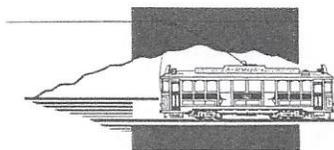


WELLINGTON TRAMWAY MUSEUM INCORPORATED

PERFORMANCE REPORT

YEAR ENDED 30th JUNE 2018



**WELLINGTON TRAMWAY
MUSEUM INCORPORATED**

PO BOX 2612, WELLINGTON, NEW ZEALAND

Wellington Tramway Museum Incorporated

Performance Report

For the Year Ended
30 June 2018

Contents

	Page
Non-Financial Information:	
Entity Information	3
Statement of Service Performance	4
Financial Information:	
Statement of Financial Performance	5
Statement of Financial Position	6
Statement of Cash Flows	7
Statement of Accounting Policies	8
Notes to the Performance Report	10

Wellington Tramway Museum Incorporated

Entity Information

"Who are we?", "Why do we exist?"

For the year ended 30 June 2018

Legal Name of Entity:	Wellington Tramway Museum Incorporated
Other Name of Entity:	"Kapiti Coast Electric Tramway"
Type of Entity and Legal Basis:	Incorporated Society and Registered Charity
Registration Number:	CC38985

Our Purpose:

Our vision is to present our operating tramway (known as the "Kapiti Coast Electric Tramway") as a prominent and highly regarded regional heritage attraction which, in a manner embracing education and recreation, tells the story of the electric street tramway and its major role in the development of our capital city, Wellington.

Our strategic objectives include the following:

- 1 To preserve the trams and tramway artefacts so that their history is never forgotten
- 2 To provide a public attraction and amenity that evokes interest in the trams
- 3 To establish the organisation's financial and organisational stability to ensure its long term future

Our Structure:

An incorporated Society with a governing Board, Officers and society members. Officers are elected by the attending members at each General Meeting (generally held in early November each year), consisting of a President, Vice-President - Maintenance & Engineering, Vice-President - Marketing & Operations, Secretary and Treasurer. All Officers are members of the Museum Board and at least three other members will also be elected to the Board.

Main Sources of our Cash and Resources:

Revenue from the tramway operations at the Museum site, including tram fares sold and sales from the shop, Donations, Grants, Membership Subscriptions and other miscellaneous sales income.

Our Main Methods used to Raise Funds:

Tram operations in public rides and charters, shop income from the sale of books and consumables, Grant applications, appeals for donations, subscriptions.

Our Reliance on Volunteers and Donated Goods or Services:

The Museum is entirely reliant on volunteer input and time for all of its operations and functions. There are no employees or otherwise remunerated persons. Volunteer members give freely of their time and expertise as and when they are able.

The Museum aims to showcase the remaining Wellington Tramway vehicles and artefacts within a high-standard regional attraction.

Our Contact Details:

Physical Address:	Queen Elizabeth Park (State Highway 1), Mackays Crossing, Paekakariki.	
Postal Address:	P O Box 2612, WELLINGTON 6140 NEW ZEALAND	
Telephone:	(+64) 04-2928361	
Website:	http://www.wellingtontrams.org.nz	Facebook:
Email:	info@wellingtontrams.org.nz	Wellington Tramway Museum

Wellington Tramway Museum Incorporated
Statement of Service Performance
 "What did we do?", "When did we do it?"
 For the year ended 30 June 2018

Description of our Outcomes:

The Museum aims to regularly operate its tramcar service throughout the year, operating mostly during the weekends and public holidays. The tram line is approximately two kilometres in length, and runs from near the Mackays Crossing entrance to Queen Elizabeth Park and adjacent to the Ranger Station, down to the Mackays Beach area where there some facilities provided by Greater Wellington Regional Council Parks. This provides the majority of our regular annual operating income. The operating tramcars are maintained to a high standard in line with all various regulatory requirements, together with our own pride in what we showcase. Concurrently restoration of tramcar bodies and running gear equipment proceeds as time and funding allows.

<u>Description of our Outputs:</u>	<u>Actual - Last Year</u>	<u>Actual - This Year</u>
Active Volunteer members/staffing	approx 40	approx 30
Society Members	77	73
Number of Days trams operated	115	144
Number of Trams in Passenger Service	3	4
Trams - numbers of kilometres run	3197	4354
Trams - numbers of tram journeys run	1776	2292 <i>in service</i> 1904
Trams - passenger numbers carried (passenger journeys)	8963	11224
Trams - passenger kilometres	16133	20764

During the first part of this year in review, tram operations were not carried out between 12 June and 11 August 2017 (an effective period of six weeks) due to the refurbishment and upgrade of the traction overhead infrastructure. During the year, Fiducia Tram 260 also joined the regular operating fleet after its rebuild & refurbishment. With an increase of 25% in the number of operating days, our passengers carried also increased by a similar proportion, with fare revenue increasing by 33% over the previous year.

In the "Last Year" (ending 30 June 2017), there were no tram operations between 01 July 2016 and 21 September 2016 and limited operations from that date through to 07 December 2016. Normal full operations resumed from 08 December 2016 following full reinstatement of the tram electric traction infrastructure and power supply after its rebuilding and formal certifications. A severe electrical storm had visited the Kapiti area on 18 January 2016 and the Museum's high voltage substation received a very unwelcome direct lightning strike, irreparably damaging parts of the system infrastructure. New replacement switchgear had to be manufactured, installed and thoroughly tested. Concurrently while the substation was not operable, qualified Museum members took the opportunity to also fully rebuild the power controls and associated safety gear, which upon completion brought the whole switchgear up to current modern standard.

Wellington Tramway Museum Incorporated
Statement of Financial Position
 "What we own" and "What we owe"

As at 30 June 2018

2017 \$	Note	2018 \$
Current assets		
24,950	Cash on hand and at bank	21,521
85,000	Bank term deposits	64,079
2,152	Sundry debtors	12,373
2,020	Shop stocks	1,815
-	WCCL Overhead Purchased for Resale or Stock	29,536
100	Advances	-
114,221	Total current assets	129,323
Current liabilities		
40,421	Sundry creditors	20,240
36,179	Grants received in advance	-
1,057	Member subscriptions in advance	933
77,657	Total current liabilities	21,173
36,565	Working Capital	108,150
Non current assets		
634,293	Fixed assets 4	622,991
634,293	Total non current assets	622,991
Non current liabilities		
-	Term loans 6	25,000
-	Total non current liabilities	25,000
670,857	Net Assets	706,141
EQUITY		
Net assets are funded as follows		
-	Asset Revaluation Reserve 3	4,107
628,160	Accumulated Funds 3	607,570
42,697	Specific purpose Funds 3	94,463
670,857	Total Equity	706,141

Approved on behalf of the Board:

Date:

[Signature]

 President

14 December 2018

 Secretary

This Statement should be read in conjunction with the Notes to the Financial Statements

Wellington Tramway Museum Incorporated

Statement of Cash Flows

"How we have received and used Cash"

For the year ended 2018

2017		2018
\$		\$
	Cash Flows from Operating Activities	
	Cash was received from:	
25,011	Donations, fundraising and other similar receipts	58,697
3,061	Fees, subscriptions and other receipts from members	1,962
39,673	Receipts from providing goods or services	52,850
546	Interest, dividends and other investment receipts	2,258
<u>68,291</u>		<u>115,767</u>
3,913	Net GST	(8,540)
	Cash was applied to:	
90,152	Payments to suppliers	124,383
(17,948)	Net Cash Flows from Operating Activities	(17,156)
	Cash flows from Investing and Financing Activities	
	Cash was received from:	
49,522	Movement in Term Deposits	20,921
14,583	Receipts from insurance claim proceeds	-
-	Repayment of Advances	100
-	Loans borrowed from other parties	25,000
<u>64,105</u>		<u>46,021</u>
	Cash was applied to:	
25,858	Payments to acquire property, plant and equipment	2,758
-	Payments to purchase equipment for resale or stock	29,536
-	Repayments of loans borrowed from other parties	-
<u>25,858</u>		<u>32,294</u>
38,247	Net Cash Flows from Investing and Financing Activities	13,727
20,299	Net Increase / (Decrease) in Cash	(3,429)
4,651	Opening Cash	24,950
24,950	Closing Cash	21,521
	This is represented by:	
24,950	Bank Accounts and Cash	21,521

Wellington Tramway Museum Incorporated Statement of Accounting Policies

"How did we do our accounting?"

For the year ended 30 June 2018

Basis of Preparation:

Wellington Tramway Museum Incorporated has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-for-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST):

All amounts are recorded exclusive of GST, except for Trade Receivables and Trade Payables which are GST inclusive.

Income Tax:

Wellington Tramway Museum Incorporated is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash:

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) generally with original maturities of 120 days or less.

Revenue:

Revenue is recognised when earned and is reported in the financial period to which it relates.

Fixed Assets:

Fixed assets are recorded at cost less accumulated depreciation except for trams, many of which were originally donated and which have been valued at a total amount of \$10,000 by the Board members based on their experience and specialist knowledge. The tram and trolleybus assets have been revalued as at 30 June 2018 (as in this Report) to a standardised set of values corresponding with the realisable net proceeds that may be expected if they were sold as scrap.

As of 30 June 2018, the trams belonging to the Museum have been valued as follows:

Wellington Trams 17, 151, 159, 207, 235, 238, 239, 260	\$1000 each	\$	8,000
Wellington Tram Bodies 86, 185	\$500 each	\$	1,000
Brisbane Tram 236	\$1000 each	\$	1,000
	Total Value	\$	10,000

The following tram/tram body assets have been disposed of from Wellington Tramway Museum by way of donation to Tramways Wanganui Trust; Brisbane Tram 133, Wanganui Tram 8 (body only), New Plymouth Tram 8 (body only). Previously recorded asset values for these have been rationalised within the overall revaluation of trams as at 30 June 2018.

The two trolleybuses belonging to the Museum have been valued at \$500 each (total \$1,000).

Other fixed assets are depreciated on a straight line basis that will write off the cost of the assets to their estimated residual value over their useful life.

Buildings: Tram Barn-2%p.a. ; Rear Storage-2%p.a. ; Substation Rebuild-2.5%p.a. ; Maintenance Pit-5%p.a. ; Other-5%p.a.

Stock:

Publications and shop stock are valued at the lower of cost or market price.

Wellington Tramway Museum Incorporated
Statement of Accounting Policies

Page 2

Income in Advance:

Membership subscriptions are generally received in respect of a calendar year. "Member subscriptions in Advance" are those portions of membership subscriptions received relating to periods beyond the reported period.

Tier 2 PBE Accounting Standards Applied (if any):

The entity has not adopted any Tier 2 PBE Accounting Standards in the preparation of this Report.

Changes in Accounting Policies:

There have been no changes in accounting policies. All policies have been applied on a consistent basis.

Wellington Tramway Museum Incorporated
Notes to the Performance Report
For the year ended 30 June 2018

1 Tramway Operations Trading account

2017		2018
\$		\$
	Income	
23,443	Tram fares	31,208
1,451	Special tram hires	1,160
2,159	Tramway donations	1,680
561	"Fiducia Centre" hires	393
287	Catering	-
2,516	Lease of Brisbane tram 236	2,558
3,724	Sale of surplus scrap	4,466
-	Sale of surplus miscellaneous equipment	1,210
34,140	Total Income	42,675
	Expenditure	
-	Tram Operating Expenses	931
381	Rail Licence Fees	372
1,304	Tram Maintenance	1,548
780	Eftpos terminal rental	831
402	Credit Card Commissions	398
275	"Palace" Supplies	318
3,190	General Stores	1,489
3,845	Electricity - Tram	2,258
4,080	Electricity - Other	3,334
3,969	Insurance	4,451
1,404	Telephone	1,433
2,268	General Publicity	3,199
22	Museum Membership Publicity	-
188	Museum Display - alterations/renovations	452
1,172	Ground Lease	1,560
995	Buildings Maintenance	5,952
1,847	Buildings Maintenance (Compliance)	1,508
113	Track Maintenance	78
3,452	Overhead & Power Maintenance	3,977
834	Motor Vehicles Maintenance & Fuel	383
1,412	Equipment Maintenance	653
31,933	Total expenditure	35,126
2,207	Net surplus/ (deficit) on Operations Account	7,549

Wellington Tramway Museum Incorporated
Notes to the Performance Report
 For the year ended 30 June 2018

2 Shop and Publications Trading account

2017		2018
\$		\$
6,367	Income	
	Sales	11,047
	less Cost of sales	
1,887	Opening stock at 01 July 2017	2,020
3,717	Purchases	6,245
<u>5,605</u>		<u>8,265</u>
2,020	less stock 30 June 2018	1,815
<u>3,585</u>	Cost of goods Sold	<u>6,450</u>
<u>2,782</u>	Net surplus/(deficit) on Shop trading account	<u>4,597</u>

Wellington Tramway Museum Incorporated
Notes to the Performance Report
For the year ended 30 June 2018

3 Statement of Movements in Equity

2017		2018
\$		\$
	Accumulated funds	
631,643	Funds at 01 July previous year	628,160
(9,526)	Specific donations-transferred to development fund	(28,452)
8,793	Net transfers/payments on museum development funds	(23,314)
(2,750)	Plus surplus/(less deficit) for year	31,176
<u>628,160</u>	Accumulated funds at 30 June	<u>607,571</u>
	Asset Revaluation Reserve	
-	Net revaluation of Trams & Trolleybuses	4,107
	Museum development funds held for Specific Purposes	
41,965	Museum development fund at 01 July previous year	42,697
9,526	Plus specific fund donations **	28,452
(8,793)	Net transfers/payments on museum development funds	23,314
<u>42,697</u>	Museum development fund at 30 June	<u>94,463</u>
<u>670,857</u>	Total Equity	<u>706,141</u>
	Specific Funds are held for:	
\$		\$
20,343	Restoration of tram 17 Body Fund	13,128
8,798	Restoration of tram 17 Trucks Fund	67,779
9,828	Restoration of tram 207	9,828
928	Restoration of Daimler tower wagon	928
2,800	Workshop Building extension	2,800
<u>42,697</u>	Total Specific Purpose Funds	<u>94,463</u>

** Tram 17 Body Fund \$2,271.03; Tram 17 Trucks Fund \$26,181.00

Wellington Tramway Museum Incorporated
Notes to the Performance Report
For the year ended 30 June 2018

4 Property, Plant and Equipment

Details of Fixed Assets are as follows:

This Year	Opening Cost	add:	Transfers/ Disposals/ Revaluations	Accum Depreciation	Closing Carrying Amount
	1/07/2017 \$	Purchases \$	30/06/2018 \$	30/06/2018 \$	30/06/2018 \$
Buildings	810,292	-	-	241,182	569,109
Motor Vehicles	1,400	-	(1,400)	-	-
Permanent Way (Track)	20,022	-	4,224	20,022	4,224
Overhead & Substation	42,314	1,668	(172)	11,590	32,221
Other Development	4,465	-	(4,465)	-	-
Plant	50,946	1,090	-	45,599	6,437
Heritage Assets (Trams/Buses)	6,893	-	4,107	-	11,000
TOTAL	936,332	2,758	2,294	318,393	622,991

Addition to the value of Substation Rebuild was \$1,668.00 in 2018 (\$25,858.00 in 2017)

Addition to the value of Plant was \$1,090.26 in 2018:

Makita Heavy Drill \$690.26
Steel Shelving \$400.00

As at 30 June 2018, the following asset values have been fully written off from the Museum's Asset Register:

Motor Vehicles \$1,400

Rectifier Equipment \$172

Furniture & Fittings \$241

The previously recorded "General Development" has been transferred to and melded with "Permanent Way". This capitalised expenditure dates to the very early days of the Museum and related to 50% of vehicle costs used in the establishment of the 'right-of-way' and building the track and overhead.

Last Year	Opening Cost	add:	Disposals/ Revaluations	Accum Depreciation	Closing Carrying Amount
	1/07/2016 \$	Purchases y/e 30/06/2017 \$	30/06/2017 \$	30/06/2017 \$	30/06/2017 \$
Buildings	810,292	-	-	226,068	584,223
Plant	50,946	-	-	43,393	7,553
Substation Rebuild	6,343	25,858	-	801	31,400
Furniture & Fittings	241	-	-	241	-
Rectifier Equipment	172	-	-	172	-
Overhead & Spares	9,941	-	-	9,941	-
Permanent Way	20,022	-	-	20,022	-
Motor Vehicles	1,400	-	-	1,400	-
Trams	5,971	-	-	-	5,971
Trolley Buses	922	-	-	-	922
General Development	4,224	-	-	-	4,224
TOTAL	910,474	25,858	-	302,039	634,292

Wellington Tramway Museum Incorporated
Notes to the Performance Report
For the year ended 30 June 2018

5 Grants Received

Grants received for specific purposes are recognised as Income when funds are applied to the purpose for which they are granted. Until that time they are held as a current liability as "Grants Received in Advance". The table below shows amount received and how it has been accounted for this year and last year.

	2017		2018	
	\$	\$	\$	\$
	Income	Grant Received in Advance	Income	Grant Received in Advance
Grants for Other than Capital purposes	26,387	36,179	36,179	-
<i>Total - Grants for other than Capital Purposes</i>	<i>26,387</i>	<i>36,179</i>	<i>36,179</i>	<i>-</i>
TOTALS	26,387	36,179	36,179	-

The New Zealand Lottery Grants Board Restoration of Tram 17

A grant of \$289,600.00 to Wellington Tramway Museum Incorporated was approved by The New Zealand Lottery Grants Board on 16 October 2013 towards the restoration of the body of Wellington Tram No. 17.

The grant will be paid in three instalments; two of \$142,300 each, and a final payment of \$5,000.

The first instalment grant payment of \$142,300 was received on 09 December 2013 and at Balance Date 2014 was held as a Grant Received in Advance as none of these funds had yet been used on the project.

During the 2014/2015 Period, the amount of \$138,386.59 was expensed on the project, leaving a small residual balance of \$3,913.41 held 'in advance'. The second instalment grant payment of \$142,300 was received on 08 September 2015.

During the 2015/2016 Period the residual balance held 'in advance' from 2015 year had been expensed and the second instalment of \$142,300 received, part of which is held 'in advance'.

During the 2016/2017 Period, a further \$26,659.64 has been expensed on the Project, leaving the amount of \$36,179 held 'in advance'.

During the current period, a further \$42,285.12 has been expensed on the Project, utilising all moneys previously held 'in advance' (\$36,179.27) at previous Balance Date.

This Project is essentially completed, with the return of the Tram Body to the Museum Site on 28 June 2018. At Balance Date there is remaining expense of \$14,175.69 due to the contractor (2nd Retention instalment), plus some additional expense for the purchase of various wiring cable. The final Grant instalment of \$5,000 is expected to be paid to the Museum early in the new financial year.

6 Term Loans

Term Loan: \$25,000.00 (last year - Nil)

This loan from a member was authorised by Special General Meeting held on 24 February 2018. The purpose is to finance the purchase for resale of trolleybus overhead equipment from Wellington Cable Car Ltd. (WCCL). In addition, certain items may be retained as Museum stock. The term of the loan is 24 (twenty-four) months, which may be extended subject to the consent of both parties. Interest on the loan is at market deposit rates, payable on the full amount of the loan for the loan period of 24 months, but which may be discounted at the lender's discretion. Repayment of the loan will be made as and when moneys are received from various other organisations which have expressed desire to purchase sets of equipment items.

7 Commitments and Contingencies

There are no Commitments made to lease or rent assets.

There are no Commitments made to provide loans, grants or donations.

There are no Contingent Liabilities or Guarantees as at Balance Date (Last Year - Nil).

Related Party Transactions

There were no transactions involving related parties during the financial year (Last Year - Nil).

8 Capital Commitments

The Wheelwright Shop

On 04 November 2013, the Wellington Tramway Museum Incorporated executed a Contract Agreement with The Wheelwright Shop of Gladstone (Wairarapa District) for the restoration of the body of Wellington Tram 17. The Contract amount was for \$352,700.00. The tram body left the Museum premises for Gladstone in January 2014 with restoration work beginning shortly thereafter. The amount of \$289,600.00 is covered by the grant from The New Zealand Lottery Grants Board (see Note 5). An additional amount of \$50,000.00 is covered by the grants from The Lion Foundation, Wellington Community Trust and Pub Charity.

A brief synopsis of the last five years relating to this commitment is as follows:

- 2018 At Balance Date, the amount of \$335,050.11 had been expense paid under the Contract, leaving the remaining commitment of \$14,175.49 after approved variations. This amount is held as the 2nd Retention. The completed Tram Body returned to the Museum Site on 22 June 2018. After inspection and acceptance by the project manager, the first Retention payment was made effective 30 June 2018.
- 2017 At Balance Date 2017, the amount of \$281,399.42 had been expense paid under the Contract, leaving the remaining commitment at \$71,300.58.
At Balance Date, the amount of \$26,560.77 is held (see Creditors) as a Retention under the Contract Agreement.
- 2016 At Balance Date 2016, the amount of \$256,677.43 had been expense paid under the Contract, leaving the remaining commitment at \$96,022.57.
- 2015 At Balance Date 2015, the amount of \$178,133.51 had been expense paid under the Contract, leaving the remaining commitment at \$174,566.49.
- 2014 At Balance Date 2014, the amount of \$59,069.91 had been expense paid under the Contract, leaving the remaining commitment at \$293,630.09.

9 Other Notes

Significant Grants and Donations with conditions which have not been recorded as a Liability:

None

Goods or Services Provided in Kind:

During the year in review, the Museum's electric traction overhead infrastructure and catenary was renewed through the resources of Wellington Cable Car Limited as a 'public good initiative' by them. This renewal was at no cost to the Museum, and a value for the work has not been accorded in our Accounts.

Assets used as Security for Liabilities:

None

Assets held on behalf of Others:

None

Events after the Balance Date:

There were no events that have occurred after the Balance Date that would have a material impact on the Performance Report. (Last Year - Nil)