



**Bendigo
Heritage**
ATTRactions

2015/16 Annual Report

The Bendigo Trust t/a Bendigo Heritage Attractions





萬古名垂

萬古名垂

萬古名垂

TABLE OF CONTENTS

From the Chairman	4
From the Chief Executive Officer	6
Bendigo Heritage Attractions in 2015/16	
Central Deborah Gold Mine	10
Bendigo Tramways	14
Bendigo Joss House Temple	18
Bendigo Gas Works	19
Victoria Hill	19
Sales and Marketing	20
Finance	22
Acknowledgements	23
Trust Staff and Volunteers	24
Board of Directors	26
Financial Report	29



Central Deborah Gold Mine Nine Levels of Darkness.

FROM THE CHAIRMAN



David Wright,
Chairman

As one reflects on this past year it is difficult in a few words to capture the momentum of development and changes that have taken place throughout the organisation.

Following the RCMG report, together with the Council, we have accepted and implemented all of the 24 recommendations. For the Board, the major changes were to endorse a new marketing plan which will see us develop new products under our new trading name Bendigo Heritage Attractions.

The Board has redefined the mission and vision in its strategic plan to coincide more closely with our marketing endeavours. Following the decision at the last AGM to reduce the size of the board to nine, we recruited, Makenna Bryon and Melinda Rosser to fill vacancies. Both of these Directors have great knowledge and experience with marketing, a skill that the board lacked prior to their appointment. The board now has a great mix of professional skills and experience to enable the strategic direction to be pursued.

With the foreshadowed changes in Councillors at the City of Greater Bendigo,

Cr Lisa Ruffell will no longer be with us as a Council nominee because she is not recontesting her position on the Council. Lisa played a pivotal role in bringing the Council on the journey to revitalise and develop our unique products and has played a significant role in the recruitment of our past and present CEOs.

Last year we were celebrating the arrival of Ian Hart as our new CEO, this year (at the time of writing this report) we are likewise delighted that Peter Abbott has taken over the role.

Whilst Ian Hart's length of appointment was brief, he made an outstanding contribution to the ongoing viability of the Trust as a vital contributor to the tourism sector in Bendigo.

During his term the Tramways won its second RACV Victorian Tourism Award in the category of Cultural Tourism and the Bendigo Business Excellence Award in the category of Hospitality and Tourism.

But more than that, he set in stone a solid understanding, between Council and the Trust, of the important role that the Trust – now as Bendigo Heritage Attractions – plays in the growth of the Bendigo economy through preserving the City’s valuable heritage assets and unique history.

Peter Abbott, previously Manager of Tourism Services at Warrnambool City Council, has now taken over from Ian Hart. He is quickly settling in and working on the development plans and journey that has been our target for return to profitability and viability. I am sure that Peter’s strong knowledge of, and experience in, the tourism sector will have us well-placed to become one of Victoria’s major tourism destinations.

There have been other staffing changes that have resulted in Luke Jenkins and Karl Penrose taking on major roles. Luke has taken on project management and leadership of the Tramways and Karl has added his technical infrastructure knowledge to the Tramways structure. These appointments will strengthen our capacity to grow and the enthusiasm of both these leaders, I am sure, will reignite our dedicated staff to attain even higher levels of achievement.

It was pleasing to have one of our Life Members, extraordinary volunteer and past Director Dennis O’Hoy being awarded the Order of Australia Medal for his contribution to the preservation of Bendigo’s heritage. It is a well-deserved recognition of Dennis’ endless quest to preserve the heritage assets of this community. We were also pleased to hear that the late Darryl McClure

was posthumously awarded the Medal of the Order of Australia for his service to the Bendigo community in the 2016 Australia Day Honours. Darryl was heavily involved in the inception activities of the Trust and was a Director and Chairman for many years.

The major “elephants in the cupboard” groundwater and tram restoration contracts will be addressed in other reports, suffice to say that, at this point in time, we seem to have resolved these long standing issues and can now turn our attention to the redevelopment propositions for the mine.

None of the progress could have occurred without the increased financial support of the Council and the improved partnership arrangements that have resulted from this close working relationship. In particular, the assistance of Travis Harling and Ben Devanny, with the guidance of Craig Niemann, has been appreciated.

I wish to take this opportunity to thank our great team of Directors, who with their various skills, dedication and passion for our cause have brought good governance to the decision making of the board. Wayne Gregson, Deputy Chairman, very capably filled the Acting CEO role between CEO appointments; the Board expresses its gratitude and appreciation to Wayne for a job well done.

In closing, I especially wish to thank all of our employees and volunteers for their tireless work and passion for our organisation. We are fortunate to have so many skilled and dedicated people contributing to the success of The Bendigo Trust.

Below Left:
Dennis O’Hoy was awarded the Order of Australia Medal for his contribution to the preservation of Bendigo’s heritage. Photo courtesy of Garry O’Hoy.

Below Right:
Bendigo Tramways was awarded Victoria’s Cultural Tourism Attraction of the Year at the RACV Victorian Tourism Awards.





We celebrated 125 years of trams in Bendigo with a free Open Day in December.

FROM THE CHIEF EXECUTIVE OFFICER



Ian Hart,
CEO

What a big year of change 2015/16 has been. We can say that literally as the trading name of The Bendigo Trust was unveiled as Bendigo Heritage Attractions in late 2015 with all new branding to accompany this change in presentation.

The change of trading name has brought greater clarity in the local community and within the tourism industry as to our vision and purpose. It was also the catalyst of a new strategic plan developed by the Board and management team during August/September 2015, which led to the appointment of two additional directors – Melinda Rosser and Makenna Bryon – to add marketing/tourism knowledge and experience to the Board.

The Bendigo Tramways logo and name is still utilised for the tramways workshop projects which continues to provide a unique and profitable offshoot from the core tourism products, employing a range of gifted and skilled trades personnel to undertake the heritage tram renewal projects.

These projects include a range of external client orders for tram upgrades such as café tram builds, but most notably the securing of multiple W-Class trams on

behalf of the State Government through PTV and Yarra Trams. We are indebted to our local Member of Parliament and Minister for Public Transport, the Hon Jacinta Allan, for advocating that these important projects take place in Bendigo. Profits from these activities are directed towards the ongoing preservation of our heritage tram fleet.

The tramways workshop saw significant structural changes in staff in the latter part of the year with the retirement of Jos Duivenvoorden in March 2016. Jos was Tramways Manager for more than five years and prior to that was a Board Member of the Trust. The Board, management and staff thank Jos for his many years of service and wish him and his family all the very best.

Luke Jenkins who started as an apprentice in the tram workshop more than 15 years ago has risen from Team Leader – Coach Building and Restoration to be the Projects Manager and Depot

Supervisor. The organisation has in Luke an extremely talented and passionate young man who will provide great leadership in his role. Luke has already established strong positive relationships with key contacts at PTV and Yarra Trams and with other external clients, while also supporting the growth of his team around him. The new position of Project Administration Assistant has been capably filled by Rebecca Phillips, and additional responsibilities for other key staff members.

Mine Manager Karl Penrose's role has expanded to use more of his extensive experience to also being Technical Advisor across the revised Tramways structure. Karl will support the operations at the Tramways with high level advice for servicing and maintenance of overhead, track and rolling stock while other expert external advice has been secured through key contacts at PTV to support the overall tramways activities.

The other major activity change at the Tramways has been the completion of ISO Accreditation program for safety and quality ISO 9001 and ISO 14001. This demonstrates the achievement of even greater professionalism and efficiencies within the tramways, which has transformed from a small part-time operation into full scale manufacturing capability in just a few short years.

One of the areas that came to a head during 2016 is the audit from Transport Safety Victoria (TSV) which identified a number of track related issues requiring upgrades. These have now been scheduled with some in August 2016 and the rest in 2017. Thanks must be recorded to the City of Greater Bendigo for coordinating the

tender requirements for the works and the patient support from TSV together with advice from rail engineer Russell Trevaskis and Adrian Ponton from PTV during this analysis.

A regular program of track review and maintenance is now in hand.

Highlights of the year from an events and marketing perspective included:

- Alignment to the Marilyn Monroe exhibition at the Bendigo Art Gallery via the Sentimental Journey tram experience.
- The 'Crack the Code' school holiday activity at Bendigo Tramways. Thanks to BIG4 Holiday Parks and the Bendigo Cinemas for sponsoring this promotion.
- The annual Yarn Bombing of Tram No. 302 coinciding with the Sheep and Wool Show which has proven to be a Winter hit, going viral on social media.
- The establishment of iBeacons to support the experience on the trams with various commentary and language options.
- The phenomenal popularity of Santa Tram which was sold out for all sessions in the weeks leading up to Christmas.
- A Christmas at the Mine event culminating in the lighting up of the poppet head with more than 500 local residents in attendance.

Several capital projects were completed during the year at Central Deborah Gold Mine, including upgraded gold and explosives displays and new simulated carbide lamps courtesy of support from our great friends at Fosterville Gold Mine who have become a Gold Sponsor of our organisation.

Major plans for a transformational upgrade of the Central Deborah Gold Mine

Below Left:
Tram No. 302 was
Yarn Bombed by
a local group of
needling ninjas.

Below Right:
Bendigo Tramways
was awarded the
Bendigo Business
Excellence award
for the category
of Hospitality and
Tourism.



site are being developed and it is hoped that funding support for this important revitalisation and improvement will come to fruition in the near future in order to drive much higher visitation and enhance the overall visitor experience.

With Karl Penrose's expanded role across multiple sites and responsibilities, key appointments were made to support Karl and the daily operations of running, not only a tourism operation, but an operational gold mine. Ian Johnson has taken on the role of Compliance and Projects Coordinator, as well as being appointed the organisation-wide OHS Officer.

Ian and Karl were kept busy identifying possible alternate sites for groundwater management as part of the government investigation into finding a solution to the ongoing rising groundwater issues for Bendigo.

I am pleased to be able to report that the Trust has been included as a key stakeholder in these reviews with the intent that pumping arrangements continue to ensure that the operations at Central Deborah are protected. In this context the State Government announced major funding support for water to be pumped to a

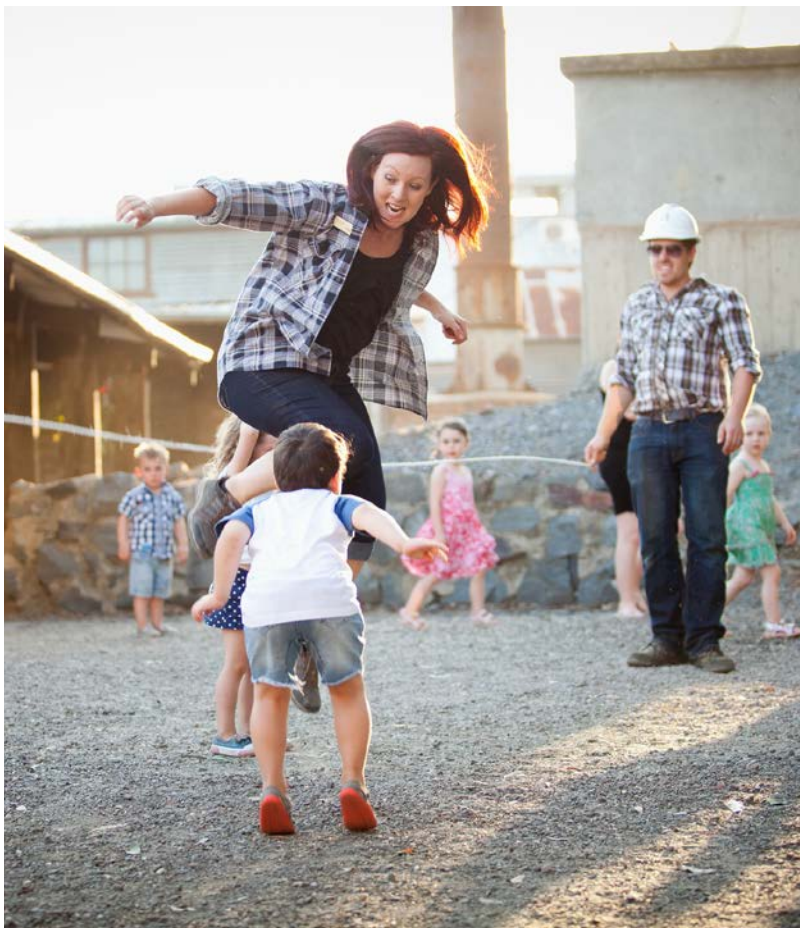
treatment facility at Coliban Water's Epsom operations as a transitional solution and an agreement is in place so that all pumping costs incurred by the Trust are reimbursed by Government. This is of great relief to the organisation and has also allowed the business to stabilise its financial position.

Support from other organisations in our community is greatly valued and we sincerely thank Fosterville, Gold FM and BMS Retail Group (Champions IGA) for supporting our activities through becoming Gold Sponsors and also thank our tram sponsors The Schaller Studio, La Trobe University, Hume & Iser, Jimmy Possum, Access Australia and the Bendigo Media Centre.

It was with sadness that I notified of my resignation as Chief Executive Officer to take up a role with the State Government through the Bendigo regional office of Regional Development Victoria. This role will provide me with an opportunity to hopefully make a positive difference across the entire Loddon Mallee region.

It has been an amazing 18 months working in such a positive and rewarding environment with such passionate Board, employees and volunteers who I will surely miss.

**Below:
Central Deborah
Gold Mine's first
Christmas event
was a success,
attracting more
than 500 people.**





Wayne Taylor services the Anzac Centenary Tram.



CENTRAL DEBORAH GOLD MINE



Karl Penrose,
Central Deborah
Gold Mine
Manager

Over 35,000 people explored Bendigo's golden heritage at Central Deborah Gold Mine throughout 2015/16. We are working towards a sustainable solution to Bendigo's groundwater problem, and the Bendigo Goldfield now has its first female Winder Driver, with Zoe Boyd completing her training at Central Deborah Gold Mine.

MINE TOURS

Demand for our tour products continues to be strong, and this year has included a very busy Winter compared to previous years. Patronage on our tours continues to come from a wide demographic, and draws visitors with many varied levels of interest, from families simply looking for a fun day out, to mining engineers and professional prospectors.

Our mainstay tour products continue to be extremely popular with school groups, university groups and of course, the general public. There has also been continued use of our underground workings by specialty mine specific emergency services training groups such as the CFA and the MFB.

Our Mine Experience Tours continue to be the most attended of our products, while surface admissions, Underground Adventure Tours, and Nine Levels of

Darkness tours have been increasingly popular. This year we have re-evaluated our tour participant limits, with a small increase to the maximum allowed on Mine Experience Tours. Even so, our tours have often been fully booked throughout school holiday periods, including extra tours that we have added to accommodate the increased numbers.

Underground kids Birthday Parties continue to be a success, with most weekends having at least one or two parties booked.

MINE SURFACE

There have been a couple of small projects take place to improve our visitor experience and safety, including new signage to help navigate around the museum, and replacing all the stair treads on the stairway of the poppet head. Other tasks such as installation of a solar hot water system,

replacing several windows in museum buildings and guttering repairs have all been completed in a bid to keep our heritage buildings in good condition.

Throughout all school holidays and long weekends, we have continued to operate Gold Pour Demonstrations, and have surface guides rostered to assist with visitors' many questions, to help guides with kitting up tour participants and for the tours to run efficiently. Our gold pours prove to be a popular point of interest for visitors to see while waiting for their next tour, or after a trip underground. We have found that many people appreciate that this is included in the surface at no extra charge, and adds value to their day.

After many years of projects and maintenance, the workshop and back storage yard had acquired a very wide variety of "useful" items, and the time had come for a clean out. A new workshop and driveway have been built, which will allow for easier access from the road, and our maintenance crew now has a much more efficient and usable work area.

On the first weekend of December we ran our inaugural Christmas event. The evening included old fashioned games and activities for children, traditional Cornish decorations and food, and a visit from the very jolly man in red. The evening was not only a huge success and very well received by the local community, but also a perfect opportunity for us to launch our new

lighting system for the poppet head. The poppet head has since been illuminated in a range of colours to show support for various causes, including Prostate Cancer awareness, our competing Olympians and the Very Special Kids Foundation.

UNDERGROUND

Our gold display on Level 2 has had a major upgrade, and looks fantastic! A huge thank you goes to John McNamara, and crew, for all of the effort and pride that was put into this project. The much larger display has made it easier for an entire tour group to see what is generally a big highlight of the tours, and saves a lot of valuable time on tours.

We are always looking to improve our tours and to be able to provide a more authentic experience for our visitors. Two other projects undertaken this year to achieve this goal have been the development of several replica carbide lamps and an upgraded explosives display. The explosives display now features a more accurate audible and visual simulation of a blasting pattern, as well as the ability to cancel out either the sound or lights if a guide needs to do so for visitor comfort. This has proven very beneficial as we have families or school groups who have special needs or concerns.

Other works carried out have included rehabilitation to the plat brow on Level 4, improvements to the ventilation system, and upgrades to our underground communications system.

**Below left:
The Bendigo
Goldfield officially
has its first ever
female Winder
Driver in Zoe Boyd.**

**Below right:
Gold Pour
Demonstrations
continue to be a hit
throughout school
holiday periods.
Photo courtesy
of the Bendigo
Advertiser.**



“ **A DAY IN THE MINE**
 ★★★★★
 I have to say the Central Deborah Mine was the best experience I have had. The staff are very nice and will look after you. The tour guides are full of knowledge and will have you going back to see the rest of the mine. The best part was the Cornish pasty they give you on the underground tour. I highly recommend that you visit the mine. It will have you hooked. ”
 - TripAdvisor

PLANT AND EQUIPMENT

Our large compressor, which is an essential part of our operations, reached the end of its life and as such, an order was put in for a new compressor which was installed in October 2016.

All other plant and equipment has been serviced and maintained to ensure safety and compliance and is considered to be in good working order.

BENDIGO DEWATERING PROJECT

Work has continued between Bendigo Heritage Attractions, DEWLP, water and environmental authorities and other stakeholders to find a sustainable solution to Bendigo's groundwater problem. Although we are making some progress, a definitive solution has not yet been decided. Exploratory works have been conducted to assess the suitability of several sites and shafts, with the view to utilising them as an alternative area for the water to be pumped to, however at this stage none of those investigated have been deemed as satisfactory to do so.

CDGM PUMPING SYSTEM

We are currently pumping on average 1.55M/L (Mega Litres) per day and are maintaining the water level around 260 metres from the shaft collar or 14 metres below Level 10. The pumps have easily kept up with the water inflow. However, due to changes made concerning the movement of the water, the lay flat pipes that make up part of our pumping system have been found to be inadequate for long term use. To fix this we are currently working towards installing a permanent steel rising main and other associated works to upgrade the current system.

WORKPLACE HEALTH AND SAFETY

We constantly review our training and procedures to ensure a safe environment for all our staff and visitors. This has included a higher focus on emergency evacuation training, with the aim to conduct scenario drills at regular intervals to make sure everyone is up to date.

As always, safety inspections of

equipment and underground workings have top priority.

STAFF AND VOLUNTEERS

Leon Waddington, Nathan Dole and Jeremy Fry joined our team this year as tour guides. They have all done a fantastic job picking up the necessary skills to deliver both the Mine Experience Tours as well as our Underground Adventure Tours.

Many other staff members have also taken the opportunity to enhance their skills, with Ian Johnson now trained to conduct all three of our tours, Joe Abela taking on Underground Adventure Tours, John McNamara and Zoe Boyd both demonstrating gold pours, as well as several of our team taking on new tasks with maintenance and administration. Not only does this increase the interest for those involved, but it also goes a long way towards improving efficiency and flexibility within our business. Zoe Boyd also trained to become a winder driver this year, and has since completed her training and assessment, making her the first ever female to do so within the Bendigo Goldfields. Our volunteer archiving crew has continued the tedious task of processing through our collection.

To all our staff and volunteers, thank you for all your hard work and passion over the past year. You should all be very proud of your contributions and achievements, large or small, which help our whole operation run smoothly, day in, day out.

AWARDS AND OTHER HAPPENINGS

- Awarded a Certificate of Excellence for consistently high ratings on TripAdvisor
- Participated in Victorian Seniors Week and Accessibility Weekend
- Participated in the Red Ribbon Rebellion Reenactment, organised by the Bendigo Historical Society
- Hosted a “No Lights No Lycra” event underground
- Had our first proposal happen 228 metres underground on a Nine Levels of Darkness tour

Right: New Tour Guide, Jeremy Fry.





Bendigo Tramways participated in the Bendigo Fit Weekend Strongman Tram Pull Competition.

BENDIGO TRAMWAYS



Luke Jenkins,
Bendigo
Tramways
Manager

Significant highlights over the past 12 months include; winning the 2015 Victorian Tourism Award for Cultural Tourism, winning bronze at the 2015 Australian Tourism Awards for Cultural Tourism, and winning the 2015 Bendigo Business Excellence Award for Hospitality and Tourism.

TRAM TOURS, CHARTERS, TRAM MUSEUM AND OTHER SERVICES:

Vintage Talking Tram Tours: In response to the RMCG Report commissioned by the City of Greater Bendigo, October 2015 saw improvements and efficiencies introduced to the Talking Tram timetable. Whereas in the past we had been operating an hourly timetable during the non-holiday periods, the service has now been increased to a half-hourly service being offered during the busier parts of the day. It was opportune that the tramways increased the frequency ahead of the Marilyn Monroe exhibition which brought many visitors to Bendigo from 5 March to 10 July. In particular, May and June (normally our quieter months) saw a significant increase in ridership at 42% and 43% respectively.

We held an open day on 5th December 2015 to celebrate the 42nd Anniversary of the

Vintage Talking Tram Tour and 125 years of trams in Bendigo. The day also marked the 100th birthday of Tram No. 7 which has been in the Workshop under-going restoration back to its SECV 1972 configuration. The day took on a community focus and coincided with Central Deborah Gold Mine's Christmas event and the Bendigo Joss House Temple's Open Day by providing a free 20 minute linking tram service from 10:00am to 9:40pm. The day was a tremendous success, providing a great opportunity for us to showcase our attractions and connect with our community.

Depot and Workshop Tours: The provision of Depot and Workshop Tours has taken a new format in line with the improvements and efficiencies which have been initiated across the Tramways. With free admission, visitors are invited to roam at will within the designated precinct by

way of a self-guided tour. This means they can stay as long as they like and take in the many interesting facets of the Tramway's history and the Workshop's production capabilities. Tour guides are provided at a cost for large groups.

Bendigo Tramways and our neighbour Bendigo Woollen Mills have arranged for visitor access between both sites via a pedestrian gate located in the boundary fence. This has been a boon to both businesses. We find that couples in particular are able to pursue their interest in trams or woollen products or both. On most days, it is not unusual to come across a woman who has walked into the Depot yard from the Woollen Mills enquiring if anyone has seen her husband. We just point her in the direction of the tram shed and say, "You'll probably find him down the back looking at the workshop activities!"

Charters and Specials: As part of Bendigo Heritage Attraction's contribution to the Marilyn Monroe exhibition the Tramways operated a successful twilight "Sentimental Journey" Tour. Guests boarded the tram at Charing Cross and spent a leisurely hour enjoying music by Ella Fitzgerald and a commentary about the friendship between Ella and Marilyn whilst sipping on refreshments and nibbling on canapés.

The 2015 Santa Tram was a huge success, and even with additional tours, it was completely booked out before services commenced. 2016 will see an extended schedule with twilight services being introduced for the first time.

The Blues Tram continues to be an

unqualified success. Trams 610 and 369 have seen regular Blues events. With great delight, visitors have enjoyed Blues music and light refreshments while traveling through the classic Bendigo streetscapes.

There have also been consistent "specials" throughout the year. Enabling groups to book a private tram has proven to be a popular option.

The Yarn Bombed Tram (Birney Tram No. 302) witnessed its 3rd year of operation! This tram's quirkiness has appeal to a wide audience and never fails to draw the attention of visitors. We commend the Yarn-bombers for the tremendous effort they have made hand-crafting the colourful wool decorations that adorn this tram.

Bendigo Tramways also participates in other community events. Four trams featured in this year's Easter Torchlight parade. The ANZAC Centenary Tram was a feature in Bendigo's ANZAC parade. Tram No. 25 hosted local radio station 3BO who did a live broadcast from the tram.

BENDIGO'S OPERATING TRAM FLEET

Major maintenance, particularly wheel replacement, or profiling, along with general overhauls are required on several trams. Implementation of these programs will begin soon, pending the appointment of specialist maintenance personnel.

A recent media campaign was run regarding trams interfacing with road users. Feedback from our drivers has indicated there has been a greater awareness of trams' presence on the roads by Bendigo road users.

Below Left:
Shaun Naughton
working on Tram
No. 728 which is
now completed
and housed at the
Queen Victoria
Market as a food
vending outlet.

Below Right:
The Blues Tram
continues to draw
crowds and attract
fantastic local
musicians, such as
Albert Skipper.



“THE NICEST WAY TO SEE TOWN

★★★★★

Visiting the old tramways was one of our highlights. Travelling on a 100 year old tram to see the town and hear all of the stories, history and adventures of old Bendigo was very interesting and child friendly. My 2, 3 and 6 year old didn't move for the entire trip, they were absolutely infatuated with the tram and the driver. Definitely worth the small fee.”
- TripAdvisor

COLLECTION MANAGEMENT

This year saw the sale and restoration of Tram No. 728 which is destined for the Queen Victoria Market as a food vending outlet. Tram No. 370 has also been sold with a view to its refurbishment and operation at an international location. Ex-Melbourne Restaurant Tram No. 937 has been sold to Access Australia Group and will be re-located to PepperGreen Farm where it will provide a catering facility. Additionally the Tramways have been able to make available for sale surplus spare parts which have been able to generate additional income.

NETWORK ASSETS

As a consequence of the track audit by Transport Safety Victoria in 2015, three of the Improvement Notices scheduled for closure by 24 August 2016 were addressed. Major maintenance to our infrastructure is continuing to be funded through our agreement with the City of Greater Bendigo.

HERITAGE WORKSHOP

The restoration of MIRVAC Tram No. 1995 was completed in December. The tram was returned to Sydney and is located at its old home, the former Rozelle Tram Depot, which has been completely refurbished as the “Tramsheds” shopping complex.

Tram No. 1010, the fourth W8 Class City Circle Tram rolled off the production line in March 2016. This tram was replaced by the fifth tram scheduled to be rebuilt, No. 981 whilst the sixth tram No. 983 arrived in Bendigo a few months later. Other works have included ongoing restoration of the Sydney Tramways Museum's Launceston Tram No. 14, the completion and storage of Millar Commercial's Sydney “R1” Class tram No. 2050, additional minor contract work for other tram museums and maintenance works on the Bendigo fleet.

DEPOT IMPROVEMENTS

With the support of the City of Greater Bendigo, we continue to improve the efficiency, safety and general operation of the workshop. Working in conjunction with Heritage Victoria, this year saw much needed maintenance to the buildings and

grounds. Preparations also commenced for the extension of storage facilities along Back Creek.

STAFF AND VOLUNTEERS

We are pleased to acknowledge the efforts of 4th year apprentice, Paul Summersgill, for being awarded gold at the WorldSkills Regional Championships.

The structural change in staffing has been ongoing. March 2016 saw the retirement of Jos Duivenvoorden from the position of Tramways Manager and we took this opportunity to acknowledge Jos' endeavours in getting the W8 project off the ground. New staff appointments have substantially improved our capability with greater emphasis on welding and metalwork that is needed for the W8 Class works. New volunteers continue to make a significant contribution, particularly to works on our own trams. The tram service itself is also continuing to use a number of volunteers which helps to control costs.

ORGANISATIONAL DEVELOPMENT

We are pursuing continuous improvements in our systems and procedures. With the assistance of the City of Greater Bendigo we have engaged the Melbourne based firm Cruse to develop a new online system called “Lucidity” for the storage and retrieval of our documentation. The system is streamlined and permits all staff to access and submit information to assist them with the daily operations of the Tramways. Over the last year clarification of cost centres has improved project management, new investment in equipment and associated staff training is improving efficiencies and ongoing training of staff has improved our capabilities.

BIRNEY THE TRAMWAYS CAT

Visitors to the depot make a point of meeting Birney while others come JUST to see him. A book written about Birney has proven very popular, while other Birney merchandise now includes; postcards, temporary tattoos, badges, magnets and mugs. Birney is a very popular and much loved Tramways ambassador!





The Bendigo Joss House Temple.

BENDIGO JOSS HOUSE TEMPLE



Darren Wright,
Bendigo Joss
House Temple
Supervisor

The Joss House continues to intrigue and educate all those who visit, many find it an enlightening experience and we take great delight in dispelling some of the urban mythologies that have been perpetuated in association with its intended purpose.

An increase in worshippers over the past 12 months has made the Joss House a popular destination with a diverse purpose. Tourism has increased with the advent of the half-hour tram services, although we have been without tram services to the North Bendigo Terminus for some time due to track defects.

Tour groups continue to select the Joss House as an intriguing historical destination whether they be primary or secondary schools or Probus groups. Many positive comments are received as to the breadth of knowledge that our staff and volunteers possess and their abilities to impart that in a passionate and entertaining manner. Recently we have been fortunate to attract more volunteers and staff to assist in this undertaking, they being Fiona Liebert, Catherine Aylett, Val Hogan, Brenda Fielding and Angela Zheng. Special mention must also be made of Tom Ladson who volunteers his time and effort on a fortnightly basis in

caring for our grounds, his efforts have been commented upon on many times.

The five year countdown to our 150th celebrations began in late January this year and plans are now being made to celebrate this auspicious event. The Joss House began construction in 1870 to be completed in time for the beginning of Chinese New Year in 1871, this makes it the oldest of the Bendigo Heritage Attractions sites and the second oldest Chinese place of worship in the whole of Australia. Few original temples now remain; many were constructed in timber and of a temporary nature with natural or man-made forces contributing to their disappearance from the landscape. Bendigo is lucky to retain some tangible history of its Chinese past, where other places with a very similar history no longer have anything visibly remaining of an ethnic background that in many places was upwards of a quarter of the population

when alluvial gold was the principal focus of the time.

Research is always an ongoing project and has enabled us to learn a good deal about the history of the Joss House, the Ironbark Chinese Camp and others, as well as the general history of Chinese on the goldfields. So much more needs to be discovered but our knowledge is only as good as the records and information that survives or that is currently accessible. It is hoped in future to revise and reprint the old National Trust booklet which was first printed back in 1972. We have been visited over the course of the year by quite a few academics, authors and film crews, all eager to help us tell the story of the Chinese on the Bendigo Goldfields. Recently a film crew from New Zealand were filming a documentary highlighting the links between China, Australia and New Zealand as a result of the gold discoveries in Bendigo and beyond. They were absolutely amazed that the temple had survived and with what we so far knew.

We welcomed in the Chinese New Year of the Monkey with our annual Lantern Festival. The Bendigo Chinese Association Lion team and Plum Blossom Dance team entertained the large audience with traditional celebratory dance. Altars were blessed and negative forces dispelled for the upcoming



Above: The Bendigo Joss House Temple Lantern Festival attracted over 300 people.

year, a year that has been one of meetings and partings and one with its fair share of changes and challenges. New ideas and new perspectives (plus a new CEO) are advantageous in moving forward and so bravely forward must we go. Despite all obstacles and difficulties, the old sayings of “the show must go on” and “never say die” have their pertinence here as we strive in our mission to preserve the past and ensure that it is secured for future generations to experience and enjoy.



BENDIGO GAS WORKS

The Bendigo Gas Company was formed in 1859, operating from 1860 until its closure in 1973. Today it is a valuable static reminder of a past technology, but also serves as a second depot for the Bendigo Tramways, where numerous trams from the Bendigo fleet are stored.



VICTORIA HILL

Gold was first discovered on Victoria Hill in 1854. By 1861 it had yielded at least 1,200,000oz in gold, worth over \$2bn at current prices. Today, Victoria Hill Reserve is a heritage-listed site that offers characteristic examples of important forms of gold mining. The site includes interpretation and is open daily for self-guided tours. Large groups book guided tours from time-to-time, but essentially Bendigo Heritage Attractions' role is site inspection and maintenance.



SALES AND MARKETING



**Evonne
Oxenham,
Sales and
Marketing
Manager**

What a year! A new trading name for the Trust, new branding and website for the tramways, new Joss House logo, radically improved signage across all the sites, our very own Tram App, new products, a bigger events calendar and growth in admissions.

BENDIGO HERITAGE ATTRACTIONS

November 2015 saw the announcement of the Trust's new trading name in the local media. This and the message that the Trust was shaking off a number of difficult years with a more focussed approach, was well-received by the community.

As part of the new name announcement, we unveiled a new logo and amalgamated The Bendigo Trust Membership and Friends of the Tramways memberships into a Friends of Bendigo Heritage Attractions.

RETAIL

The 2015/16 year was full of changes. Following on from the decision to discontinue our management agreement with Discovery, we had to relook at our structure, which resulted in the reduction of hours dedicated to operating our retail shops. As a result, we had some staffing changes in this area. Despite this, the

Visitor Services staff did an outstanding job keeping things afloat and we still ended the year up on the previous year, however slightly behind on budget.

VISITOR SERVICES

Our Visitor Services team, headed up by Darcy Van Dillen, continued to make improvements to the friendly way in which we present our products to customers and our tour guides, tram drivers and conductors continued to impress our visitors with their hospitality and fantastic storytelling. This is evidenced in the multitude of positive Trip Advisor posts and from feedback delivered through our new digital feedback stations which are available in both the mine and tram shops. The feedback tells us that not only are our customers happy with their experience, but they are enthusiastically telling their friends and relatives about their visit which is the number one marketing tool for us.

MARKETING COMMUNICATIONS

A complete refresh of our branding across all our sites has taken place over the past year. These refreshes came at a good time as there were also numerous changes to our opening hours, tram schedule and product offering that gave us lots of good reasons to completely refresh and update most of our brochures and other marketing materials.

We also created three new videos to promote our products, including Crack the Code, mine birthday parties and Santa Tram.

PRODUCT DEVELOPMENT

The tramways received a lot of attention from Marketing this year, with a number of new products introduced to diversify and revitalise the tram product.

This included the school holiday challenge, Crack the Code, which encouraged families to hop on a tram and solve the clues in order to crack the code. We were fortunate to get BIG4 Holiday Parks on board to sponsor a significant prize of a weekend away with spending money.

A big success was "Sentimental Journey on Tram 880" which was developed to coincide with the Marilyn Monroe exhibition that was visited by 143,500 people from Mar-Jun 2016. This evening tram product shared the story of Marilyn Monroe and jazz legend, Ella Fitzgerald's special friendship and guests enjoyed champagne and light snacks while trundling gently through the city. The tram ran each Saturday during the exhibition and hosted around 550 people.

Work continued on building the Talking

Tram App which was launched in September 2016. This included the introduction of a brand new Talking Tram commentary, professionally recorded and translated into three foreign languages, namely French, German and Mandarin. It is hoped that the app will be regularly downloaded by visitors who want to know more information about what there is to do at each tram stop and who want more choice in what content they hear during their tour.

Other changes included, the introduction of a Self-guided souvenir map for the Depot (guided public tours were discontinued due to cost inefficiencies) and the opening of the gate between the Bendigo Woollen Mills to enable visitors to easily access both venues.

EVENTS

In reviewing our business strategy, it was recognised that community engagement was a vital part of what we need to do to ensure community goodwill for our organisation. As a result we expanded the Talking Tram anniversary event which always takes place in December each year and included both the Joss House and Mine in the celebrations.

This year, we not only celebrated 42 years of Talking Trams, but also 125 years of trams in Bendigo. The day, which coincided with the Bendigo Street Festival, ran into an evening Christmas event at the mine which was an enormous success and drew in excess of 500 people on the night.

The Lantern Festival at the Joss House took place for the sixth time and was once again a fantastic community event.

Below Left:
The new Bendigo Tramways website was launched in October 2015.

Below Right:
Sentimental Journey aboard Tram No. 880 was enjoyed by over 550 visitors.





The Central Deborah Gold Mine team participated in the Red Ribbon Rebellion Re-enactment which was organised by the Bendigo Historical Society.

FINANCE REPORT



Tennille Leamon,
Chief Financial
Officer, Company
Secretary

This year has seen a significant turnaround in our financial position due to many factors, the largest being increased support from the City of Greater Bendigo as well as an increase in contract income from our workshop at the Tramways.

We had a year of increased admissions and ticked off a few things on our list to achieve; paying out the non-current component of our loan to the City of Greater Bendigo (which means the loan will be finalised at the end of June 2017), paying all outstanding monies to the ATO, withdrawing The Bendigo Trust from the management of the Discovery Science and Technology Centre, and getting ourselves into a cash positive position. We saw an increase in retail sales while reducing our stock on hand, our quick ratio became positive, and DEWLP took ownership of the groundwater pumping and its associated costs (saving us \$100K a year). We finished the financial year with a profit of \$475K. However, a post year journal to remove the Tram Track Network from our assets due to the intention of the City of Greater Bendigo to take ownership of these in the 2016-2017 Financial Year has taken our profit to a \$1,221K loss. It's important to note that this is entirely due to the change of track ownership. Some general statistics include:

- Admission Growth – 10.8%
- Retail/Food & Beverage Growth – 14.8%
- Contract Revenue Growth – 60.9%
- Direct Expenses Growth – 10.7%
- Non direct Expenses Growth – 9.3%
- Marketing Spend Increased – 70%
- Receivables Increased – 137%
- Payables Increased – 10.9%
- SOH Decreased – 26.7%
- Reduction in Long Term Borrowings – 100%
- Reduction of Total Liabilities – 21.7%
- Increase of Total Assets – 11.1%

While this has been a good year for us, there is a long way to go. Complacency would be one of our biggest risks, along with the need to secure steady contracts at the Tramways. We also need to continue to manage our costs effectively, improve our cash position to match our liabilities, particularly our staff provisions, and manage our fleet of trams so that they will be able to service our tourism business for many years to come.

I would like to thank all the staff and volunteers who have assisted us to see an improvement in financial outcomes, making it easier to manage the finances.

ACKNOWLEDGEMENTS

Patrons: The Hon. Linda Dessau, AM Governor of Victoria; The Hon. Tim Fischer AC

Auditors: AFS Chartered Accountants

Bankers: Bendigo Bank

Solicitors: Beck Legal

The Bendigo Trust is grateful for the continued support of the following individuals and organisations:

- Access Australia
- Abbott Supplies
- ABC Radio Bendigo
- All Tech Electrical Solutions
- Art Gallery Cafe
- Jacinta Allan MP
- Art Series Hotel – Schaller Studio
- Association of Tourist Railways (VIC)
- Bendigo Advertiser
- Bendigo Bank
- Bendigo Blues and Roots Festival
- Bendigo Business Council
- Bendigo Cinemas
- Bendigo Engineering Services Pty Ltd
- Bendigo Historical Society
- Bendigo Media Centre
- Bendigo Tourism
- Bendigo Toyworld
- Bendigo Visitor Centre
- Bendigo Volunteer Resource Centre
- Bendigo Woollen Mills
- Big4 Holiday Parks
- Champions IGA
- Lisa Chesters MP
- City of Greater Bendigo
- Howard Clark OAM
- John Anstey, Coliban Water
- COTMA
- Cruse – Norine Cruse, Dwayne McDonald
- Department of State Development, Business & Innovation (VIC)
- Ben Devanny, City of Greater Bendigo
- Damian Drum MLC
- East End Engineering
- Gold FM
- Norm Grady, Consultant Electrical Engineer
- Maree Edwards MP
- Masfield Manufacturing Pty Ltd
- MIRVAC Construction
- Mulqueen Printers
- Scott Pigdon, EPA Victoria
- Scott Ridges, Goulburn Murray Water
- Heritage Victoria
- Hume & Iser
- La Trobe University
- Launceston Tramway Museum

- Jimmy Possum
- Mandalay Resources
- Daniella McClure, City of Greater Bendigo
- Megan McDougal, Heritage Advisor, City of Greater Bendigo
- Melbourne Tramcar Preservation Assn
- Miller Commercial Group PTY LTD
- Minerva Heritage
- Mark Zanetic, MIRVAC Construction
- Josh Morrell, Fosterville Gold Mine
- Brad Murnane, Tourist and Heritage Railways - PTV
- National Trust (VIC)
- Phil Dyson, North Central Catchment Management Authority
- Dennis O'Hoy
- Perth Electric Tramway Society
- Adrian Ponton, Registrar Tourist & Heritage Railways
- Powercor
- Public Transport Victoria
- Radius Disability Services
- Regional Development Victoria
- Safety Action Pty Ltd
- Studio Ink
- Bob Styles, RJ Styles & Associates
- Specialist Apps
- Sydney Tramway Museum
- Russell Trevaskis, Consultant Rail Engineer
- Greg Sutherland
- Viatek
- Victorian Tourism Industry Council
- Thrive Web Design
- Tourism Victoria
- Victorian WorkCover Authority
- Yarra Trams
- VECCI
- Mal Kersting, VicRoads

LIFE MEMBERS

Robert Aulsebrook	Gordon McKern OAM
Helen Bruinier	Dennis O'Hoy
Barry Callaway	Myra Potter
Earl Ewers	Walter Straede
Andrew Hall	Phyllis Toy
Graham Jordon	Les Twining
James Lerk	Colin Withington

HONORARY LIFE MEMBERS

Dennis Bell	Jill Moorhead
Lloyd Cameron	Neil Murray
Keith Kings	Michael Lowther
Stephen Kirkpatrick	Michael McGowan
James Lerk	John Penhall
Dennis O'Hoy	David Wright
Myra Potter	



STAFF AND VOLUNTEERS

THE BENDIGO TRUST OFFICE

Chief Executive Officer

Ian Hart: M. Bus Admin, GAIC D
(Resigned 9th June, 2016)

Executive Assistant to the CEO and Human Resources Manager

Faye Gair: Dip Mgmt/HR

Chief Financial Officer

Tennille Baker: B. Comm, CPA

Finance Officers

Marika Power Bianca Broom

Sales and Marketing Manager

Evonne Oxenham: B. Journalism

Marketing Officer

Tynille Thurlow: B. Marketing

Retail Officer

Andrea Stringer (until 10 August 2015)
Kim Townsend (October 2015 – April 2016)
Belinda McEniry (since April 2016)

Bookings Coordinator

Kathie Knight

Visitor Services Supervisor

Darcy Van Dillen

Visitor Services Officers

Catherine Aylett	Denis Fitzgerald
Wendy Botheras	Fiona Liebert
Zoe Boyd	Luke Morris
Leanne Buddrick	

BENDIGO JOSS HOUSE TEMPLE Supervisor

Darren Wright

BENDIGO TRAMWAYS Manager

Jos Duivenvoorden: Dip ASc, Grad Dip
Recreation Management, Grad Dip Business
Admin (Resigned March 2016)

Projects Manager & Depot Supervisor

Luke Jenkins: Dip. Management

Team Leader – Coachbuilding & Restoration Shaun Naughton

Team Leader – Engineering & Network Assets Michael Campbell

People listed in *italics* have been made Honorary Members of The Bendigo Trust for 2015/16 in recognition of 100 or more hours of voluntary service this past year. Thank you to our Honorary Members and all of our volunteers.

Team Leader – Tram Services

Anita Bagley: Dip. Management

Engineer

Richard Clarke

Depot and Workshop Staff

Ryan Allen
Ben Andrews
Charles Bovalino
Julie Cain
Anthony Cliff
Ray Cooper
Len Cutting
Daniel Fahy
Dennis Garsed
Lynne Jansen
Simon Jenkins
Laurie Jensen
Peter Kilpatrick
Stephen Kirkpatrick
Michael Lowther
Maree O'Brien
Peter Parsons
Wayne Paynter
John Penhall
Rebecca Phillips
Scott Richardson
John Ritchie
Don Roach
Anthony Rooke
Daniel Rutherford
Damien Steel
George Stirling
Paul Summersgill
Wayne Taylor
Ross Turton
Leon Waddington
Les Woodfield

**CENTRAL DEBORAH
GOLD MINE****Manager**

Karl Penrose: Dip. Management

Mine Maintenance and Tour Staff

Joseph Abela
Ken Bice
Zoe Boyd
Ray Cooper
Nathan Dole
Elaine Douglas
Peter Dumont
Jeremy Fry
Georg Hein
Daryl Hopgood
Laurie Jensen

Ian Johnson
John McNamara
Joshua Morrell
Tamasin O'Mara
John Robinson
John Turner
Leon Waddington

VOLUNTEERS

Russell Birch
Terry Boardman
Geoff Brown
Peter Butler
Bill Chan
Jordan Clayton
Stan Cue
Len Cutting
Mikelle Dingwall
Brenda Fielding
Max Gaynor
Rod Gill
Joseph Gould
John Gray
Sandra Hall
Patrick Hannen
Ian Hardie
Val Hogan
Keith Hopkins
Andrew Howlett
Peter Kilpatrick
Sue Kimpton
Thomas Ladson
John Leonard
Bryan Lewis
Paul Mayer

Simon McEvan
Michael McGowan
Marianne Midelburg
Len Miller
Robbie Newell
Ian O'Brien
Michael O'Brien
Dennis O'Hoy
Simon Perrin
Don Roach
David Roberts
David Robinson
Dianne Robinson
Greg Robinson
Lloyd Roulston
Jenny Scott
Frank Steele
Ian Stimpson
Darrell Tonkin
Russell Trevaskis
Kate Vines
John Whiting
Des Woodward
Richard Wright
Shirley Xanthos
Lester Young

**THE BENDIGO TRUST
FOUNDATION BOARD**

Lloyd Cameron
Margot Falconer
Wayne Gregson
Anne Henshall
Ken Richmond (Chair)
Helen Yorston



THE BOARD OF DIRECTORS



DAVID WRIGHT

Director/Chairman (Current term expires 2017). Board member since 1996 (Council Nominee 1996-2007). Qualifications: Diploma of Commerce, Certified Practising Accountant (CPA), Municipal Clerk. David is now retired and holds a number of voluntary positions in community groups within our community. Prior to his retirement he spent 50 years

in Local Government. David holds a number of life memberships granted by community groups including The Bendigo Trust.



IAN HART

Chief Executive Officer from Dec 2014 to June 2016. Qualifications: Master of Business Administration (MBA) majoring in Sport Management, Graduate and Member of the Australian Institute of Company Directors (GAICD) Diploma program. Previously Ian was Chief Executive of Thoroughbred Racing SA and Chief Executive

of Bendigo Jockey Club. Ian serves as a Board member of the Community Foundation for Central Victoria; Board member of the Bendigo Region YMCA and is a member of the Committee of Management of the Star Cinema.



MAKENNA BRYON

Director (Current term expires 2019). Board member since 2016. Makenna has formally studied Communications, News Media and Management. Makenna has 20 years' experience in the Marketing and Communications industry with a career as varied as television reporting through to advertising copywriting and international

product management. Makenna brings a particular focus towards increasing Bendigo Heritage Attractions' tourist recognition and experience of all that Bendigo Heritage Attractions has to offer.



MICHAEL MCGOWAN

Director (Current term expires 2016). Board member since 2007. Qualifications: Dip General Studies, Dip Ed, Cert IV Workplace Trainer and Assessor. Cert of Competency Tram Driver. Volunteer Conductor, Driver, Traffic Officer, Driver Examiner, Roster/Timetabling Clerk, Website Author and Tramways Consultant to Bendigo Tramways since 1972. Former Teacher,

Leading Teacher – Dept of Education & Training 28 years, retired 2006. Two years industrial experience including Bendigo Tramways (Operations Manager), Miller Carpets and Melbourne & Metropolitan Tramways Board.



WAYNE GREGSON

Director/Deputy Chairman (Current term expires 2017). Board member since 2010.

Wayne has spent most of his working life as a journalist, in print, TV and radio newsrooms.

Wayne was elected to the City of Greater Bendigo in 2004, representing the central Sandhurst Ward and was the Council's nominee on The

Bendigo Trust board from 2004-2008. Wayne worked as an electorate officer in the State Government until retiring in June 2016. Wayne is a graduate of the Australian Institute of Company Directors and has a Cert IV in marketing. Past president and present Board member Rotary Club of Bendigo Sandhurst.



CRAIG NIEMANN

Director (Council Nominee). Board Member since 2011. Craig joined the City of Greater Bendigo as a Director in 2005 and was appointed CEO in 2007. He has more than 30 years experience working in the local government sector including roles at the Borough of Eaglehawk and the Shire of East Loddon. Prior to joining the

City, Craig was Shire of Loddon CEO – from 1997 to 2005. Craig's history also includes serving on the Board of North Central Regional Goldfields Library for 10 years and Board member of the Inglewood and District Health Service for more than 10 years. Craig is a Board member of Regional Development Australia – Loddon Mallee Region.



MELINDA ROSSER

Director (Current term expires 2018). Board member since 2016. Melinda has strong marketing and business development experience across business of all sizes. Melinda brings 20 years of professional experience and tertiary qualifications in marketing and communications.

Melinda is dedicated to developing tourism of the Bendigo Heritage Attractions sites. She has worked in a wide variety of industries including tourism, professional services, agriculture, engineering and construction.



HELEN YORSTON

Director/Board Secretary (Current term expires 2017). Board member since 2005. Manager of Bendigo Volunteer Resource Centre, Treasurer and longest standing member of Victorian Volunteer Resource Centres' Network, Secretary of Bendigo Volunteer Managers and Leaders Network, Secretary and Public Officer of Loddon

Mallee Interchange Inc, Vice President of Bendigo Easter Fair Inc., Secretary of Royal Victorian Association of Honorary Justices – Bendigo Branch, Trustee for Bendigo Community Theatre & Arts Inc Public Fund.



CR LISA RUFFELL

Director (Council Nominee). Board member since 2014. Cr Lisa Ruffell has been a Councillor with the City of Greater Bendigo since 2008. Cr Ruffell served as Mayor in 2012/2013. Along with her family, Cr Ruffell owns and operates Ruffell Family Jewellers. Cr Ruffell was awarded the 2000 Australian Federation of Business and Professional Women

Incorporated (BPW) Bendigo Business Woman of the Year and was a finalist in the 2000 BPW Victorian Business Woman of the Year Awards. Cr Ruffell was instrumental in organising five 'Women Showing the Way' forums.



PETER ABBOTT

Chief Executive Officer since September 2016. Previously Peter managed the Tourism Services Unit at Warrnambool City Council which included Flagstaff Hill Maritime Village, Middle Island Maremma Project, Surfside Holiday Parks and Warrnambool Visitor Services. Peter has also worked as a Regional Tourism Manager in South Australia, AVIS

Car rentals and Melbourne Exhibition and Convention Centre. Peter is on the board of Museums Australia (VIC) and is a strong supporter of volunteer groups and museums as a way to engage the local community.



CLIVE WALKER

Director/Chairman – Finance and Audit Committee (Current term expires 2018). Board member since 2003. Qualifications: Fellow, CPA Australia (FCPA), Diploma of Business Studies (Accounting). Over 40 years experience in corporate accounting and finance, including 30 years service in Senior finance roles at

Bendigo Bank, retiring 30 June, 2013. Member of other community-based committees and former Councillor, Bendigo Branch, CPA Australia.



FINANCIALS

THE BENDIGO TRUST

ABN: 39 005 014 175

Financial Statements for the year ended 30 June 2016

30	Directors' Report
31	Auditor's Independence Declaration
32	Statement of Profit or Loss and Other Comprehensive Income
32	Statement of Financial Position
33	Statement of Changes in Equity
33	Statement of Cash Flows
34	Notes to the Financial Statements
41	Directors' Declaration
42	Independent Auditor's Report

DIRECTORS' REPORT

Your Directors present their report of The Bendigo Trust for the financial year ended 30 June 2016.

DIRECTORS

The names of each person who has been a Director during the year and to the date of this report are:

Mr David Wright	Mr Wayne Gregson
Mrs Helen Yorston	Mr Michael McGowan
Cr Lisa Ruffell	Mr Craig Niemann
Mr Clive Walker	Mrs Makenna Bryon
Mrs Melinda Rosser	<i>Appointed 26 April 2016</i>

Appointed 26 April 2016

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

PRINCIPAL ACTIVITIES

The principal activities of the company during the financial year were tourist operations, development and maintenance of heritage assets, restoration of heritage trams and education.

OPERATING RESULT

The net result of The Bendigo Trust is:

30 June 2016	30 June 2015
*(1,221,678)	(597,368)

SIGNIFICANT CHANGES

In the opinion of the Directors there were no significant changes in the state of affairs of the company that occurred during the financial year under review, with the exception of the matters below:

1. The termination of the management agreement with the Discovery Science and Technology Centre. The termination of this agreement resulted in The Bendigo Trust discontinuing operations of the Discovery Centre on 12 July 2015. An impairment loss of \$563,783 was incurred at 30 June 2015 as the consideration for the non-current assets held for transfer and liabilities associated with the non-current assets held for transfer, is nil. In July 2015 the Management Agreement between The Bendigo Trust and the Discovery Centre was terminated. The Discovery Centre has since appointed a Board of Management and will continue operations as a separate legal entity.
2. ***It is planned that the City of Greater Bendigo (CoGB) will take ownership of the tramway infrastructure in the 2016-17 financial year. As these assets will be transferred for nil consideration, an impairment loss of \$1,673,118 was recognised at 30 June 2016. At this stage the CoGB and The Bendigo Trust are still discussing the details of what constitutes the network assets to be transferred.**

AFTER BALANCE DATE EVENTS

On 15 August 2016 a new CEO, Peter Abbot, was appointed following the resignation of Ian Hart.

DIRECTORS' BENEFITS

Since the end of the previous financial year no Director of the company has received or become entitled to receive a benefit other than:

- (i) a benefit included in the aggregate amount of emoluments received or due and receivable by Directors shown in the

accounts; and

- (ii) a fixed salary as a full-time employee of the company or of a related corporation, by reason of a contract made by the company or a related company corporation with the Director, or with a firm of which they are a member or with a company in which they have a substantial financial interest.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

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

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for an auditor of the company.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

MEETINGS OF DIRECTORS

During the financial year, 11 meetings of directors were held. Attendances by each director were as follows:

Name	Eligible to attend	Attended
Mr David Wright	11	11
Mr Wayne Gregson	10	8
Mr Michael McGowan	11	11
Mr Craig Niemann	11	8
Mr Clive Walker	11	8
Mrs Helen Yorston	11	11
Cr Lisa Ruffell	11	7
Mrs Makenna Bryon	3	2
Mrs Melinda Rosser	3	3

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's Independence Declaration for the year ended 30 June 2016 has been received and can be found on page 31.

The directors' report is signed in accordance with a resolution of the board of directors.



David Wright
Chairperson



Clive Walker
Director

Dated this 25th day of October 2016

AUDITOR'S DECLARATION



Lead auditor's independence declaration under section 60.40 of the *Australian Charities and Not for Profits Commission Act 2012* to the directors of The Bendigo Trust

I declare that to the best of my knowledge and belief, during the financial year ended 30 June 2016 there has been no contraventions of:

- the auditor independence requirements of the *Australian Charities and Not for Profits Commission Act 2012* in relation to the audit
- any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart'.

Andrew Frewin Stewart
61 Bull Street, Bendigo Vic 3550
Dated this 28th day of October 2016

A handwritten signature in black ink, appearing to read 'Adrian Downing'.

Adrian Downing
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation. ABN: 51 061 795 337.

P: (03) 5443 0344 | F: (03) 5443 5304 | 61-65 Bull St./PO Box 454 Bendigo Vic. 3552 | afs@afsbendigo.com.au | www.afsbendigo.com.au

TAXATION • AUDIT • BUSINESS SERVICES • FINANCIAL PLANNING

FINANCIAL STATEMENTS

The Bendigo Trust - ABN 39 005 014 175

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME YEAR ENDED 30 JUNE 2016

	Note	2016	2015
		\$	\$
Revenue			
Revenue	3	4,692,547	3,617,430
Expenses			
Employee expenses	4	(2,121,192)	(2,018,848)
Cost of sales and services	4	(666,354)	(701,966)
Projects	4	(380,738)	(160,922)
Other expenses	4	(940,713)	(672,424)
Interest	4	(2,772)	(5,341)
Bad debts	4	(8,278)	-
Depreciation	4	(103,033)	(143,445)
Legal fees	4	(2,642)	(50)
Audit fees	4	(14,069)	(8,945)
Impairment loss	4	(1,673,118)	-
Deficit before income tax		(1,220,344)	(94,511)
Income tax expense		-	-
Deficit from continuing operations		(1,220,344)	(94,511)
Deficit from discontinuing operations	2(i)	(1,334)	(647,657)
Deficit attributable to members of the entity		(1,221,678)	(742,168)
Other comprehensive income		-	144,800
Total comprehensive income attributable to members of the entity		(1,221,678)	(597,368)

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016

	Note	2016	2015
		\$	\$
Current Assets			
Cash and cash equivalents	5	188,396	207,386
Trade and other receivables	6	614,047	242,678
Inventory	7	86,979	118,768
Total Current Assets		889,422	568,832
Non-Current Assets			
Property, plant and equipment	8	179,664	1,955,816
Total Non-Current Assets		179,664	1,955,816
TOTAL ASSETS		1,069,086	2,524,648
Current Liabilities			
Trade and other payables	9	378,712	520,982
Provisions	10	254,869	204,772
Borrowings	11	76,728	125,079
Total Current Liabilities		710,309	850,833
Non-Current Liabilities			
Provisions	10	18,883	52,243
Borrowings	11	-	60,000
Total Non-Current Liabilities		18,883	112,243
TOTAL LIABILITIES		729,192	963,076
Net Assests		339,894	1,561,572
Equity			
Retained earnings		239,894	1,461,572
The Bendigo Trust Foundation reserve		100,000	100,000
Asset revaluation reserve		-	-
TOTAL EQUITY		339,894	1,561,572

The above statements should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

The Bendigo Trust - ABN 39 005 014 175

STATEMENT OF CHANGES IN EQUITY YEAR ENDED 30 JUNE 2016

	Notes	Retained Earnings \$	The Bendigo Trust Foundation \$	Asset Revaluation Reserve \$	Total Equity \$
Balance at 1 July 2014		2,058,940	100,000	144,800	2,303,740
Comprehensive income					
Surplus for the year		(742,168)	-	-	(742,168)
Other comprehensive income for the year		144,800	-	(144,800)	-
Total comprehensive income attributable to members of the entity for the year		(597,368)	-	(144,800)	(742,168)
Balance at 30 June 2015		1,461,572	100,000	-	1,561,572
Comprehensive income					
Profit for the year		(1,221,678)	-	-	(1,221,678)
Total comprehensive income attributable to members of the entity for the year		(1,221,678)	-	-	(1,221,678)
Balance at 30 June 2016		239,894	100,000	-	339,894

STATEMENT OF CASH FLOWS YEAR ENDED 30 JUNE 2016

	Note	2016 \$	2015 \$
Cash flows from operating activities			
Commonwealth, State and Local Government grants		1,280,577	1,009,980
Receipts from customers		3,039,324	2,886,233
Receipts from donations		1,277	15,925
Payments to suppliers and employees		(4,229,046)	(3,851,099)
Interest paid		(2,772)	(5,475)
Net cash provided by operating activities	12	89,360	55,564
Cash flows from investing activities			
Payments for property, plant and equipment		-	(3,393)
Net cash provided by / (used in) investing activities		-	(3,393)
Cash flows from financing activities			
Repayment of loans		(108,350)	(21,635)
Net cash used in financing activities		(108,350)	(21,635)
Net increase / (decrease) in cash held		(18,990)	30,536
Cash and cash equivalents at the beginning of the financial year		207,386	176,850
Cash and cash equivalents at the end of the financial year	5	188,396	207,386

The above statements should be read in conjunction with the accompanying notes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements cover The Bendigo Trust as an individual entity, incorporated and domiciled in Australia. The Bendigo Trust is a company limited by guarantee.

Basis of Preparation

The Bendigo Trust applies Australian Accounting Standards - Reduced Disclosure Requirements as set out in AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010-2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards - Reduced Disclosure Requirements of the Australian Accounting Standards Board (AASB) and the Australian Charities and Not-for-profits Commission Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on 25th October 2016 by the directors of the company.

(a) Revenue

Non-reciprocal grant revenue is recognised in profit or loss when the company obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the company and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the company incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor, otherwise the grant is recognised as income on receipt.

The Bendigo Trust receives non-reciprocal contributions of assets from the government and other parties for zero or a nominal value. These assets are recognised at fair value on the date of acquisition in the statement of financial position, with a corresponding amount of income recognised in the statement of profit or loss and other comprehensive income.

Donations and bequests are recognised as revenue when received.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Contract revenue and rental revenue is recognised upon the delivery of the service to the customer.

Revenue from admissions or functions is recognised upon the delivery of the service to the customer.

All revenue is stated net of the amount of goods and services tax.

(b) Income tax

No provision for income tax has been raised as the company is exempt from income tax under Division 50 of the Income Tax

Assessment Act 1997.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

(d) Trade and Other Receivables

Trade and other receivables includes amounts due from customers for services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(h) for further discussion on the determination of impairment losses.

(e) Inventory

Inventories are measured at the lower of cost and current replacement cost.

(f) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost as indicated less, where applicable, any accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at cost value, less subsequent depreciation for buildings. Land and buildings are not separately identified.

Plant and Equipment

Plant and equipment are measured on the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses. In the event the carrying amount of plant and equipment is greater than its estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised either in profit or loss or as a revaluation decrease if the impairment losses relate to a revalued asset. A formal assessment of recoverable amount is made when impairment indicators are present (refer to Note 1 (h) for details of impairment).

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in the profit or loss in the financial period in which they are incurred.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to the company commencing from the time the asset is available for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of fixed asset	Depreciation rate
Tramways Infrastructure	2.5%
Rolling Stock	20%
Plant and Equipment	10%-33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

(g) Financial Instruments

Initial Recognition and Measurement Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. trade date accounting is adopted). Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified 'at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

Finance instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- (i) the amount at which the financial asset or financial liability is measured at initial recognition
- (ii) less principal repayments
- (iii) plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and
- (iv) less any reduction for impairment.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

(h) Impairment of Assets

At the end of each reporting period, the company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors (or a group of debtors) are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account, or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the company no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(i) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

(j) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

(k) Provisions

Provisions are recognised when the company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

Revenue earned for admissions is exempt from GST under subparagraph 38-250(2)(b)(ii) of the Goods and Services Act 1999 which relates to the treatment of GST by organisations in the cultural and performing art sector.

Receivables and payables are stated inclusive of the amount of GST in receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(m) Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy.

(n) Critical Accounting Estimates and Judgements

The director's evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

(i) Impairment of Tramways Infrastructure

The Directors have assessed the value of tramways infrastructure as impaired as the carrying amount is greater than the estimated recoverable amount. The tramway infrastructure will be transferred to the City of Greater Bendigo for nil consideration in the 2016-17 financial year.

(o) Economic Dependence

The Bendigo Trust is dependent on the City of Greater Bendigo for grant funding used to operate the business. At the date of this report, the Board of Directors has no reason to believe the Council will not continue to support The Bendigo Trust.

(p) Fair Value of Assets and Liabilities

The company measures some of its assets and liabilities at fair value either on a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standards.

"Fair value" is the price the company would sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from the principal market for the asset or liability (i.e. market with the greatest volume and level of activity for the asset or liability). In the absence of such a market, market information is extracted from the most advantageous market available to the company at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset and minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the company's own equity instrument (if any) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and where significant, are detailed in the respective note to the financial statements.

(q) New Accounting Standards for Application in Future Periods

Standard/Interpretation AASB 9: Financial Instruments Effective for annual reporting periods beginning on or after 01-Jan-18. Expected to be initially applied in the financial year ending 30-Jun-18. These Standards are not expected to materially impact The Bendigo Trust.

(r) Going Concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

The Bendigo Trust have made a loss of \$1,221,678 for the year ended 30 June 2016. Significant in explaining this loss is the impairment of the tramways infrastructure of \$1,673,118 reflecting the Bendigo Trusts intention to transfer these assets to the City of Greater Bendigo for nil consideration in the 2016-17 financial year.

If the impairment loss was excluded from the results, The Bendigo Trust would have made a \$451,343 surplus for the year ended 30 June 2016. The Bendigo Trust also had positive operating cash flows of \$89,360, and has not had difficulties in paying debts as and when they fall due. The Directors believe the application of the going concern basis is appropriate.

NOTE 2. DISCONTINUED OPERATIONS

On 12 July 2015 The Bendigo Trust disposed of the Discovery Science and Technology Centre, thereby discontinuing its operations in the business segment.

This announcement was made subsequent to approval by the company's management and board of directors.

The financial information relating to the discontinued operations is set out below:

	2016\$	2015\$
(i) Profit for the year from discontinued operations		
Revenue	34,208	397,672
Cost of sales and services	(8,501)	(197,435)
Gross profit	25,707	200,237
Expenses	(27,041)	(847,894)
Deficit from discontinued operations before tax	(1,334)	(647,657)
Income tax expense	-	-
Deficit from discontinued operations after tax	(1,334)	(647,657)
(ii) Financial performance and cash flow information		
Net cash outflow from operating activities	-	(9,454)
Net cash outflow from investing activities	-	-
Net decrease in cash generated by the discontinued operation	-	(9,454)
(iii) Carrying amount of assets and liabilities		
Reconciliation of non-current assets held for transfer:		
Balance at beginning of the reporting period	-	-
Transfer from property, plant and equipment	-	587,482
Transfer from employee provisions	-	(23,699)
Impairment of non-current assets held for transfer	-	(563,783)
Balance at end of the reporting period	-	-

NOTE 3: REVENUE

	2016 \$	2015 \$
Revenue from operating activities:		
- admissions revenue	1,368,552	1,239,722
- food and beverage sales	69,109	57,770
- merchandise sales	293,448	252,909
- contract works	1,560,899	1,008,603
	3,292,008	2,559,004
Revenue from Government grants and other grants:		
- recurring grants and contributions (Local Government)	710,000	724,083
- recurring grants and contributions (State Government)	-	-
- non-recurring grants and contributions	-	-
	710,000	724,083
Other revenue:		
- Department of Environment, Land, Water & Planning revenue	169,069	-
- lease, hire and rental income	13,577	21,354
- memberships	9,947	4,075
- sponsorship	11,000	-
- employment and training incentives	7,256	2,273
- interest received	425	-
- insurance recovery	-	2,682
- tram advertising and hire	21,409	45,943
- sale of trams	21,927	-
- other donations	1,277	15,925
- scrap metal sales	150	4,120
- other income	32,994	11,089
	289,031	107,461
Revenue from Government grants and other grants for projects:		
- recurring grants and contributions (Local Government - projects)	399,917	162,192
- non-recurring grants and contributions (State Government - projects)	1,591	64,690
	401,508	226,882
Total revenue and other income	4,692,547	3,617,430

NOTE 4: DEFICIT FOR THE YEAR

	2016 \$	2015 \$
(a) Expenses		
Employment expenses		
- wages	2,012,022	1,811,945
- superannuation	77,172	173,598
- workcover	31,998	33,305
	2,121,192	2,018,848
Cost of sales and services		
- discounts given & commissions paid	83,454	69,273
- food and beverages	51,991	43,170
- merchandise	147,586	120,621
- materials, supplies and services	383,323	468,902
	666,354	701,966
Projects		
- materials, supplies and services	380,738	160,922
Other expenses		
- human resources	53,021	29,562
- marketing	156,115	96,141
- finance	8,764	8,309

- corporate expenses	64,135	59,012
- rates and utilities	170,751	177,083
- repairs and maintenance	342,971	192,781
- other operating expenses	144,956	109,536
	940,713	672,424

Specific expenses

- interest	2,772	5,341
- bad debts	8,278	-
- depreciation	103,033	143,445
- legal fees	2,624	50
- audit fees	14,069	8,945
	130,776	157,781

Significant Revenue and Expenses

a. Impairment loss - tramway infrastructure	1,673,118	-
b. Impairment loss - Discovery Centre	-	563,783
	1,673,118	563,783

- a. Tramway infrastructure will be transferred to City of Greater Bendigo in the 2016-17 financial year for nil consideration. As such, it was written down to its recoverable amount through recognition of an impairment loss at 30 June 2016.
- b. The Discovery Centre assets and liabilities were transferred for nil consideration during the 2015-16 financial year. As such, they were written down to their recoverable amount through recognition of an impairment loss at 30 June 2015.

NOTE 5: CASH AND CASH EQUIVALENTS

	2016 \$	2015 \$
Current		
Cash on hand	9,044	8,716
Cash at bank - reserves	74,371	95,951
Cash at bank - restricted	104,981	102,719
	188,396	207,386

NOTE 6: TRADE AND OTHER RECEIVABLES

	2016 \$	2015 \$
Current		
Trade receivables	563,720	241,375
Other debtors	50,327	1,303
Total Trade and other receivables	614,047	242,678

Credit risk - trade and other receivables

The company does not have material credit risk exposure to a single receivable and credit risk is minimised through the use of work contracts and purchase order commitments.

The following table details the company's trade receivables and other debtors exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as "past due" when the debt has not been settled within the terms and conditions agreed between the company and the customer or counterparty to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there are specific circumstances indicating that the debt may not be fully repaid to the company.

The balances of receivables that remain within initial trade terms (as detailed in the table below) are considered to be of high credit quality.

NOTE 6: TRADE AND OTHER RECEIVABLES (Continued)

	Gross Amount \$	Past Due and Impaired \$	Past Due but not Impaired (Days Overdue)			Within Trade Terms \$
			< 30 \$	31-60 \$	61-90 \$	> 90 \$
2016						
Trade receivables	563,720	-	194,997	6,585	2,361	-
Total	563,720	-	194,997	6,585	2,361	-
						359,777

NOTE 7: INVENTORY

	2016 \$	2015 \$
<i>Current</i>		
Inventory held at cost	86,979	118,768

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	2016 \$	2015 \$
<i>Tramways Infrastructure</i>		
At cost	2,602,975	2,602,975
Less accumulated depreciation	(929,857)	(864,829)
Less Tramway Infrastructure impairment	(1,673,118)	-
	-	1,738,146
<i>Tramways Rolling Stock</i>		
At cost	1,039,749	1,039,749
Less accumulated depreciation	(1,000,564)	(999,161)
	39,185	40,588
<i>Plant and Equipment</i>		
At cost	550,691	550,692
Less accumulated depreciation	(410,212)	(373,610)
	140,479	177,082
	-	-
	179,664	1,955,816

Movements in the carrying amounts:

	Tramways Infrastructure \$	Tramways Rolling Stock \$	Plant & Equipment \$	Discovery Assets \$	Discovery Assets (merger) \$	Total \$
2015						
Balance at 1 July 2015	1,803,175	80,390	212,332	210,416	426,741	2,733,054
Additions	-	1,190	2,059	-	-	3,249
Less disposals	-	-	-	(185,100)	(402,352)	(587,452)
Less depreciation expense	(65,029)	(40,992)	(37,309)	(25,316)	(24,389)	(193,035)
2016						
Balance at beginning of year	1,738,146	40,588	177,082	-	-	1,955,816
Additions	-	-	-	-	-	-
Less disposals	-	-	-	-	-	-
Less depreciation expense	(65,028)	(1,403)	(36,603)	-	-	(103,034)
Less asset impairment	(1,673,118)	-	-	-	-	(1,673,118)
Carrying amount at June 16	-	39,185	140,479	-	-	179,664

During the review process of the Tramways infrastructure it was identified that City of Greater Bendigo will take ownership of the track network. The ownership is expected to be transferred during the 2016/17 financial year at nil consideration, which resulted in an impairment expense of \$1,673,118 being recognised over the Tramways Infrastructure at 30 June 2016.

NOTE 9: TRADE AND OTHER PAYABLES

	2016 \$	2015 \$
<i>Current</i>		
Trade creditors	243,619	202,186
Accrued expenses	-	17,334
Prepaid income	2,058	-
Employee entitlements	75,291	182,075
Other	46,606	62,024
Total trade and other payables	367,574	463,619
(i) Financial liabilities classified as trade and other payables		
Payable to the Australian Tax Office	11,138	57,363
Total financial liabilities classified as trade and other payables	378,712	520,982

NOTE 10: PROVISIONS

	2016 \$	2015 \$
<i>Current</i>		
Provision for annual leave	95,739	95,370
Provision for time in lieu	1,304	219
Provision for long service leave	157,826	109,183
	254,869	204,772
<i>Non-current</i>		
Provision for long service leave	18,883	52,243

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements and the amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the company does not expect the full amount of annual leave or long service leave balances classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the company does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based upon historical data. The measurement and recognition criteria for employee benefits have been discussed in Note 1 (i).

NOTE 11: BORROWINGS

	2016 \$	2015 \$
<i>Current</i>		
Bank overdraft	16,728	65,079
Loan - City of Greater Bendigo	60,000	60,000
	76,728	125,079
<i>Non-current</i>		
Loan - City of Greater Bendigo	-	60,000

NOTE 12: CASHFLOW INFORMATION

Reconciliation of surplus to net cash provided by operating activities.

	2016 \$	2015 \$
Deficit	(1,221,678)	(742,168)
Non cash items:		
- Depreciation	103,033	193,035
- Impairment of non-current assets held for transfer	1,673,118	563,783
Changes in assets and liabilities:		
- Increase in receivables	(371,369)	(102,963)
- Decrease in inventory	31,789	1,561
- (decrease)/increase in payables	(142,270)	154,674
- increase/(decrease) in provisions	16,737	(12,358)
Net cashflows provided by operating activities	89,360	55,564

NOTE 13: KEY MANAGEMENT PERSONNEL

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly, including any Director (whether executive or otherwise) is considered key management personnel.

Key management personnel compensation, including short term benefits, post employment benefits and other long term benefits, were in the range of \$100,000 to \$150,000 for the year.

Other Related Parties

Other related parties include close family members of key management personnel, and entities that are controlled or jointly controlled by those key management personnel individually or collectively with their close family members.

City of Greater Bendigo

	2016 \$	2015 \$
Receipts - grant funding, sponsorships	1,111,000	974,993
Payments - rates, insurance, loan repayments	(603,603)	(120,439)
	507,397	854,554

NOTE 14: CAPITAL AND LEASING COMMITMENTS**(a) Finance Lease Commitments**

No finance lease commitments contracted for.

(b) Operating Lease Commitments

No operating lease commitments contracted for.

(c) Capital Expenditure Commitments

No capital expenditure commitments contracted for.

NOTE 15: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The company's Directors are not aware of any contingent liabilities or assets as at the date of signing this financial report.

NOTE 16: EVENTS AFTER THE REPORTING PERIOD

The directors are not aware of any other significant events since the end of the reporting period with the exception to the appointment of the new CEO, Peter Abbott, on 15 August 2016.

NOTE 17: FINANCIAL RISK MANAGEMENT

The company's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The carrying amounts for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2016 \$	2015 \$
Financial assets			
Cash and cash equivalents	5	188,396	207,386
Loans and receivables	6	614,047	242,678
Total financial assets		802,443	450,064
Financial liabilities			
Financial liabilities at amortised cost:			
- trade and other payables	9	367,574	463,619
- borrowings	11	76,728	185,079
Total financial liabilities		444,302	648,698

NOTE 18: RESERVES

The Bendigo Trust Foundation Reserve was established to grow the corpus to underpin The Bendigo Trust's long term viability.

NOTE 19: REGISTERED OFFICE/PRINCIPAL PLACE OF BUSINESS

Registered Office

The Bendigo Trust
76 Violet Street,
Bendigo 3550

Principal Place of Business

The Bendigo Trust
76 Violet Street,
Bendigo 3550

NOTE 20: MEMBERS' GUARANTEE

The company is incorporated under the *Australian Charities and Not for Profit Commission Act 2012* and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstanding obligations of the company. At 30 June 2016 the number of members was 76 (2015:86).



DIRECTORS' DECLARATION

THE BENDIGO TRUST
ABN 39 005 014 175
DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2016

In accordance with a resolution of the Directors of The Bendigo Trust the Directors of the entity declare that:

1. The financial statements and notes, as set out on pages 32 to 40, are in accordance with the Australian Charities and Not for Profit Commission Act 2012 and:
 - a. comply with Australian Accounting Standards - Reduced Disclosure Requirements; and
 - b. give a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



David Wright
Chairperson
The Bendigo Trust



Clive Walker
Director
The Bendigo Trust

Dated this 25th day of October 2016

INDEPENDENT AUDITOR'S REPORT



Independent auditor's report to the members of The Bendigo Trust

We have audited the accompanying financial report, being a general purpose report, of The Bendigo Trust (the company), which comprises the statement of financial position as at 30 June 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended 01, a summary of significant accounting policies and other explanatory notes and the directors' declaration.

The responsibility of the directors for the financial report

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

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit we have complied with the independence requirements of the *Australian Charities and Not for Profits Commission Act 2012*.

Auditor's opinion

In our opinion the financial report of The Bendigo Trust is in accordance with the *Australian Charities and Not for Profits Commission Act 2012*, including:

- (i) giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Australian Charities and Not for Profits Commission Regulations 2012*.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart'.

Andrew Frewin Stewart
61 Bull Street, Bendigo Vic 3550
Dated this 28th day of October 2016

A handwritten signature in black ink, appearing to read 'Adrian Downing'.

Adrian Downing
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation. ABN: 51 061 795 337.

P: (03) 5443 0344 | F: (03) 5443 5304 | 61-65 Bull St./PO Box 454 Bendigo Vic. 3552 | afs@afsbendigo.com.au | www.afsbendigo.com.au

TAXATION • AUDIT • BUSINESS SERVICES • FINANCIAL PLANNING



