s Hospital.
- **Emerald RSL** – PBR continued the tradition of supporting the Emerald RSL ANZAC Dawn Service with Puffing Billy delivering a traditional whistle salute at the end of the remembrance service.
- **New Balance and The Running Company Lilydale** – PBR was delighted to collaborate with the local sports apparel store, The Running Company Lilydale, who teamed up with New Balance to be the major sponsors for the 2023 Puffing Billy Running Festival.

## WORKING TOWARDS 2024 – 2025

1. Identify and develop revenue opportunities to attract visitors to the Lakeside Visitor Centre and support commercial food and beverages sales.
2. Continue to expand the function and event promotional activity to increase the number of Business Events delivered at the Lakeside Visitor Centre and charter train bookings.
3. Introduce new premium products including the Drive a Train experience, High Tea at the Lakeside Visitor Centre and exclusive tiered train and food and beverage packages.
4. Amplify PBR’s business development activity in sponsorship and donations to increase revenue for supporting the Railway’s preservation projects.
5. Introduce new ticketed events and services outside of the standard timetable to leverage demand for train tickets and increase visitation to the Lakeside Visitor Centre.



# COMMERCIAL

Our commercial efforts play a vital role in revenue generation and fostering strategic partnerships. By collaborating closely with our marketing campaigns and a seasonal calendar of events, we ensure seamless operations that maximise revenue while enhancing the visitor experience.

We are continually developing our product offerings and refining the customer journey throughout the railway corridor. This adaptability allows us to seize opportunities and drive year-on-year revenue growth.

## KEY GOALS

KEY GOAL	MEASURE	RESULT
Develop and implement commercial initiatives designed to further improve the visitor experience across the railway.	• Increase revenue and yield to achieve commercial budget across the railway.	Complete
	• Develop new food and beverage (F&B) experiences at Belgrave, Menzies Creek and special events.	Complete
	• Develop pre-sold F&B packages for excursion trains and special events.	Complete
Introduce a digital ordering system at the Lakeside Visitor Centre.	• Introduce a digital ordering system at Lakeside Visitor Centre Café.	Complete
	• Streamline ordering process and reduce congestion.	Complete
	• Introduce new seasonal menus.	Complete
Continue to deliver the train dining experiences and develop new F&B experiences and events across the railway.	• Continue to deliver Murder Mystery events.	Complete
	• Introduce new 'Paint and Sip' experience.	Complete
	• Develop tour operator menus and packaged deals.	Complete
Manage business performance, including profitability, stock management, pricing, and cost of goods.	• New menu development.	Complete
	• Regular review of cost of goods.	Complete
	• Regular stock take.	Complete
Commercial partnerships.	• Review and implement commercial partnerships with major suppliers.	Ongoing
Recognise and increase our contribution to the local economy.	• Increase the number of local and regional suppliers.	Ongoing
	• Recruitment targeting the local community.	Ongoing



## NOTABLE ACHIEVEMENT

- **Ongoing product development** – There have been significant enhancements to the F&B and retail offerings. At Belgrave, we have expanded our food and beverage selections to cater to the diverse preferences of our visitors. Retail products have also evolved continuously, ensuring we meet the changing needs of our clientele.
- **Introduction of pre-sold packages during events** – The introduction of pre-sold packages for events has not only met but exceeded both our expectations and those of our customers. This initiative has streamlined the purchasing process, significantly enhancing the overall customer experience.

## STAKEHOLDER ENGAGEMENT

- **Commercial Suppliers (F&B and retail)** – Continuous engagement with commercial suppliers to provide product training to staff, enhance their skills such as coffee training, customer service training, upselling and product knowledge.
- **Emerald District Rotary** – Partnered for the Train of Lights event, where they provided a sausage sizzle for our guests. All proceeds from the sausage sizzle went towards their chosen charity.
- **Local producers** – Continuous engagement with local retail suppliers to stock local products such as candles, tea towels, chocolates and jewellery.

## WORKING TOWARDS 2024 – 2025

1. Investigate and introduce a green screen photo experience, allowing guests to capture the nostalgic Puffing Billy Railway experience.
2. Continue to enhance the customer experience with new retail and F&B options.
3. Work closely with the sustainability team to reduce and repurpose organic waste.
4. Work closely with Marketing and Events to create and execute themed events throughout commercial sites.



# EDUCATION

The role of the Education is to create opportunities for meaningful and authentic learning experiences with primary, secondary, tertiary, and international schools through PBR's guided curriculum-based education program, Endless Discovery.

## KEY GOALS

KEY GOAL	MEASURE	RESULT
Increase visitation of schools.	<ul style="list-style-type: none"> <li>A total of 117 schools attended PBR. 63 of these schools were guided tours experiencing the curriculum-based program, while 54 schools attended the railway in a self-guided capacity.</li> </ul>	Complete
Increase visitation of students.	<ul style="list-style-type: none"> <li>A total of 7,330 students attended PBR. 3,565 of these students participated in an Endless Discovery guided education program led by a PBR Education Officer. 3,765 of these students attended the railway self-guided with their school.</li> </ul>	Complete
Increase awareness and promote education programs.	<ul style="list-style-type: none"> <li>Attended various conferences and worked closely with a number of education organisations including; Geography Teachers Association of Victoria (GTAV), Design And Technology Teachers Association (DATTA VIC), Catholic Education MACS STEM MAD and the 'It Takes a SPARK' conference.</li> <li>Maintained a membership with the History Teachers Association of Victoria (HTAV) to grow PBR's history teacher's database, as well as continue to support Children's University Swinburne and National Science Week.</li> <li>Collaborated with Yarra Ranges Tech School to launch a successful media program, with over 30 students taking part and collecting hours of footage and photography for both organisations to use.</li> </ul>	Complete Complete Complete
Develop and deliver curriculum aligned education resources.	<ul style="list-style-type: none"> <li>New resources have been developed as a result of successfully receiving grant funding from the Victorian State Government's Department of Education through the Strategic Partnership Program (SPP). Stage one of this funding enabled PBR to create four pre and post-educational resources, an education workbook, and an itinerary for the complementary program titled "Steaming STEM." This program was offered to 1,250 Year five and six students from low socio-economic schools in regional Southeast and Northeastern areas.</li> </ul>	Complete
Develop and deliver a guided program for VCE systems engineering students.	<ul style="list-style-type: none"> <li>In collaboration with PBR's Belgrave workshops team, we trialed a new Systems Engineering program for Year 11 VCE students. This initiative aims to enhance the engagement of VCE students with PBR, showcasing the technology and career pathways available within our organisation.</li> </ul>	Ongoing

## NOTABLE ACHIEVEMENT

Successfully secured grant funding from the Victorian State Government's Department of Education through the Strategic Partnership Program (SPP). This initial stage of funding enabled us to develop educational resources and launch the exclusive, free program titled "Steaming STEM," benefiting 1,250 year five and six students from low socio-economic schools in regional Southeast and Northeastern areas.

## STAKEHOLDER ENGAGEMENT

- **Victorian State Government Strategic Partnerships Program** – Received funding from the Victorian State Government Strategic Partnerships Program for 2500, year five and six students, to attend an education program at the railway from low socioeconomic schools in the Southeast and Northeast region.
- **Science Play Kids** – Worked closely with Dr Loz from Science Play kids to develop and extend our resources for authentic learning and accessibility for diverse learners, including those that are neurodivergent.
- **Yarra Ranges Tech School** – Collaborated to launch a media program that gave students from the Yarra Ranges the chance to attend both Yarra Ranges Tech School and PBR. Through this program, students were able to capture footage for use across various platforms, allowing them to develop their media skills while highlighting the railway.
- **Catholic Education** – Attended and hosted a stall at the MACS STEM MAD showcase. A beneficial networking opportunity to showcase PBR's range of STEM programs to primary school teachers in Victoria while meeting and educating STEM students about PBR.
- **Design and Technology Teachers Association Victoria (DATTA Vic)** – Participated as a member of DATTA Vic and hosted a stall at the annual DATTA Vic Conference. This involvement allowed us to collaborate on newsletter and sponsorship opportunities. The event served as an excellent platform for networking and professional development, enabling us to showcase our STEM initiatives at the railway, including the new VCE Systems Engineering program.
- **GTAV (Geography Teachers Association of Victoria)** – Became a member of GTAV and participated by hosting a stall at the annual GTAV conference. This provided another beneficial networking opportunity to showcase our "Sustainable Tourism at the Railway" program and promote the Endless Discovery programs to educators.

## WORKING TOWARDS 2024 – 2025

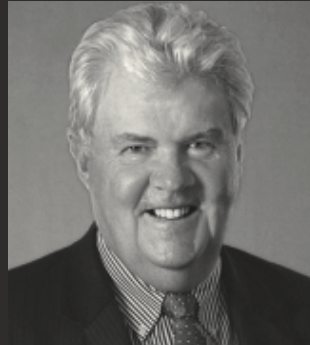
1. Undertake stage two of the Strategic Partnerships Program funding and welcome 2500 students to the Railway.
2. Launch the VCE Systems Engineering education program.
3. Continue to design and develop new curriculum aligned programs.
4. Increase visitation of schools and students.
5. Increase awareness of PBR Education programs through collaboration, promotion, and partnerships.



# GOVERNANCE

## BOARD AND MANAGEMENT

### MEMBERS OF THE BOARD



**TIM NORTH OAM KC**

*Chair*

*Legal, Child Safe Standards.*

Kings Counsel. Member of the Australian Institute of Judicial Administration. Tim North was admitted to practice as a Barrister in 1980 and signed the Victorian Bar Roll in 1983, specialising in commercial litigation for over 35 years. Appears regularly as a Barrister, an International Mediator and Arbitrator in the Asia Pacific region. Former President of the Victorian Rugby Union (elected by Victorian community based clubs and associates). Former Chairman of Melbourne Rebels Rugby Union and remains a current Board Member.

Appointed: 23 June 2018



**DIANNE SMITH**

*Deputy Chair*

*Change Management - Marketing and advertising; tourism; and governance.*

Dianne Smith is an experienced CEO and Board Director and has held various senior positions including Chief Executive at the Melbourne Chamber of Commerce, Chief Executive of the Victoria Tourism Industry Council, Manager of Tourism Partnerships at Parks Victoria, and Executive Director of Ballarat Tourism. Dianne has a background in government relations, advocacy and communications, business and industry development and commercial operational management. She is also a Board Director of Central Highlands Water.

Appointed: 29 June 2020



**BART CLINGIN**

*Director*

*Finance and Governance.*

Bart Clingin is an Interim Executive and Consultant. He is a Chartered Accountant and has held various interim executive positions across the public sector and not-for-profit organisations and holds a number of Finance Committee memberships. Areas of experience include finance and accounting, enterprise risk management, governance, process improvement and system implementation.

Appointed: 12 May 2021





**ANGELA JAMIESON**

*Director  
Corporate Governance  
and Finance.*

Angela is a forensic accountant with extensive leadership and executive expertise, specialising in corporate governance, financial crime, anti-money laundering and counter-terrorism financing compliance, corporate misconduct investigations and general practice accounting in both the public and private sectors.

Appointed: 14 October 2021



**THOMAS SARGANT**

*Director  
Rail and Governance.*

Thomas Sargant is the Managing Director for Ranfurlie Consulting Group, as well as a management consultant and advisor to public and private sector clients on major projects and commercial transactions, particularly in the areas of franchising, network operations and asset management. In addition, Thomas Sargant's senior executive experience extends to the private and public sectors in heavy civil construction and public transport operations.

Appointed: 14 October 2021



**GABRIELLE LIM**

*Director  
Finance and Stakeholder  
Management.*

Gabrielle Lim is a creative entrepreneur and experienced company director with expertise in finance, stakeholder management, strategy and user experience design.

Appointed: 1 July 2023



**JACQUI DE KIEVIT**

*Director  
Tourism and events; marketing;  
communications; fundraising; and  
stakeholder management.*

Jacqui de Kievit has extensive leadership experience in tourism and events, marketing and communications, fundraising and stakeholder management.

Appointed: 1 July 2023

**SECRETARY TO THE BOARD:**

Bernice James, the Board Administrator continues to support the Board and Management in regard to Company Secretariat and Governance requirements. All current Board members continued their Directorship except for Michael Mangos who elected to step down (effective 1 August 2023). All Board appointments (including re-appointments) will be recommended by the Minister and approved by the Governor in Council under the *Puffing Billy Railway Act 2022*. Effective 1 July 2023, Tim North OAM KC was appointed Chair of the Puffing Billy Railway Board and Dianne Smith, Deputy Chair.

**\*EXTERNAL ADVISORS TO THE BOARD:**

Dean Matthews (Chief Executive Officer, Geelong Cemeteries Trust).

Ian Burton (former Executive General Manager Project Delivery Group, VicTrack).

Nicole Tewierik (Founder, Nicole Tewierik Coaching).

*\*All the external advisors have completed a Conflict-of-Interest disclosure form and Confidentiality Agreement with the Puffing Billy Railway Board.*

**COMMITTEES AND OFFICERS OF THE BOARD**

**Finance, Risk, Audit, and Compliance Subcommittee.**

Chair Bart Clingin  
Members Tim North OAM KC,  
Thomas Sargant.  
By Invitation Peter Abbott, Bret Butler,  
Stefanie Straub, Nicoleta Giurgiu,  
Sarah Stickland.

**Operations and Safety Subcommittee**

Chair Thomas Sargant  
Members Gabrielle Lim  
Advisors Ian Burton, Dean Matthews.  
By Invitation Peter Abbott, Bret Butler,  
Stefanie Straub, Nicoleta Giurgiu,  
Vikki Ducrow, Andrew Nolte,  
Shayne Nichols, Varun Sachdeva.

**People and Culture Subcommittee**

Chair Angela Jamieson  
Members Tim North OAM KC, Dianne Smith.  
Advisor Nicole Tewierik  
By Invitation Peter Abbott, Stefanie Straub,  
Nicoleta Giurgiu, Elizabeth Oxworth.

**Visitor Economy, Fundraising, and Development Subcommittee.**

Chair Dianne Smith  
Members Angela Jamieson (until January  
2024), Gabrielle Lim,  
Jacqui de Kievit.  
By Invitation Peter Abbott, Stefanie Straub,  
Nicoleta Giurgiu Sarah Stickland.

**Communication Governance Subcommittee**

Chair Tim North OAM KC  
Members Dianne Smith, Angela Jamieson.  
By Invitation Peter Abbott

**PBR Stakeholder Consultative Committee**

Chair Tim North OAM KC  
Members Dianne Smith  
By Invitation Peter Abbott; Stefanie Straub,  
Nicoleta Giurgiu.

Representative Groups:  
Puffing Billy Preservation Society; Rotary Club of  
Emerald and District; All Abroad Network; Emerald  
Museum and Nobelius Heritage Park; PBR Volunteer  
Representative Group; Gembrook Community  
Group; Connecting Cockatoo Communities Inc;  
The Emerald Village Association; Menzies Creek  
Hall Committee; Cardina Shire Council; Yarra  
Ranges Council; Emerald Primary School; Emerald  
Secondary School; Gembrook Primary School; Mater  
Christi; PBR Youth Advisory Group.

**Management Executive Group at 30 June 2024**

Chief Executive Officer and Accountable Officer.  
Peter Abbott  
Group Manager, Business Services.  
Stefanie Straub  
Group Manager, Infrastructure.  
Bret Butler  
Group Manager, Visitor Experience.  
Nicoleta Giurgiu

# COMPLIANCES

KEY GOAL	MEASURE
<i>Occupational Health and Safety Act 2004</i>	PBR is committed to providing and maintaining an environment that is safe for all workplace participants and visitors. PBR complies with the <i>Occupational Health and Safety Act 2004</i> .

PBR aims to have a positive safety culture that is committed to:

- Complying with all applicable health and safety, legal and other obligations by keeping up to date with the latest legislative requirements;
- Establishing measurable objectives and targets by monitoring and reporting all safety incidents and accidents aimed to reduce the likelihood of recurrence and to eliminate work-related and visitor injury and illness;
- Providing and maintaining the best practice health and safety standards.

MEASURE	2022-23	2023-24
Injuries	40	64
Fatalities	0	0
Claims	2	7
WorkSafe Infringement Notices	0	0

Whilst an upward trend in injuries and claims is relative to an increase in train services, PBR has taken proactive measures to minimise harm to staff, volunteers, and visitors. This includes OHS training for people leaders, safety awareness topics of the month, passenger safety briefings, and a lessons learned approach to reviewing incidents.

<i>Child Wellbeing and Safety Act 2005</i>	PBR is committed to safeguarding children and young people and providing positive experiences for all. PBR complies with the Victorian Child Safe Standards, under the <i>Child Wellbeing and Safety Act 2005</i> . PBR have actioned all recommendations of the June 2020 Child Safety Standards Audit conducted by the Commission for Children and Young People.
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<i>Public Records Act 1973</i>	PBR recognises information as a vital asset. Sound information management practices and systems ensure that PBR preserves valuable information to better assist the functions of the organisation. PBR manages all documents and records in accordance with the <i>Public Records Act 1973</i> .
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<i>Privacy and Data protection Act 2014</i>	PBR is committed to maintaining the privacy of all personal information. PBR complies with the Information Privacy Principles of the <i>Privacy and Data Protection Act 2014</i> .
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PBR's Privacy Policy is available from:

The Privacy Officer  
Puffing Billy Railway  
1 Old Monbulk Road  
Belgrave VIC 3160  
Email: [Company.secretary@pbr.org.au](mailto:Company.secretary@pbr.org.au)

During 2023 - 2024, no matters regarding PBR's compliance with the Information Privacy Principles were referred to the Victorian Information Commissioner.

<b>KEY GOAL</b>	<b>MEASURE</b>
<i>Freedom of Information Act 1982</i>	<p>PBR is subject to the <i>Freedom of Information Act 1982 (FOI)</i>. The purpose of the Act is to extend, as far as possible, the right of the community to access information held by government departments, local councils, ministers, and other bodies subject to the Act. The Act allows the public a right of access to documents held by PBR.</p> <p>Request for information under FOI must be made in writing and addressed to:</p> <p>Freedom of Information Officer            Puffing Billy Railway            1 Old Monbulk Road            Belgrave VIC 3160            Email: <a href="mailto:Company.secretary@pbr.org.au">Company.secretary@pbr.org.au</a></p> <p>Alternatively, FOI requests can also be lodged online at <a href="http://www.foi.vic.gov.au">www.foi.vic.gov.au</a>.</p> <p>Requests under FOI must be accompanied by a \$32.70 application fee as at 1 July 2024. Further charges for the supply of documents in relation to FOI requests are made in accordance with the <i>Freedom of Information Act 1982</i> and the <i>Freedom of Information (Access Charges) Regulations 2004</i>.</p> <p>During 2023 – 2024, PBR received one request for information under the <i>Freedom of Information Act 1982</i> which required clarification and payment of the application fee from the applicant to determine the validity of the request. As at the 30th June 2024, the applicant had not clarified the application nor paid the application fee and therefore the request was determined as invalid.</p>
<i>Public Interest Disclosure Act 2012</i>	<p>PBR complies with the <i>Public Interest Disclosure Act 2012</i>, which encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.</p> <p>Disclosures of improper conduct or detrimental action by PBR or any of its employees and/or officers can be made to:</p> <p>The Public Interest Disclosure Officer            Puffing Billy Railway            1 Old Monbulk Road            Belgrave VIC 3160            Email: <a href="mailto:Company.secretary@pbr.org.au">Company.secretary@pbr.org.au</a></p> <p>Alternatively, disclosures can be made directly to:</p> <p>Independent Broad-Based Anti-Corruption Commission (IBAC):            Level 1, North Tower, 459 Collins Street            Melbourne Victoria 3000  <a href="http://ibac.vic.gov.au">ibac.vic.gov.au</a></p> <p>During 2023 - 2024 there were no disclosures made to PBR.</p>
Gifts, Benefits, and Hospitality Policy.	<p>PBR is committed to assisting Workplace Participants identify and resolve ethical issues and build and maintain a sound ethical culture. Offers of gifts, benefits, and hospitality made to PBR Workplace Participants are managed in accordance with the PBR Gifts, Benefits, and Hospitality Policy and recorded in the Gift Register.</p> <p>During 2023 – 2024, there were no declarable offers of gifts.</p>

<b>KEY GOAL</b>	<b>MEASURE</b>
<i>Local Jobs First Act 2003</i>	<p>The Local Jobs First Policy, under the <i>Local Jobs First Act 2003</i>, helps to develop local industries, create jobs and boost economic activity across Victoria and applies to all government agency projects valued at \$3 million or more in metropolitan Melbourne, or \$1 million or more for projects in regional Victoria.</p> <p>During 2023 - 2024, PBR had no procurement activity requiring implementation of the Local Jobs First Policy.</p>
<i>Carers Recognition Act 2012</i>	<p>PBR is committed to recognising the role of carers in the organisation and takes practical measures to comply with the <i>Carers Recognition Act 2012</i>. PBR Workplace Participant policies comply with the statement of principles in the Act.</p>
<i>Disability Act 2006</i>	<p>PBR is committed to providing a positive experience for all workplace participants and visitors. The <i>Disability Act 2006</i> reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.</p> <p>PBR is working toward reducing barriers to access goods, services, and facilities, reducing barriers to obtaining and maintaining employment, promoting inclusion and participation in community, and achieving tangible changes in attitudes and practices that discriminate against people with a disability.</p>
<i>Building Act 1993</i>	<p>PBR complies with the building and maintenance provisions of the <i>Building Act 1993</i>. All works carried out during the year were in accordance with the Act and relevant building regulations.</p> <p>During the 2023 - 2024 year:</p> <ul style="list-style-type: none"> <li>• New construction and upgrades to existing buildings have been managed in consultation with architects, draftsmen, structural engineers and building surveyors to ensure compliance with all building standards.</li> <li>• No building works projects over \$50,000 were commenced.</li> <li>• No building permits were issued.</li> <li>• No occupancy permits were issued.</li> <li>• Inspection, reporting and scheduling of maintenance on existing buildings has been managed in accordance with the PBR Programmed and Reactive Maintenance Program.</li> <li>• No emergency orders and building orders were issued.</li> <li>• No buildings were subject to building code upgrades.</li> </ul>
<i>Competitive Neutrality Policy</i>	<p>Competitive neutrality requires Victorian Government businesses to ensure that where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest.</p> <p>PBR fulfils its requirements regarding competitive neutrality reporting as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.</p>
<i>Rail Safety National Law Application Act 2013</i>	<p>The Office of the National Rail Safety Regulator (ONRSR) independently administers the Rail Safety National Law and performs the functions and responsibilities, and exercises the powers conferred upon it by that law on behalf of all state, territory, and federal Ministers for Transport and Infrastructure.</p> <p>ONRSR has responsibility for regulatory oversight of rail safety in every Australian state and territory and promotes and improves national rail safety to ensure the safety of the community. PBR complies with Rail Safety National Regulations.</p>
<i>Gender Equality Act 2020</i>	<p>The <i>Gender Equality Act 2020</i> is Victoria's first piece of legislation specifically designed to address gender inequalities within the workplace. This Act requires that defined entities develop a Gender Equality Action Plan to help address this issue.</p> <p>PBR has embraced the opportunity to publicly articulate our commitment to and outline how we will contribute to the improvement in the status of women in the workplace and provide a fair and just workplace free of discrimination with a three-year Gender Equality Action Plan 2022-2025.</p>

# OTHER STATUTORY INFORMATION

## GOVERNMENT ADVERTISING EXPENDITURE

In 2023 - 2024, PBR did not enter into any advertising campaigns with total media spend exceeding \$100,000.

## CONSULTANCY EXPENDITURE

### DETAILS OF CONSULTANCIES (VALUED AT \$10,000 OR GREATER)

In 2023 - 2024, there were six consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2023 - 2024 in relation to these consultancies is \$84,627 (excluding GST). Details of individual consultancies are outlined below.

CONSULTANT	PURPOSE OF CONSULTANCY	EXPENDITURE 2023 - 2024 (EXCL. GST)
Nancy Vaughan	Grants Advisory	\$18,434
Kimberly Dunstan	Education & Youth Engagement Advisory	\$11,050
Nicole Tewierik	Planning Facilitation	\$10,800
	Coaching	
Wolf Peak	Environmental Impact Advisory	\$16,574
Senversa	Environmental Assessment	\$12,769
The Interpreters	Market Research	\$15,000

### DETAILS OF CONSULTANCIES UNDER \$10,000

In 2023 - 2024, there were six consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000. The total expenditure incurred during 2023 - 2024 in relation to these consultancies was \$14,565 (excluding GST).

## INFORMATION AND COMMUNICATION TECHNOLOGY EXPENDITURE

### DETAILS OF INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) EXPENDITURE

For the 2023 - 2024 reporting period, PBRB had a total ICT expenditure of \$276,288 with the details shown below.

ALL OPERATIONAL ICT EXPENDITURE	ICT EXPENDITURE RELATED TO PROJECTS TO CREATE OR ENHANCE ICT CAPABILITIES		
Total Business as Usual (BAU) ICT expenditure	Total Non-Business as Usual (non BAU) ICT expenditure	Non BAU Operational expenditure	Non BAU Capital expenditure
\$276,288	Nil	Nil	Nil

ICT expenditure refers to Puffing Billy Railway's costs in providing business enabling ICT services within the current reporting period. It comprises Business as Usual (BAU) ICT expenditure and Non-Business as Usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing the PBRB's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure that primarily relates to ongoing activities to operate and maintain the current ICT capability.

CONDUCTOR

## DISCLOSURE OF MAJOR CONTRACTS

Puffing Billy Railway has not engaged in any large-scale contracts in 2023 - 2024 which exceed \$10 million in value.

## OTHER STATUTORY INFORMATION

Puffing Billy Railway is operated by the Puffing Billy Railway Board.

The principal office is located at:

1 Old Monbulk Road, Belgrave.

Phone: (03) 9757 0700

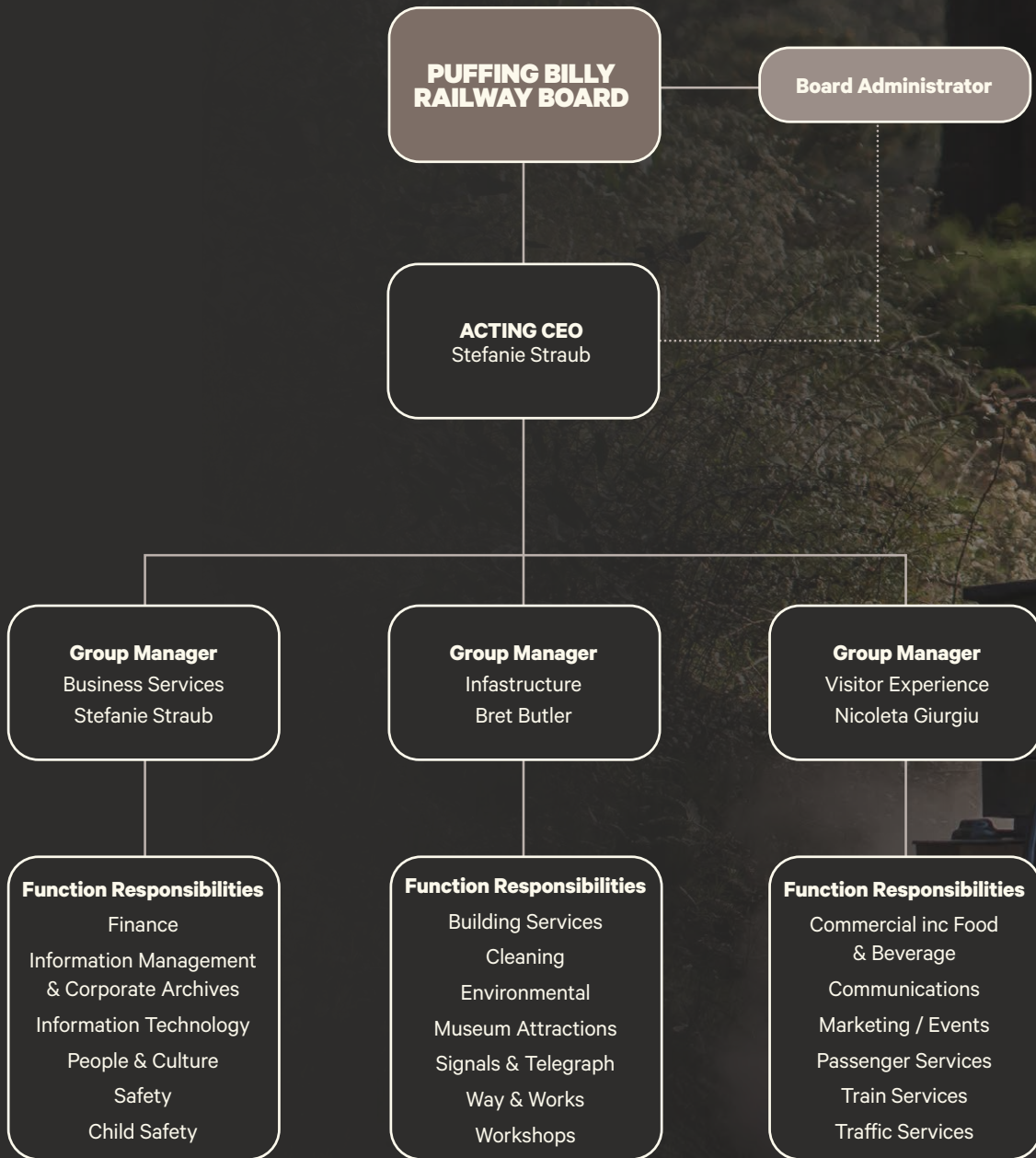
Email: [info@pbr.org.au](mailto:info@pbr.org.au)

The organisational structure of the Board, its staff and committees are set out on page 48 of this report.

The Board produces an Operations and Financial Report pursuant to the requirements of the *Puffing Billy Railway Act 2022* and the *Financial Management Act 1994*.

No member, officer or employee of the Board was required to complete a declaration of Pecuniary Interest during the financial year with respect to their position or employment with the Board.

# ORGANISATIONAL MANAGEMENT STRUCTURE



At the time of this report's production, the CEO role transitioned to an Acting CEO. Peter Abbott, former CEO, concluded his tenure on 6 August 2024.





## ATTESTATION ON COMPLIANCE WITH THE AUSTRALIAN RISK MANAGEMENT STANDARD

I, Stefanie Straub, certify that the Puffing Billy Railway Board (PBRB) has risk management processes in place consistent with Australian Standards *AS4292 Rail Safety Management*, *AS 4360 Risk Management Standards* and an internal control system that enables members of the Board and Senior Management to recognise, understand, manage and satisfactorily control material risk exposures in relation to rail safety. The Operations and Safety Sub-committee verifies this assurance that the rail safety risk profile of Puffing Billy Railway Board has been critically reviewed.

## THE PUFFING BILLY RAILWAY BOARD FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

I, Stefanie Straub, on behalf of the Responsible Body, certifies that the Puffing Billy Railway Board has no material compliance deficiency with respect to the applicable standing directions under the *Financial Management Act 1994* and instructions.

This report is made by a resolution of the Board dated 4 November 2024, and signed on behalf of the Board by:



Tim North OAM KC  
Chair  
Puffing Billy Railway Board  
Belgrave  
4 November 2024



Stefanie Straub  
Acting Chief Executive Officer and Accountable Officer  
Puffing Billy Railway Board  
Belgrave  
4 November 2024

# FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2024

## DECLARATION IN THE FINANCIAL STATEMENTS

The attached financial statements for Puffing Billy Railway Board have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the **Financial Management Act 1994**, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, cash flow statement, statement of changes in equity and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2024 and financial position of Puffing Billy Railway Board at 30 June 2024.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 4 November 2024.



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Tim North OAM KC  
Chair  
Puffing Billy Railway Board  
Belgrave

4 November 2024



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Stefanie Straub  
Acting Chief Executive Officer and Accountable Officer  
Puffing Billy Railway Board  
Belgrave

4 November 2024



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Sarah Stickland  
Finance Manager (CFO)  
Puffing Billy Railway Board  
Belgrave

4 November 2024

# HOW THIS REPORT IS STRUCTURED

Puffing Billy Railway Board (PBRB) has presented its audited general-purpose financial statements for the financial year ended 30 June 2024 in the following structure to provide users with the information about the entity's stewardship of resources entrusted to it.

## FINANCIAL STATEMENTS

Comprehensive operating statement

Balance sheet

Cash flow statement

Statement in changes in equity

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ABOUT THIS REPORT

The basis on which the financial statements have been prepared and compliance with reporting regulations.

### 2. FUNDING DELIVERY OF OUR SERVICES

Income and revenue recognised from grants, sales of goods and services and other sources

2.1 Summary of revenue and income that funds the delivery of our services

2.2 Revenue from fares, shops and external contracts

2.3 Voluntary labour services donated

2.4 Grants

### 3. THE COST OF DELIVERING SERVICES

3.1 Expenses incurred in delivering services

3.2 Supplies and services

3.3 Administrative expenses

3.4 Other expenses

### 4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

4.1 Total property, plant and equipment

### 5. OTHER ASSETS AND LIABILITIES

5.1 Receivables

5.2 Payables

5.3 Inventories

### 6. HOW WE FINANCED OUR OPERATIONS

6.1 Cash flow information and balances

6.2 Commitments for expenditure

### 7. RISKS, CONTINGENT AND VALUATION JUDGEMENTS

7.1 Financial instrument specific disclosures

7.2 Contingent assets and contingent liabilities

7.3 Fair value determination

### 8. OTHER DISCLOSURES

8.1 Contributed capital

8.2 Responsible persons

8.3 Remuneration of executives

8.4 Related parties

8.5 Remuneration of auditors

8.6 Subsequent events

8.7 Other accounting policies

8.8 Australian accounting standards issued that are not yet effective

### 9. GLOSSARY OF TECHNICAL TERMS



# Independent Auditor's Report

## To the Board of the Puffing Billy Railway Board

<b>Opinion</b>	<p>I have audited the financial report of the Puffing Billy Railway Board (the entity) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2024</li> <li>• comprehensive operating statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• cash flow statement for the year then ended</li> <li>• notes to the financial statements, including material accounting policy information</li> <li>• declaration in the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2024 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Other information</b>	<p>The Board of the entity is responsible for the Other Information, which comprises the information in the entity's annual report for the year ended 30 June 2024, but does not include the financial report and my auditor's report thereon.</p> <p>My opinion on the financial report does not cover the Other Information and accordingly, I do not express any form of assurance conclusion on the Other Information. However, in connection with my audit of the financial report, my responsibility is to read the Other Information and in doing so, consider whether it is materially inconsistent with the financial report or the knowledge I obtained during the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude there is a material misstatement of the Other Information, I am required to report that fact. I have nothing to report in this regard.</p>

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**Board's responsibilities for the financial report**

The Board of the entity is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- identify and assess the risks of material misstatement of the financial 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

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

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Simone Bohan

*as delegate for the Auditor-General of Victoria*

# COMPREHENSIVE OPERATING STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

	NOTES	2024	2023
<b>REVENUE AND INCOME FROM TRANSACTIONS</b>		\$	\$
Revenue from Fares, Shops and External Contracts	2.2	20,532,733	14,057,339
Volunteer Labour Services Donated	2.3	3,314,376	2,831,084
Grants Received	2.4	80,413	5,847,510
Other Income		722,405	330,540
<b>TOTAL REVENUE AND INCOME FROM TRANSACTIONS</b>	<b>2</b>	<b>24,649,927</b>	<b>23,066,473</b>
<b>EXPENSES FROM TRANSACTIONS</b>			
Employee Benefits Expense	3.1	11,088,081	9,817,922
Volunteer Labour Service Cost	3.2	3,314,376	2,831,084
Depreciation Expense	4.1	3,496,712	3,072,449
Supplies and Services	3.2	3,602,567	3,101,863
Advertising and Promotion	3.1	149,541	162,049
Insurance Costs	3.1	507,609	331,733
Administration Expense	3.3	1,151,518	920,377
Electricity and Gas	3.1	266,877	285,316
Other Expenses	3.4	1,985,422	1,816,233
<b>TOTAL EXPENSES FROM TRANSACTIONS</b>		<b>25,562,703</b>	<b>22,339,026</b>
<b>NET RESULTS FOR THE YEAR</b>		<b>(912,776)</b>	<b>727,447</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Other Comprehensive Income – Asset revaluations		4,855,058	-
<b>COMPREHENSIVE RESULTS FOR THE YEAR</b>		<b>3,942,282</b>	<b>727,446</b>

*The accompanying notes form part of these financial statements*



# BALANCE SHEET

## AS AT 30 JUNE 2024

	NOTES	2024	2023
<b>FINANCIAL ASSETS</b>		\$	\$
Cash and Cash Equivalents	6.1	11,588,991	9,453,437
Receivables	5.1	683,478	256,807
<b>TOTAL FINANCIAL ASSETS</b>		<b>12,272,469</b>	<b>9,710,244</b>
<b>NON-FINANCIAL ASSETS</b>			
Prepayments		582,528	454,898
Inventories	5.3	350,151	283,842
Property, Plant and Equipment	4.1	105,463,262	102,433,564
Capital Works in Progress	4.1.2	1,088,861	1,410,829
<b>TOTAL NON-FINANCIAL ASSETS</b>		<b>107,484,802</b>	<b>104,583,133</b>
<b>TOTAL ASSETS</b>		<b>119,757,271</b>	<b>114,293,377</b>
<b>LIABILITIES</b>			
Payables	5.2	2,310,506	1,636,966
Provisions	3.1.2	1,254,363	1,128,772
Contract Liabilities	5.2.1	2,300,232	1,577,750
<b>TOTAL LIABILITIES</b>		<b>5,865,101</b>	<b>4,343,488</b>
<b>NET ASSETS</b>		<b>113,892,170</b>	<b>109,949,889</b>
<b>EQUITY</b>			
Contributed Capital	8.1	31,861,115	31,861,115
Physical Asset Revaluation Surplus		74,548,799	69,693,741
Accumulated Gain		7,482,256	8,395,033
<b>TOTAL EQUITY</b>		<b>113,892,170</b>	<b>109,949,889</b>

The accompanying notes form part of these financial statements

# CASH FLOW STATEMENT

## FOR THE YEAR ENDED 30 JUNE 2024

	NOTES	2024	2023
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers		21,133,340	14,699,015
Payments to suppliers and employees		(18,146,424)	(16,402,846)
Interest Received		417,607	123,395
Grants from Commonwealth Government Bodies		-	1,650,000
Grants from Victorian Government Bodies		-	4,130,000
Other Grants		80,413	67,510
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>6.1.1</b>	<b>3,484,936</b>	<b>4,267,074</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of Property, Plant and Equipment		(220,565)	(48,299)
Payments for Capital Works in Progress		(1,128,818)	(3,400,395)
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>		<b>(1,349,383)</b>	<b>(3,448,694)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Contributed Capital		-	-
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>
Net Increase/(Decrease) in Cash and Cash Equivalents		2,135,554	818,380
Cash and Cash Equivalents at the Beginning of the Year		9,453,437	8,635,057
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</b>	<b>6.1</b>	<b>11,588,991</b>	<b>9,453,437</b>

*The accompanying notes form part of these financial statements*

# STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED 30 JUNE 2024

	Physical Asset Revaluation Surplus	Accumulated Gain	Contributed Capital	Total
	\$	\$	\$	\$
<b>Balance as at 30 June 2022</b>	<b>69,693,741</b>	<b>7,667,586</b>	<b>31,861,115</b>	<b>109,222,442</b>
Net Result for the year ended 30 June 2023	-	727,446	-	727,447
<b>Balance as at 30 June 2023</b>	<b>69,693,741</b>	<b>8,395,033</b>	<b>31,861,115</b>	<b>109,949,889</b>
Net Result for the year ended 30 June 2024	-	(912,776)	-	(912,776)
Other comprehensive income for the year	4,855,058	-	-	4,855,058
Contributions by Owners	-	-	-	-
<b>Balance as at 30 June 2024</b>	<b>74,548,799</b>	<b>7,482,256</b>	<b>31,861,115</b>	<b>113,892,170</b>

The accompanying notes form part of these financial statements



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

## 1. ABOUT THIS REPORT

Puffing Billy Railway Board (PBRB) is a statutory authority, established under the *Puffing Billy Railway Act 2022*. A description of the nature of its operations and its principal activities is included in the Report of Operations, which does not form part of these financial statements.

### REPORTING ENTITY

These financial statements cover PBRB as an individual reporting entity.

Its principal address is:

Puffing Billy Railway Board  
1 Old Monbulk Road  
Belgrave VIC 3160

### BASIS OF PREPARATION

These financial statements are in Australian dollars, and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis. The financial statements have been prepared on a going concern basis.

The accrual basis of accounting has been applied in preparing 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.

Consistent with the requirements of AASB 1004 Contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions, and therefore, do not form part of the income and expenses for PBRB.

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where the amounts affected by those judgements are disclosed. 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 circumstances. Actual results may differ from these estimates.

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 and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the following notes:

- Property, Plant and Equipment (refer Note 4.1)
- Fair Value Determination of Financial Assets and Liabilities (refer Note 7.3.1)
- Fair Value Determination of Non-Financial Physical Assets (refer Note 7.3.2)
- Employee Benefits in the Balance Sheet (refer Note 3.1.2)

### COMPLIANCE INFORMATION

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AAS's), which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. Where appropriate, those AAS's paragraphs applicable to not-for-profit entities have been applied.

Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

## 2. FUNDING DELIVERY OF OUR SERVICES

### INTRODUCTION

Puffing Billy Railway Board's (PBRB) overall mission is to restore and operate the Railway as Australia's premier heritage steam railway, in a safe, efficient and economically sustainable manner, for the ongoing education, benefit and satisfaction of the community, customers and the Railway stakeholders, including staff and volunteers. To enable PBRB to fulfil its objective and provide outputs, it receives revenue from fares, the sale of goods and services, grants, interest and rental income.

### SIGNIFICANT JUDGEMENT: GRANT REVENUE

PBRB has made the judgement that amounts received in relation to Operational Funding should be recognised under AASB 15 on the basis that the revenue has arisen from a contract, as the judgement is made when reviewing the terms and conditions of funding agreements and contracts to determine whether they contain sufficiently specific and enforceable performance obligations. If this criterion is met, the funding agreement is treated as contract with a customer, requiring PBRB to recognise revenue.

### STRUCTURE

- 2.1 Summary of revenue and income that funds the delivery of our services
- 2.2 Revenue from Fares, Shops and External Contracts
- 2.3 Volunteer Labour Services Donated
- 2.4 Grants
- 2.5 Other Income

### NOTE 2.1 SUMMARY OF INCOME THAT FUNDS THE DELIVERY OF OUR SERVICES

	NOTES	2024	2023
		\$	\$
Train Fares	2.2	15,837,514	10,567,557
Sale of Goods	2.2	4,611,997	3,466,603
Other Income – External Contracts	2.2	83,222	23,179
<b>Total Fares, Shops and External Contracts</b>		<b>20,532,733</b>	<b>14,057,339</b>
Volunteer Labour Services Donated	2.3	3,314,376	2,831,084
<b>Total Volunteer Labour Services Donated</b>		<b>3,314,376</b>	<b>2,831,084</b>
Grants	2.4	80,413	5,847,510
Interest Received		417,607	123,395
Other Income		304,798	207,145
<b>Total Other Income</b>		<b>802,818</b>	<b>6,178,050</b>
<b>Total Revenue and Income from Transactions</b>		<b>24,649,927</b>	<b>23,066,473</b>

Revenue and income that fund deliver of PBRB's goods and services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

## PERFORMANCE OBLIGATIONS AND REVENUE RECOGNITION POLICIES

Revenue is measured based on the consideration specified in the contract with the customer. PBRB recognised revenue when it transfers control of a good or service to the customer, i.e., when, or as, the performance obligations for the sale of goods and services to the customer are satisfied. Customers obtain control of the supplies and consumables at a point in time when the goods are received by the customer at the retail outlet. Revenue from the sale of goods are recognised when the goods have been accepted by the customer at PBRB's retail outlet.

Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed, and over time when the customer simultaneously receives and consumes the services as it is provided. Train fares purchased in advance are held by PBRB as liabilities until the service is provided to the customer. Once the travel has occurred, these train fares are recognised as revenue.

For sales that permit the customer to return an item, revenue is recognised to the extent it is highly probable that significant cumulative reversal will not occur. As the sales are made with a short credit term, there is no financing element present.

### NOTE 2.2 INCOME FROM FARES, SHOPS AND EXTERNAL CONTRACTS

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Train Fares	15,837,514	10,567,557
Sale of Goods	4,611,997	3,466,603
Other Income – External Contracts	83,222	23,179
<b>Total Fares, Shops and External Contracts</b>	<b>20,532,733</b>	<b>14,057,339</b>

The sale of goods and services included in the above table are transactions PBRB has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

### NOTE 2.3 VOLUNTARY LABOUR SERVICES DONATED

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Volunteer Labour Services Donated	3,314,376	2,831,084

These are contributions in the form of services and are only recognised when a fair value can be reliably determined, and the services would have been purchased if not donated.

## NOTE 2.4 GRANTS

	2024	2023
<b>Revenue from grants</b>	<b>\$</b>	<b>\$</b>
Operating grants	-	4,130,000
Specific purpose grants	80,413	67,510
Grants from Federal Government Bodies – Capital Projects	-	1,650,000
<b>Total Grant Revenue and Grant Income</b>	<b>80,413</b>	<b>5,847,510</b>

## GOVERNMENT OPERATING GRANTS

To recognise revenue, PBRB assesses whether there is a contract that is enforceable and has specific performance obligations in accordance with AASB 15: *Revenue from Contracts with Customers*.

When both of these conditions are satisfied, PBRB:

- Identifies each performance obligation relating to the revenue
- Recognises a contract liability for its obligations under the agreement, and
- Recognises revenue as it satisfies its performance obligations, at the time or over the time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, PBRB:

- Recognises the asset received in accordance with the recognition requirements for other applicable Accounting Standards (for example, AASB 16 or AASB 116);
- Recognises related amounts (lease liabilities, provisions, revenue or contract liabilities from contract with a customer); and
- Recognises income immediately in profit or loss as the difference between the initial carrying amount of the asset and the related amount in accordance with AASB 1058.

### 3. THE COST OF DELIVERING SERVICES

#### INTRODUCTION

This section provides an account of the expenses incurred by PBRB in delivering services and outputs. In Note 2, the funds that enable the provision of services were disclosed and in this note the cost associated with the provision of services recorded.

#### STRUCTURE

- 3.1 Expenses Incurred in Delivering Services
- 3.2 Supplies and Services
- 3.3 Administrative Expenses
- 3.4 Other Operating Expenses

#### NOTE 3.1 EXPENSES INCURRED IN DELIVERING SERVICES

	NOTES	2024	2023
		\$	\$
Employee Benefits Expense	3.1.1	11,088,081	9,817,922
Volunteer Labour service Cost	3.2	3,314,376	2,831,084
Supplies and Services	3.2	3,602,567	3,101,863
Advertising and Promotion		149,541	162,049
Insurance Costs		507,609	331,733
Administrative Expenses	3.3	1,151,518	920,377
Electricity and Gas		266,877	285,316
Other Expenses	3.4	1,985,422	1,816,233
<b>Total Expenses Incurred in the Delivery of Services</b>		<b>22,065,991</b>	<b>19,266,577</b>



**NOTE 3.1.1 EMPLOYEE BENEFITS IN THE COMPREHENSIVE OPERATING STATEMENT**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Salaries and wages, annual leave and long service leave	9,979,140	8,951,307
Defined contribution superannuation expense	1,108,941	866,615
<b>Total Employee Benefits in the Comprehensive Operating Statement</b>	<b>11,088,081</b>	<b>9,817,922</b>

Employee expenses include all costs related to employment including salaries and wages, fringe benefits tax, leave entitlements, termination payments and Workcover premiums. The amount recognised in the comprehensive operating statement in relation to superannuation is employer contributions for members of defined contribution superannuation plans that are paid or payable during the reporting period.

**NOTE 3.1.2 EMPLOYEE BENEFITS IN THE BALANCE SHEET**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>CURRENT PROVISIONS</b>		
<b>ANNUAL LEAVE</b>		
Unconditional and expected to settle within 12 months	382,983	317,510
Unconditional and expected to settle after 12 months	233,368	266,608
<b>LONG SERVICE LEAVE</b>		
Unconditional and expected to settle within 12 months	24,329	4,797
Unconditional and expected to settle after 12 months	108,033	111,508
<b>PROVISION FOR ON-COSTS</b>		
Unconditional and expected to settle within 12 months	98,772	70,934
Unconditional and expected to settle after 12 months	78,490	78,424
<b>TOTAL CURRENT PROVISIONS FOR EMPLOYEE BENEFITS</b>	<b>925,975</b>	<b>849,781</b>
<b>NON-CURRENT PROVISIONS</b>		
Long Service Leave	274,485	237,338
On-Costs	53,903	41,653
<b>TOTAL NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS</b>	<b>328,388</b>	<b>278,991</b>
<b>TOTAL PROVISIONS FOR EMPLOYEE BENEFITS</b>	<b>1,254,363</b>	<b>1,128,772</b>
<b>RECONCILIATION OF MOVEMENT IN ON-COST PROVISION</b>		
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Opening Balance	191,011	200,379
Provisions made throughout the year	156,690	127,364
Settlements	(116,536)	(136,732)
<b>Closing Balance</b>	<b>231,165</b>	<b>191,011</b>
Current	177,262	149,359
Non-current	53,903	41,652
<b>Total</b>	<b>231,165</b>	<b>191,011</b>

**Wages and salaries, annual leave and sick leave:** Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefits provision as current liabilities, because PBRB does not have an unconditional right to defer settlements of these liabilities.

The liability for salaries and wages are recognised in the Balance Sheet at remuneration rates which are current at the reporting date. As PBRB expects the liabilities to be wholly settled within 12 months of reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as PBRB does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the Comprehensive Operating Statement as it is taken.

Employment on-costs, such as payroll tax, workers compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when employment to which they relate has occurred.

Unconditional Long Service Leave is disclosed as a current liability, even when PBRB does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- undiscounted value – if PBRB expects to wholly settle within 12 months, or
- present value - if PBRB does not expect to wholly settle within 12months.

Conditional LSL is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

### **NOTE 3.1.3 SUPERANNUATION CONTRIBUTIONS**

Employees of PBRB are entitled to receive superannuation benefits and PBRB contributes to defined contribution plans.

	<b>Paid Contribution for the year</b>	
	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
<b>Defined contribution plans</b>		
Australian Superannuation	318,666	264,507
Hostplus Superannuation	183,164	137,765
Cbus Superannuation	49,623	34,908
Other	557,488	429,435
<b>Total</b>	<b>1,108,941</b>	<b>866,615</b>

**NOTE 3.2 SUPPLIES AND SERVICES**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Supplies:</b>		
Cost of Shop Sales	1,712,551	1,329,780
Coal and Light Up Wood	241,845	212,120
Catering Supplies	67,761	66,260
Cost of External Contracts	335,952	336,792
Repairs, Maintenance, and Consumables	1,244,458	1,156,911
<b>Total Supplies</b>	<b>3,602,567</b>	<b>3,101,863</b>
<b>Services:</b>		
Volunteer Labour Services Cost	3,314,376	2,831,084
<b>Total Supplies and Services</b>	<b>6,916,943</b>	<b>5,932,947</b>

**AASB 1058 Income of Not-for-Profit Entities** requires the contribution of volunteers to be valued and reflected in the Comprehensive Operating Statement. The volunteer contribution in 2023/2024 has been valued at \$ 3,314,376 (2023: \$2,831,084).

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

**Cost of shop sales:** when inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related income is recognised. The amount of any write down of inventories to net realisable value and all losses of inventories shall be recognised as an expense in the period in which the related income is recognised in the period the write down of loss occurs.

The amount of any reversal of any write down of inventories, arising from increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### NOTE 3.3 ADMINISTRATIVE EXPENSES

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Printing and Stationary	99,050	90,448
Telephone and Postage	127,751	119,985
Information Technology	286,569	283,548
Masterplan expenses	-	14,517
Consultants	15,083	55,519
Bank Charges	179,870	152,369
Audit Fees (excluding VAGO)	62,850	58,867
Booking System Fees	86,969	42,665
Staff Amenities	33,454	43,645
Other Administrative Expenses	259,922	58,814
<b>Total Administrative Expenses</b>	<b>1,151,518</b>	<b>920,377</b>

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

### NOTE 3.4 OTHER EXPENSES

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Auditors Remuneration	34,300	33,000
Payroll Tax	494,275	436,744
Doubtful Debts/(Doubtful Debt Recovered)	-	4,919
Special Events	371,958	505,597
Train Operations Expenses	131,591	133,842
Rates, Taxes and Levies	79,578	77,306
Training and Education	77,818	55,360
Licence/Royalty	189,427	129,842
Rubbish Removal	160,900	148,521
Travel Expenses	54,049	64,478
Additional Operating Expenses	391,526	226,624
<b>Total Other Operating Expenses</b>	<b>1,985,422</b>	<b>1,816,233</b>

Other operating expenses generally represent the day to day running costs incurred in normal operations. It also includes bad debts from transactions that are mutually agreed.

## 4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

### INTRODUCTION

PBRB controls property, plant, equipment and intangibles that are utilised in fulfilling its objectives and conducting its activities. They represent the resources that have been entrusted to PBRB to be utilised for the delivery of those outputs.

### STRUCTURE

4.1 Property, plant and equipment

#### Significant judgement: Classification of investments as 'key assets'

PBRB has made the judgement that investments are key assets utilised to support PBRB's objectives and outputs.

**Fair Value Measurement** – Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

### NOTE 4.1 TOTAL PROPERTY, PLANT AND EQUIPMENT

ASSETS AT FAIR VALUE	Gross Carrying Amount		Accumulated Depreciation		Net Carrying Amount	
	2024	2023	2024	2023	2024	2023
Land	20,591,806	19,901,600	-	-	20,591,806	19,901,600
Buildings and Structures	45,604,070	43,735,930	(376,760)	(2,267,085)	45,227,311	41,468,845
Locomotives and Rolling Stock	25,402,838	25,402,838	(2,788,026)	(1,771,911)	22,614,812	23,630,927
Motor Vehicles	840,889	764,763	(740,547)	(720,870)	100,341	43,893
Office Furniture and Equipment	564,423	421,649	(419,868)	(398,529)	144,555	23,120
Plant and Equipment	6,005,311	5,758,170	(2,315,314)	(2,033,951)	3,689,997	3,724,219
Permanent Way	14,734,000	14,734,000	(1,639,560)	(1,093,040)	13,094,440	13,640,960
<b>Total Assets at Fair Value</b>	<b>113,743,338</b>	<b>110,718,950</b>	<b>(8,280,075)</b>	<b>(8,285,386)</b>	<b>105,463,262</b>	<b>102,433,564</b>

**Initial recognition:** Items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. When an asset is acquired for no or nominal cost, the cost is its fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead costs.

**Subsequent measurement:** Fair value is determined with regard to the assets highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset).

**Heritage assets, infrastructure, road infrastructure, permanent way and earthworks** are valued using the current replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

**Vehicles** are valued using the current replacement cost method. PBRB acquires new vehicles and at times disposes of them before the end of their economic life.

**Plant and Equipment** at fair value, that are specialised in use (such that it is rarely sold other than as part of a going concern) is determined using the current replacement cost method.

**Impairment of Property, Plant and Equipment:** The recoverable amount of primarily non-cash generating assets of non-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

## REVALUATION

Fair value is based on periodic valuations by independent valuers, which normally occur once every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate a material change in fair value has occurred.

Where an independent valuation has not been undertaken at balance date, PBRB perform a managerial assessment to estimate possible changes in fair value of land and buildings since the date of the last independent valuation with reference to Valuer-General of Victoria (VGV) indices.

An adjustment is recognised if the assessment concludes that the fair value of land and buildings has changed by 10% or more since the last revaluation (whether that be the most recent independent valuation or managerial valuation). Any estimated change in fair value of less than 10% is deemed immaterial to the financial statements and no adjustment is recorded. Where the assessment indicates there has been an exceptionally material movement in the fair value of land and buildings since the last independent valuation, being equal to or in excess of 40%, PBRB would obtain an interim independent valuation prior to the next scheduled independent valuation.

An independent valuation of PBRB's property, plant and equipment was performed by the VGV on 30 June 2021. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. As an independent valuation was not undertaken on 30 June 2024, a managerial assessment was performed at 30 June 2024, which indicated an overall:

- increase in fair value of land of 1%
- increase in fair value of buildings of 13%
- increase in fair value of permanent way of 4.5%

Where the cumulative movement is greater than 10%, as for buildings asset class since the last revaluation, a managerial revaluation adjustment was required as at 30 June 2024.

Where the cumulative movement is less than 10% for all other asset classes a managerial revaluation adjustment was not required as at 30 June 2024.

**NOTE 4.1.1 DEPRECIATION**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Buildings and Structures	1,611,697	1,345,459
Locomotives and Rolling Stock	1,016,115	895,469
Motor Vehicles	19,677	17,469
Office Furniture and Equipment	21,339	11,947
Plant and Equipment	281,364	255,585
Permanent Way	546,520	546,520
<b>Total Depreciation</b>	<b>3,496,712</b>	<b>3,072,449</b>

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

The estimated useful lives, residual values and depreciation method are reviewed for impairment at the end of each annual reporting period, and adjustments are made where appropriate. Typical estimated useful lives for the different assets' classes for current and prior years are included below:

<b>ASSET CLASS</b>	<b>USEFUL LIFE</b>
Buildings and Structures	5 – 38 years
Locomotives and Rolling Stock	25 years
Motor Vehicles	5 – 60 years
Office Furniture and Equipment	4 – 32 years
Plant and Equipment	1 – 76 years
Permanent Way	15 -100 years

Indefinite life assets, such as land and earthworks, are not depreciated. Depreciation is not recognised in respect of these assets as their service potential has not, in any material sense, been consumed during the reporting period..

**NOTE 4.1.2 RECONCILIATION OF MOVEMENTS IN CARRYING AMOUNT OF PROPERTY, PLANT AND EQUIPMENT (a)**

	LAND	BUILDINGS AND STRUCTURES	LOCOMOTIVES AND ROLLING STOCK	MOTOR VEHICLES	OFFICE FURNITURE AND EQUIPMENT	PLANT AND EQUIPMENT	PERMANENT WAY	CAPITAL WORKS IN PROGRESS	TOTAL
<b>Net carrying amount as at 30 June 2022</b>	<b>19,901,600</b>	<b>36,712,292</b>	<b>21,034,582</b>	<b>12,562</b>	<b>32,272</b>	<b>3,703,762</b>	<b>14,187,480</b>	<b>7,883,601</b>	<b>103,468,152</b>
Additions	-	-	-	-	-	48,299	-	-	48,299
Transfers In / Out of WIP	-	6,102,012	3,491,814	48,800	2,795	227,742	-	(6,472,772)	3,400,391
Depreciation Expense	-	(1,345,459)	(895,469)	(17,469)	(11,947)	(255,585)	(546,520)	-	(3,072,449)
<b>Net carrying amount as at 30 June 2023</b>	<b>19,901,600</b>	<b>41,468,845</b>	<b>23,630,927</b>	<b>43,894</b>	<b>23,120</b>	<b>3,724,218</b>	<b>13,640,960</b>	<b>1,410,829</b>	<b>103,844,393</b>
Revaluation	-	4,855,058	-	-	-	-	-	-	4,855,058
Additions	46,098	22,807	-	76,126	50,574	24,961	-	1,128,819	1,349,385
Transfers In / Out of WIP	644,109	492,297	-	-	92,200	222,181	-	(1,450,787)	-
Depreciation Expense	-	(1,611,697)	(1,016,115)	(19,677)	(21,339)	(281,364)	(546,520)	-	(3,496,712)
<b>Net carrying amount as at 30 June 2024</b>	<b>20,591,806</b>	<b>45,227,311</b>	<b>22,614,812</b>	<b>100,341</b>	<b>144,555</b>	<b>3,689,997</b>	<b>13,094,440</b>	<b>1,088,861</b>	<b>106,552,123</b>

Note: (a) Fair value assessments have been performed for all classes of assets in this purpose group. Buildings and Structures have been revalued accordingly. The decision was made that movements in all other asset classes were not material (less than or equal to 10%) for a full revaluation. The next scheduled full revaluation for this purpose group will be conducted in 2026



## 5. OTHER ASSETS AND LIABILITIES

### INTRODUCTION

This section sets out those assets and liabilities that arose from PBRB's operations.

### STRUCTURE

- 5.1 Receivables
- 5.2 Payables
- 5.3 Inventories

### NOTE 5.1 RECEIVABLES

	2024	2023
	\$	\$
<b>Current Contractual Receivables</b>		
Trade Debtors	678,973	263,905
Less allowance for impairment losses of contractual receivables	(7,098)	(7,098)
Other Receivables	11,602	-
<b>Total Receivables</b>	<b>683,478</b>	<b>256,807</b>

**Contractual receivables** are classified as financial instruments and categorised as 'financial assets at amortised costs'. They are initially recognised at fair value plus any directly attributable transaction costs. PBRB holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

### NOTE 5.2 PAYABLES

	2024	2023
	\$	\$
<b>Current Contractual Payables</b>		
Trade Creditors	1,034,810	861,306
Sundry Creditors and Accrued Expenses	1,275,696	775,660
<b>Total Payables</b>	<b>2,310,506</b>	<b>1,636,966</b>

**Contractual payables** are classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to PBRB prior to the end of the financial year that are unpaid.

**Statutory payables** are recognised and measured similarly to contractual payables, but not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from contracts.

**NOTE 5.2.1 OTHER CONTRACT LIABILITIES**

	2024	2023
	\$	\$
<b>Contract Liabilities</b>		
Passenger bookings in advance	2,202,737	1,483,007
Revenue received in advance	97,495	94,743
<b>Total Contract Liabilities</b>	<b>2,300,232</b>	<b>1,577,750</b>

PBRB's other contract liabilities relate predominately to unearned income, which is income in advance, received but related to a service in a future period.

**NOTE 5.2.2 RECONCILIATION OF CONTRACT LIABILITIES**

	2024	2023
	\$	\$
<b>Opening balance</b>	<b>1,577,750</b>	<b>1,124,206</b>
Add: Payments received for performance obligations yet to be completed during the period	2,300,232	1,577,750
Add: Grant consideration for sufficiently specific performance obligations received during the year	-	3,005,794
Less: Revenue recognised in the reporting period for the completion of a performance obligation	1,577,750	(4,130,000)
<b>Total Contract Liabilities</b>	<b>2,300,232</b>	<b>1,577,750</b>

**NOTE 5.2.3 MATURITY ANALYSIS OF CONTRACTUAL PAYABLES**

	CARRYING AMOUNT	NOMINAL AMOUNT	MATURITY DATES LESS THAN 1 MONTH
	\$	\$	\$
<b>2024 PAYABLES</b>			
Supplies and Service	1,034,810	1,034,810	1,034,810
Other Payables	1,275,696	1,275,696	1,275,696
<b>TOTAL 2024 PAYABLES</b>	<b>2,310,506</b>	<b>2,310,506</b>	<b>2,310,506</b>
<b>2023 PAYABLES</b>			
Supplies and Service	861,306	861,306	861,306
Other Payables	775,660	775,660	775,660
<b>TOTAL 2023 PAYABLES</b>	<b>1,636,966</b>	<b>1,636,966</b>	<b>1,636,966</b>

## NOTE 5.3 INVENTORIES

	2024	2023
	\$	\$
<b>Current Inventories</b>		
Finished goods held for resale, at cost	284,975	251,502
Unfinished goods, at cost	63,559	-
Coal, at cost	1,617	32,340
<b>Total Current Inventories</b>	<b>350,151</b>	<b>283,842</b>

Inventories include goods held either for sale, or for distribution at zero nominal cost, or for consumption in the ordinary course of business operations. Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value.

Cost for inventory is measured on the basis of weighted average cost. Inventories acquired at no cost or nominal considerations are valued at current replacement cost at the date of acquisition.

The bases used for assessing loss of service potential for inventories held for distribution include current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

## 6. HOW WE FINANCED OUR OPERATIONS

### INTRODUCTION

This section provides information on the source of finance utilised by PBRB during its operations.

### STRUCTURE

- 6.1 Cash flow information and balances
- 6.2 Commitments for expenditure

### NOTE 6.1 CASH FLOW INFORMATION AND BALANCES

Cash and deposits including cash equivalents, comprise cash on hand and cash at bank, and those highly liquid investments with maturity of three months or less which are held for the purpose of meeting short term cash commitments.

	2024	2023
	\$	\$
<b>Reconciliation of Cash and Cash Equivalents</b>		
Cash on hand	48,548	26,953
Cash at bank	11,540,443	1,046,037
Cash invested at call	-	8,380,447
<b>Balance as per cash flow statement</b>	<b>11,588,991</b>	<b>9,453,437</b>

**NOTE 6.1.1 RECONCILIATION OF NET RESULT FOR THE PERIOD TO CASH FLOW FROM OPERATING ACTIVITIES**

	2024	2023
	\$	\$
<b>Net result for the year</b>	<b>(912,776)</b>	<b>727,446</b>
<b>Non-Cash Movements</b>		
Depreciation	3,496,712	3,072,449
<b>Total Non-Cash Movements</b>	<b>3,496,712</b>	<b>3,072,449</b>
<b>Movements in Assets and Liabilities</b>		
(Increase)/Decrease in Receivables	(426,672)	(19,013)
(Increase)/Decrease in Inventories	(66,309)	(32,116)
(Increase)/Decrease in Prepayments	(127,630)	(125,777)
Increase/(Decrease) in Payables	673,540	281,755
Increase/(Decrease) in Provisions	125,589	(91,216)
Increase/(Decrease) in Contract Liabilities	722,482	453,545
<b>Net Cash Flows from Operations</b>	<b>3,484,936</b>	<b>4,267,074</b>

**NOTE 6.2 COMMITMENTS FOR EXPENDITURE**

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are recorded at their nominal value and inclusive of GST. Where it is considered appropriate and provides additional relevant information to users, the net present value of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

	LESS THAN 1 YEAR	1 – 5 YEARS	5+ YEARS	TOTAL
	\$	\$	\$	\$
<b>Nominal amounts 2024</b>				
Lakeside Visitor Centre	-	-	-	-
<b>Total Commitments (inclusive of GST)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less GST Recoverable	-	-	-	-
<b>Total Commitments (exclusive of GST)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Nominal amounts 2023</b>				
Lakeside Visitor Centre	301,950	-	-	-
<b>Total Commitments (inclusive of GST)</b>	<b>301,950</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less GST Recoverable	30,195	-	-	-
<b>Total Commitments (exclusive of GST)</b>	<b>271,756</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Puffing Billy Lakeside Visitor Centre received grant funding from both the Federal and State Government during the prior year. Refer to Note 2.4 regarding the breakdown of the Federal and State Capital Project related grants.

## 7. RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

### INTRODUCTION

PBRB is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, including exposures to financial risks, as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for PBRB relates mainly to fair value determination.

### STRUCTURE

- 7.1 Financial instrument specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

### NOTE 7.1 FINANCIAL INSTRUMENT SPECIFIC DISCLOSURES

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of PBRB's activities, certain financial assets and liabilities arise under statute rather than a contract (for example taxes, fines and penalties). Such assets and liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*.

#### Categories of financial assets:

##### Financial assets at amortised cost

Financial assets are measured at amortised costs if both of the following criteria are met, and the assets are not designated as fair value through net result:

- the assets are held by PBRB to collect the contractual cash flows; and
- the assets contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method less any impairment.

PBRB recognises the following assets in this category:

- cash and term deposits; and
- receivables

#### Categories of financial liabilities:

##### Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

PBRB recognises the following liabilities in this category:

- payables

#### **Derecognition of financial assets:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the assets have expired; or
- PBRB retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- PBRB has transferred its rights to receive cash flows from the asset and either has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset. Where ETRB has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of PBRB's continuing involvement in the asset.

#### **Derecognition of financial liabilities:**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

#### **Reclassification of financial instruments:**

Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when ETRB's business model for managing its financial assets has changed such that its previous model would no longer apply.

If under rare circumstances an asset is reclassified, the reclassification is applied prospectively from the reclassification date and previously recognised gains, losses or interest should not be restated. If the asset is reclassified to fair value, the fair value should be determined at the reclassification date and any gain or loss arising from a difference between the previous carrying amount and the fair value is recognised in net result.

**NOTE 7.1.1 FINANCIAL INSTRUMENTS: CATEGORISATION**

	<b>CASH AND DEPOSITS</b>	<b>FINANCIAL ASSETS AT AMORTISED COST</b>	<b>FINANCIAL LIABILITIES AT AMORTISED COST</b>	<b>TOTAL</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>2024 Contractual Financial Assets</b>				
Cash and cash deposits	11,588,991	-	-	11,588,991
Receivables	-	683,478	-	683,478
<b>Total Contractual Financial Assets</b>	<b>11,588,991</b>	<b>683,478</b>	<b>-</b>	<b>12,272,469</b>
<b>2024 Contractual Financial Liabilities</b>				
Payables	-	-	2,310,506	2,310,506
<b>Total Contractual Financial Liabilities</b>			<b>2,310,506</b>	<b>2,310,506</b>
<b>2023 Contractual Financial Assets</b>				
Cash and cash deposits	9,453,437	-	-	9,453,437
Receivables	-	256,807	-	256,807
<b>Total Contractual Financial Assets</b>	<b>9,453,437</b>	<b>256,807</b>	<b>-</b>	<b>9,710,244</b>
<b>2023 Contractual Financial Liabilities</b>				
Payables	-	-	1,636,966	1,636,966
<b>Total Contractual Financial Liabilities</b>			<b>1,636,966</b>	<b>1,636,966</b>

**NOTE 7.1.2 FINANCIAL INSTRUMENTS: NET HOLDING GAIN/(LOSS) ON FINANCIAL INSTRUMENTS BY CATEGORY**

	TOTAL INTEREST INCOME/ (EXPENSE)	TOTAL
	\$	\$
<b>2024 Contractual Financial Assets</b>		
Financial assets at amortised cost	417,607	417,607
<b>Total Contractual Financial Assets</b>	<b>417,607</b>	<b>417,607</b>
<b>2024 Contractual Financial Liabilities</b>		
Financial liabilities at amortised cost	-	-
<b>Total Contractual Financial Liabilities</b>	-	-
<b>2023 Contractual Financial Assets</b>		
Financial assets at amortised cost	123,395	123,395
<b>Total Contractual Financial Assets</b>	<b>123,395</b>	<b>123,395</b>
<b>2023 Contractual Financial Liabilities</b>		
Financial liabilities at amortised cost	-	-
<b>Total Contractual Financial Liabilities</b>	-	-

**NOTE 7.1.3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

As a whole PBRB's financial risk management program seeks to manage these risks and associated volatility of its financial performance. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability above are disclosed in Notes throughout the financial statements.

The main purpose in holding financial instruments is to prudentially manage PBRB's financial risks within the government policy parameters. PBRB's main financial risks include credit risk, liquidity risk and interest rate risk. PBRB manages these financial risks in accordance with its financial risk management policy. PBRB uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Finance, Audit, Risk and Compliance Committee of ETRB.



### Credit Risk

Credit risk refers to the possibility that a borrower will default on its financial obligations as and when they fall due. PBRB's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to ETRB. Credit risk is measured at fair value and is monitored on a regular basis. Credit risk associated with PBRB's contractual financial assets is minimal because the majority of sales are cash or prepaid fares.

Credit sales represent an approximate range of 20% to 30% of total revenue. Variation in the range is due to monthly seasonal factors. In addition, PBRB does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash and deposits, which are mainly cash at bank. Provision for impairment for contractual financial assets is recognised when there is objective evidence that PBRB will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts that are more than 90 days overdue, and changes in debtor credit ratings. Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements net of any allowances for losses, represents PBRB's maximum exposure to credit risk without taking account of the value of any collateral obtained. There has been no material change to PBRB's credit risk profile in 2023-24.

### NOTE 7.1.3(A) CREDIT QUALITY OF CONTRACTUAL FINANCIAL ASSETS THAT ARE NEITHER PAST DUE NOR IMPAIRED

	FINANCIAL INSTITUTIONS A+ CREDIT RATING	OTHER	TOTAL
	\$	\$	\$
<b>2024</b>			
Cash and deposits	11,588,991	-	11,588,991
Receivables	-	683,478	683,478
<b>Total Contractual Financial Assets</b>	<b>11,588,991</b>	<b>683,478</b>	<b>12,272,469</b>
<b>2023</b>			
Cash and deposits	9,453,437	-	9,453,437
Receivables	-	256,807	256,807
<b>Total Contractual Financial Assets</b>	<b>9,453,437</b>	<b>256,807</b>	<b>9,710,244</b>

### Impairment of financial assets

PBRB records the allowance for expected credit loss for the relevant financial instruments applying AASB 9's Expected Credit Loss approach. Subject to AASB 9 impairment assets include PBRB's contractual receivables, statutory receivables and its investment in debt instruments. Although not a financial asset, contract assets recognised applying AASB 15 (refer note 6.1) are also subject to impairment however it is immaterial.

### Contractual Receivables at Amortised Cost

PBRB applies the AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. PBRB has grouped contractual receivables on shared credit risk characteristics and days past due determined the expected credit loss rate based on historical observed loss rates, which are adjusted to reflect existing market conditions and forward-looking estimates at the financial year end.

On this basis, PBRB determines the closing loss allowance at the end of the financial year as follows:

	CARRYING AMOUNT	CURRENT	LESS THAN 1 MONTH	1 – 3 MONTHS	3 MONTHS +
<b>2024</b>					
<b>Contractual Receivables</b>					
Expected Loss Rate	3%	0%	0%	0%	90%
Gross carrying amount of contractual receivables	690,576	456,034	105,765	102,998	25,779
Loss allowance	(7,098)	-	-	-	(7,098)
<b>Total Contractual Receivables</b>	<b>683,478</b>	<b>456,034</b>	<b>105,765</b>	<b>102,998</b>	<b>18,681</b>
<b>2023</b>					
<b>Contractual Receivables</b>					
Expected Loss Rate	3%	0%	0%	0%	90%
Gross carrying amount of contractual receivables	263,905	222,068	24,340	9,574	7,923
Loss allowance	(7,098)	-	-	-	(7,098)
<b>Total Contractual Receivables</b>	<b>256,807</b>	<b>222,068</b>	<b>24,340</b>	<b>9,574</b>	<b>825</b>

A reconciliation of the movement in the loss allowance for contractual receivables is as follows:

	2024	2023
	\$	\$
<b>Opening Loss Allowance</b>	<b>(7,098)</b>	<b>(8,566)</b>
Decrease in the allowance recognised in the net result	-	1,468
<b>Balance at the end of the year</b>	<b>(7,098)</b>	<b>(7,098)</b>

Credit loss allowance is classified as other economic flows in the net result. Contractual financial assets are written off against the carrying amount when there is no reasonable expectation of recovery. Bad debt is written off by mutual consent and is classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line item.

### **Liquidity Risk**

Liquidity risk arises from being unable to meet financial obligations as they fall due. PBRB operates a fair payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution. PBRB is exposed to liquidity risk mainly through the financial liabilities as disclosed on the face of the balance sheet. PBRB manages its liquidity risk by:

- Close monitoring of its short term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements;
- Maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- Other contractual financial assets that are readily tradeable in the financial markets;
- Careful maturity planning of its financial obligations based on forecasts of future cash flows; and
- Banking with only financial institutions with a high and stable credit rating.

PBRB's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The carrying amount detailed in the following table of contractual financial liabilities recorded in the financial statements 2024 \$0 (2023: \$500,000) in relation to financial guarantees granted to other entities (refer Note 7.3.1), represents PBRB's maximum exposure to liquidity risk.

### **Interest Rate Risk**

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. PBRB does not hold any interest-bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. PBRB has minimal exposure to cash flow interest rate risks through. Management has concluded for cash at bank as financial assets that can be left at floating rate without necessarily exposing PBRB to significant bad risk, management monitors movement in interest rates.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates and PBRB's sensitivity to interest rate risk are set out in table 7.1.4.

**NOTE 7.1.4 INTEREST RATE RISK EXPOSURE OF FINANCIAL INSTRUMENTS**

	<b>WEIGHTED AVERAGE EFFECTIVE INTEREST</b>	<b>CARRYING AMOUNT</b>	<b>VARIABLE INTEREST RATE</b>	<b>NON-INTERST BEARING</b>
<b>2024</b>				
<b>Financial Assets</b>				
Cash and cash equivalent	3.6%	11,588,991	11,540,443	48,548
Receivables: (a)				
Sale of goods and services		683,478	-	683,478
<b>Total Financial Assets</b>		<b>12,272,469</b>	<b>11,540,443</b>	<b>732,026</b>
<b>Financial Liability</b>				
Payables: (a)				
Supplies and services		1,034,810	-	1,034,810
Other payables		1,275,696	-	1,275,696
<b>Total Financial Liabilities</b>		<b>2,310,506</b>	<b>-</b>	<b>2,310,506</b>
<b>2023</b>				
<b>Financial Assets</b>				
Cash and cash equivalent	1.3%	9,453,437	8,881,947	571,490
Receivables: (a)				
Sale of goods and services		256,807	-	256,807
<b>Total Financial Assets</b>		<b>9,710,244</b>	<b>8,881,947</b>	<b>828,297</b>
<b>Financial Liability</b>				
Payables: (a)				
Supplies and services		861,307	-	861,307
Other payables		775,660	-	775,660
<b>Total Financial Liabilities</b>		<b>1,636,967</b>	<b>-</b>	<b>1,636,967</b>

Note: (a) the carrying amounts disclosed here exclude statutory amounts (i.e., amounts owing from Victorian Government and GST input tax credit recoverable).

**NOTE 7.1.5 INTEREST RATE RISK SENSITIVITY**

	<b>INTEREST RATE RISK</b>		
		<b>-2.00%</b>	<b>+2.00%</b>
	<b>CARRYING AMOUNT</b>	<b>NET RESULT</b>	<b>NET RESULT</b>
	\$	\$	\$
<b>2024</b>			
<b>Financial Assets</b>			
Cash and cash equivalent	11,588,991	(231,780)	231,780
Term Deposits	-	-	-
Receivables	683,478	-	-
<b>Contractual Financial Liabilities</b>			
Trade and other payables	2,310,506	-	-
		<b>(231,780)</b>	<b>231,780</b>

	<b>INTEREST RATE RISK</b>		
		<b>-2.00%</b>	<b>+2.00%</b>
	<b>CARRYING AMOUNT</b>	<b>NET RESULT</b>	<b>NET RESULT</b>
	\$	\$	\$
<b>2023</b>			
<b>Financial Assets</b>			
Cash and cash equivalent	8,951,937	(179,039)	179,039
Term Deposits	501,500	-	-
Receivables	256,805	-	-
<b>Contractual Financial Liabilities</b>			
Trade and other payables	1,636,966	-	-
		<b>(179,039)</b>	<b>179,039</b>

**NOTE 7.2 CONTINGENT ASSETS AND CONTINGENT LIABILITIES**

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST, receivable or payable, respectively.

**CONTINGENT ASSETS**

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the entity.

There are no contingent assets for 2024 (2023 no contingent assets).

## **CONTINGENT LIABILITIES**

Contingent liabilities are possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of ETRB, or present obligations that arise from past events but are not recognised because it is not possible that an outflow of resources embodying economic benefits will be required to settle the obligations, or the amount of the obligations cannot be measured with sufficient reliability.

There are no contingent liabilities for 2024 (2023 no contingent liabilities).

## **NOTE 7.3 FAIR VALUE DETERMINATION**

This section sets out information on how PBRB determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets are carried at fair value:

- Land, buildings & structures, locomotives & rolling stock, motor vehicles, office furniture & equipment, plant & equipment and permanent way.

In addition, the fair values of other assets and liabilities that are carried at amortised cost, also need to be determined for disclosure purposes.

PBRB determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

## **FAIR VALUE HIERARCHY**

In determining fair values, a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

PBRB determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is the PBRB's independent valuation agency (or) PBRB in conjunction with VGV, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

## HOW THIS SECTION IS STRUCTURED

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- Carrying amount and the fair value (which would be the same for those assets measured at fair value);
- Which level of the fair value hierarchy was used to determine the fair value; and
- In respect of those assets and liabilities subject to fair value determination using level 3 inputs:
  - A reconciliation of the movement in fair values from the beginning of the year to the end of the year; and
  - Details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer to Note 7.3.1) and non-financial physical assets (refer to Note 7.3.2).

### NOTE 7.3.1 FAIR VALUE DETERMINATION OF FINANCIAL ASSETS AND LIABILITIES

The fair values and net fair values of financial assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instruments with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices;
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly; and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

PBRB considers that the carrying amounts of financial instrument assets and liabilities recorded in the financial statements to be fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

The following table shows that the fair value of all of the contractual financial assets and liabilities are the same as the carrying amounts.

		2024		2023	
	LEVEL	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
		\$	\$	\$	\$
<b>Contractual Financial Assets</b>					
Cash and cash equivalent	1	11,588,991	11,588,991	8,951,937	8,951,937
Term Deposits	1	-	-	501,500	501,500
Receivables	1	683,478	683,478	256,807	256,807
<b>Total Contractual Financial Assets</b>		<b>12,272,469</b>	<b>12,272,469</b>	<b>9,710,244</b>	<b>9,710,244</b>
<b>Contractual Financial Liabilities</b>					
Trade and other payables	1	2,310,506	2,310,506	1,636,966	1,636,966
<b>Total Contractual Financial Liabilities</b>		<b>2,310,506</b>	<b>2,310,506</b>	<b>1,636,966</b>	<b>1,636,966</b>

**NOTE 7.3.2 FAIR VALUE DETERMINATION OF NON-FINANCIAL PHYSICAL ASSETS**

	LEVEL	2024		2023	
		CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
		\$	\$	\$	\$
Land	2	20,591,806	20,591,806	19,901,600	19,901,600
Buildings and Structures	2	45,227,311	45,227,311	41,468,845	41,468,845
Locomotives and Rolling Stock	3	22,614,812	22,614,812	23,630,927	23,630,927
Motor Vehicles	3	100,341	100,341	43,893	43,893
Office Furniture and Equipment	3	144,555	144,555	23,120	23,120
Plant and Equipment	3	3,689,997	3,689,997	3,724,219	3,724,219
Permanent Way	3	13,094,440	13,094,440	13,640,960	13,640,960
<b>Total Non-Financial Physical Assets</b>		<b>105,463,262</b>	<b>105,463,262</b>	<b>102,433,564</b>	<b>102,433,564</b>

**Land and Buildings** are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value. To the extent that the land and buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

**Plant and Equipment** is held at fair value. When plant and equipment is specialised in its use, such that it is rarely sold other than as part of a going concern, fair value is determined using the current replacement cost method. There were no changes in valuation techniques throughout the period to 30 June 2024. For all assets measured at fair value, the current use is considered the highest and best use.

**Vehicles** are valued using the current replacement cost method. ETRB acquires new vehicles and at times disposes of them before the end of their economic life.

**Heritage assets, infrastructure, road infrastructure, permanent way and earthworks** are valued using the current replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

Where it has not been possible to examine hidden works such as structural frames and floors, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and the nature of the building. The estimated cost of reconstruction including structure services and finishes, also factors in any heritage classifications as applicable.

An independent valuation of PBRB's heritage assets and permanent way was performed by the Valuer-General Victoria. The valuation was performed based on the current replacement cost of the assets. The effective date of the valuation was 30 June 2021.

For a more detailed analysis of the sensitivity of significant unobservable inputs used in valuation, please refer to Note 7.3.4 Description of significant unobservable inputs to Level 3 valuation.



**NOTE 7.3.3 RECONCILIATION OF LEVEL 3 FAIR VALUE MOVEMENTS**

	LOCOMOTIVES AND ROLLING STOCK	MOTOR VEHICLES	OFFICE FURNITURE & EQUIPMENT	PLANT & EQUIPMENT	PERMANENT WAY
<b>Opening Balance at 1st July 2022</b>	<b>21,034,582</b>	<b>12,562</b>	<b>32,272</b>	<b>3,703,762</b>	<b>14,187,480</b>
Additions				48,299	
Transfers In/Out of WIP	3,491,814	48,800	2,795	227,742	
Depreciation Expense	(895,469)	(17,469)	(11,947)	(255,585)	(546,520)
<b>Closing Balance at 30th June 2023</b>	<b>23,630,926</b>	<b>43,893</b>	<b>23,121</b>	<b>3,724,219</b>	<b>13,640,960</b>
<b>Opening Balance at 1st July 2023</b>	<b>23,630,926</b>	<b>43,893</b>	<b>23,121</b>	<b>3,724,219</b>	<b>13,640,960</b>
Additions		76,126	50,574	24,961	-
Transfers In/Out of WIP	-	-	92,200	222,181	-
Depreciation Expense	(1,016,115)	(19,677)	(21,339)	(281,364)	(546,520)
<b>Closing Balance at 30th June 2024</b>	<b>22,614,812</b>	<b>100,341</b>	<b>144,555</b>	<b>3,689,997</b>	<b>13,094,440</b>



**NOTE 7.3.4 DESCRIPTION OF SIGNIFICANT UNOBSERVABLE INPUTS TO LEVEL 3 VALUATIONS**

	<b>VALUATION TECHNIQUE</b>	<b>SIGNIFICANT UNOBSERVABLE INPUTS</b>	<b>RANGE</b>	<b>SENSITIVITY OF FAIR VALUE MEASUREMENT TO CHANGES IN SIGNIFIANT UNOBSERVABLE INPUTS</b>
<b>Locomotives and Rolling Stock</b>	Current replacement cost	Heritage restrictions	Impact of heritage restrictions is considered but not quantified	Heritage Assets – a significant increase or decrease in reproduction cost would result in a significantly higher or lower fair value
<b>Locomotives and Rolling Stock</b>	Current replacement cost	Remaining useful life of locomotives and rolling stock	25 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower fair value
<b>Motor Vehicles</b>	Current replacement cost	Useful life of the motor vehicle	5 to 60 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower fair value
<b>Office Furniture &amp; Equipment</b>	Current replacement cost	Useful life of the office furniture & equipment	4 to 32 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower fair value
<b>Plant &amp; Equipment</b>	Current replacement cost	Useful life of the plant, equipment and museum exhibits	1 to 76 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower fair value
<b>Permanent Way</b>	Current replacement cost	Useful life of the railway track and earthworks	15 to 100 years	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower fair value

Significant unobservable inputs have remained unchanged since June 2021.

## 8. OTHER DISCLOSURES

### INTRODUCTION

This section includes additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

### STRUCTURE

- 8.1 Contributed Capital
- 8.2 Responsible Persons
- 8.3 Remuneration of Executives
- 8.4 Related Parties
- 8.5 Remuneration of Auditors
- 8.6 Subsequent Events
- 8.7 Other Accounting Policies
- 8.8 Australian Accounting Standards issued that are not yet effective.

### NOTE 8.1 CONTRIBUTED CAPITAL

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners.

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Contributed Capital</b>		
Balance at beginning of financial year	31,861,115	31,861,115
Contributions during the year	-	-
<b>Balance at end of Financial Year</b>	<b>31,861,115</b>	<b>31,861,115</b>

## NOTE 8.2 RESPONSIBLE PERSONS

In accordance with Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994 (FMA)*, the following disclosures are made regarding responsible persons for the reporting period.

	<b>Period</b>
<b>Portfolio Minister</b>	
Steve Dimopoulos MP, Minister for Tourism, Sport and Major Events	01/07/2023 to 30/06/2024
<b>Governing Board</b>	
T.North KC	01/07/2023 to 30/06/2024
D.Smith	01/07/2023 to 30/06/2024
M.Mangos	01/07/2022 to 01/08/2023
B.Clingin	01/07/2023 to 30/06/2024
A.Jamieson	01/07/2023 to 30/06/2024
T.Sargant	01/07/2023 to 30/06/2024
G.Lim	01/07/2023 to 30/06/2024
J.de Kievit	01/07/2023 to 30/06/2024
<b>Accountable Officer</b>	
P.Abbott (Chief Executive Officer)	01/07/2023 to 30/06/2024

*Note: P.Abbott has not signed these financial statements due to departure from PBRB 05/08/2024.*

### Remuneration of Responsible Persons

The number of Responsible Persons are shown in their relevant income bands:

	<b>2024</b>	<b>2023</b>
<b>Income Band</b>		
\$0 to \$9,999	1	1
\$10,000 to \$19,999	-	4
\$20,000 to \$29,999	6	-
\$40,000 to \$49,999	1	1
\$300,000 to \$309,999	1	1
<b>Total Numbers</b>	<b>9</b>	<b>7</b>
<b>Total Remuneration</b>	<b>\$564,095</b>	<b>\$425,965</b>

Amounts relating to the Governing Board Members and Accountable Officer of PBRB are disclosed in the financial statements. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Financial report.

### NOTE 8.3 REMUNERATION OF EXECUTIVES

The number of executive officers, other than the Ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below.

Total annualised employee equivalents provide a measure of full time equivalent executive officers over the reporting period.

REMUNERATION OF EXECUTIVE OFFICERS	TOTAL REMUNERATION	
	2024	2023
	\$	\$
Short-term employee benefits	1,047,072	1,084,483
Post Employment Benefits	93,786	80,099
Other long-term benefits	48,480	57,318
<b>Total Remuneration</b>	<b>1,189,338</b>	<b>1,221,900</b>
<b>Total Number of Executives</b>	<b>12</b>	<b>10</b>
<b>Total Annualised Employee Equivalents</b>	<b>10.08</b>	<b>10.00</b>

Annualised employee equivalent is based on the time fraction worked over the reporting period for 2023-24.

Remuneration comprises employee benefits (as defined in AASB 119 Employee Benefits) in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered.

Accordingly, remuneration is determined on an accrual basis and is disclosed in the following categories.

**Short-term employee benefits** include mounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances or free or subsidised good or services.

**Other long-term benefits** include long service leave, other long service benefits or deferred compensation.

## NOTE 8.4 RELATED PARTIES

PBRB is a wholly owned and controlled entity of the State of Victoria. Related parties of PBRB include:

- all key management personnel (KMP) and their close family members and personal business interests
- cabinet ministers (where applicable) and their close family members

KMP's are those people with the authority and responsibility for planning, directing and controlling the activities of PBRB, directly or indirectly.

### Key Management Personnel

The Board of Directors and the Executive Directors of PBRB are deemed to be KMP's. This includes the following:

Position Title	KMP	FROM	TO
Board Chair	T.North KC	01/07/2023	30/06/2024
Board Member	D.Smith	01/07/2023	30/06/2024
Board Member	M.Mangos	01/07/2022	01/08/2023
Board Member	B.Clingin	01/07/2023	30/06/2024
Board Member	A.Jamieson	01/07/2023	30/06/2024
Board Member	T.Sargent	01/07/2023	30/06/2024
Board Member	G.Lim	01/07/2023	30/06/2024
Board Member	J.de Kievit	01/07/2023	30/06/2024
Chief Executive Officer	P.Abbott	01/07/2023	30/06/2024
Group Manager Business Services	S.Straub	01/07/2023	30/06/2024
Group Manager Train Operations	P.Essig	01/07/2022	03/07/2023
Group Manager Infrastructure	B.Butler	01/07/2023	30/06/2024
Group Manager Visitor Experience	N.Giurgiu	01/07/2023	30/06/2024

The compensation detailed below excludes the salaries and benefits the Portfolio Minister receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the State's Annual Financial Report.

### COMPENSATION OF KMPS

	2024	2023
	\$	\$
Short-term employee benefits	1,382,147	1,394,960
Post-employment benefits	125,075	108,874
Other long-term benefits	64,395	68,121
<b>Total Remuneration</b>	<b>1,571,617</b>	<b>1,571,955</b>
<b>Total Number of Executives</b>	<b>13</b>	<b>11</b>
<b>Total Annualised Employee Equivalents</b>	<b>11.08</b>	<b>11.00</b>

Notes: (a) Note that KMPs are also reported in the disclosure of remuneration of executive officers (Note 8.3).

### SIGNIFICANT TRANSACTIONS WITH GOVERNMENT RELATED ENTITIES

PBRB received funding from Department of Jobs, Skills, Industry and Regions in 2023 of \$4.1 million.

PBRB received funding from Department of Transport and Planning in 2023 of \$1.65 million.

## NOTE 8.5 REMUNERATION OF AUDITORS

	2024	2023
<b>Victorian Auditor-General's Office</b>	<b>\$</b>	<b>\$</b>
Audit of the Financial Statements	34,300	33,000
<b>Total Remuneration of Auditors</b>	<b>34,300</b>	<b>33,000</b>

## NOTE 8.6 SUBSEQUENT EVENTS

Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions which existed in the reporting period.

## NOTE 8.7 OTHER ACCOUNTING POLICIES

**Accounting for Goods and Services Tax ("GST")** Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

## CONTRIBUTIONS BY OWNERS

Consistent with the requirements of *AASB 1004 Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of PBRB.

Additions to net assets that have been designated as contributions by owners are recognised as contributed capital.

## NOTE 8.5 AUSTRALIAN ACCOUNTING STANDARDS THAT ARE NOT YET EFFECTIVE

Certain new and revised accounting standards have been issued but are not effective for the 2023-24 reporting period.

These accounting standards have not been applied to PBRB's Financial Statements.

### **AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.**

AASB 2022-10 amends AASB 13 Fair Value Measurement by adding authoritative implementation guidance and illustrative examples for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows.

Among other things, the Standard:

- specifies that an entity needs to consider whether an asset's highest and best use differs from its current use only when it is held for sale or held for distributions to owners under AASB 5 *Non-current Assets Held for Sale and Discontinued Operations* or if it is highly probable that it will be used for an alternative purpose
- clarifies that an asset's use is 'financially feasible' if market participants would be willing to invest in the asset's service capacity, considering both the capacity to provide needed goods or services and the resulting costs of those goods and services
- specifies that if both market selling price and some market participant data required to fair value the asset are not observable, an entity needs to start with its own assumptions and adjust them to the extent that reasonably available information indicates that other market participants would use different data
- provides guidance on the application of the cost approach to fair value, including the nature of costs to be included in a reference asset and identification of economic obsolescence.

This Standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted.

PBRB is currently in the process of assessing the potential impact of these standards and amendments.

**AASB 18 Presentation and Disclosure in Financial Statements** to improve how entities communicate in their financial statements, with a particular focus on information about financial performance in the statement of profit or loss.

The key presentation and disclosure requirements established by AASB 18 are:

- the presentation of newly defined subtotals in the statement of profit or loss;
- the disclosure of management-defined performance measures; and
- enhanced requirements for grouping information (i.e. aggregation and disaggregation).

PBRB is currently in the process of assessing the potential impact of these standards and amendments.

A number of other standards and amendments have also been issued that apply to future reporting periods, however they are not expected to have any significant impact on the financial statements in the period of initial application.





# DISCLOSURE INDEX

The annual report of PBRB is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of PBRB's compliance with statutory disclosure requirements.

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Note: (a) References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are the nature of the disclosure.

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