



VICTOR HARBOR
HORSE TRAM AUTHORITY

Business Plan 2024-2027



Victor Harbor Horse Tram Authority Business Plan 2024 - 2027

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About the Victor Harbor Horse Tram

The Horse Tram has a rich history spanning 150 years, tracing its origins to the era when the first horse-drawn wagons transported both freight and passengers along the broad-gauge rail line connecting Goolwa to Port Elliott.

The Victor Harbor Horse Tram, with roots dating back to 1854, has evolved over the years. In 1894, the South Australian Railways introduced a horse-drawn tram service from mainland Victor Harbor to Granite Island, using the same double-deck tram that had been used on the Goolwa Railway. Fast forward to 1986, and the District Council restored the original passenger service from Policeman's Point at the esplanade to Granite Island over the causeway.

Today, the Victor Harbor Horse Tram stands as a captivating tourist attraction, offering a nostalgic passenger experience between the City of Victor Harbor Esplanade and Granite Island, connected by an adjoining Causeway. The recent addition of a new Causeway in 2021 marked a significant enhancement to the experience, officially unveiled on December 23, 2021.

In October 2018, the Victor Harbor Horse Tram Authority (VHHTA) gained recognition under Section 42 of the Local Government Act, serving as a subsidiary of the City of Victor Harbor Council. The establishment of the VHHTA aimed to reduce reliance on City of Victor Harbor rates revenue, steering the Horse Tram service toward greater financial self-sustainability. The VHHTA has proven to be a thriving venture, with increased revenue, the creation of additional revenue sources, and expanded offerings for visitors. It continues to make strides towards greater financial independence.

The Victor Harbor Horse Tram runs all year round (except for Christmas Day), with the operation comprising of up to nine Clydesdale horses, four renovated double decker trams and a team of friendly staff.

The Horse Tram service is conducted on the Victor Harbor foreshore from a complex which supports a terminal and platform, office, merchandise store and day corral for the horses, as well as storage facilities for the heritage style trams. The Clydesdales are paddocked on large acreage on the outskirts of Victor Harbor, and the horses are collected and returned to this location daily.

Integral to the Victor Harbor economy, the Horse Tram is not merely a tourist attraction but a vital community service. Moreover, the VHHTA has recently unveiled its new stable location at Canton Place, providing a larger and more comfortable home for the horses. This new facility also opened up behind-the-scenes experiences for visitors to book, with plans to expand offerings in the coming years, serving as an additional revenue stream and enriching Victor Harbor's offerings to its visitors.





About the Victor Harbor Horse Tram Authority

The Victor Harbor Horse Tram Authority (VHHTA), a subsidiary of the City of Victor Harbor (Council), was established in accordance with section 42 of the *Local Government Act 1999*. Underpinning its operations is a Charter approved by the Minister on 17 October 2018, detailing its purpose, powers, functions, duties, funding, property, and delegation. Additionally, the Charter outlines the role, function, and requirements of the VHHTA Board, among other essential details. Originally gazetted on 25 October 2018, the Charter underwent minor amendments and was re-gazetted on 8 September 2022.

Similar to numerous other services, the Horse Tram receives subsidies from the Council and provides a valuable service to the City of Victor Harbor community on behalf of ratepayers. Its significance extends beyond mere transportation, acting as a vital contributor to the local economy. The impact of the Horse Tram on neighbouring businesses became especially evident during the causeway closure in 2018-19, with some establishments reporting revenue declines of up to forty percent.

An investigation into the economic, historic and tourist value of the iconic Victor Harbor tourist attraction was performed in 2021 by author Laura Hodgson, as part of the University of Adelaide's Post-Graduate Research Intern program. The research demonstrated that the Horse Tram provides economic and historic value to the City of Victor Harbor and key stakeholders, as well as functioning as a key tourist attraction for Victor Harbor.

Key findings include:

- During a peak tourist month, the Horse Tram emerged as a significant economic driver, injecting an estimated \$210,000 into the local economy. Notably, this constitutes over half of the annual contribution that the Council allocates to the Horse Tram operating budget. Annually, the Horse Tram's economic contribution ranges from \$1,153,898 to \$1,675,351, signifying its substantial role to the local economy.
- Regarded as a 'drawcard' by both stakeholders and tourists, the Horse Tram holds a special place in enhancing the appeal of Victor Harbor.

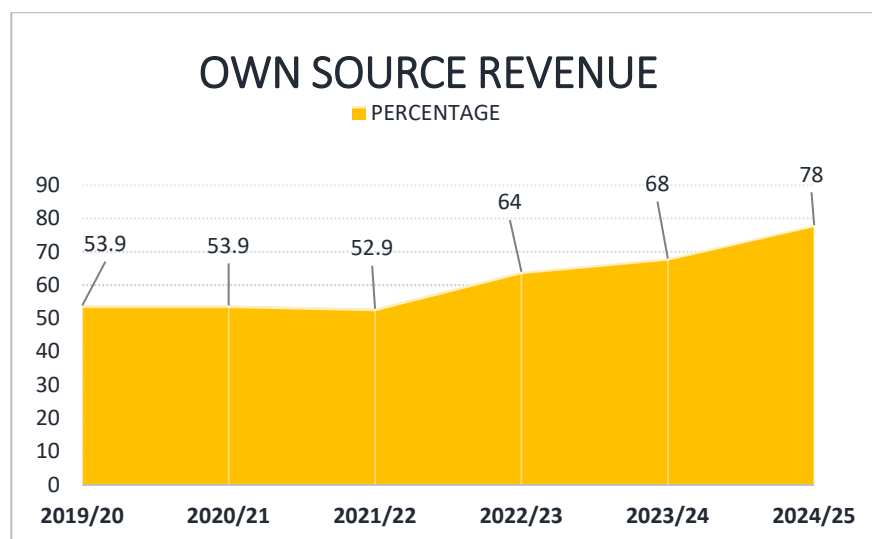
- Beyond its immediate local impact, the Horse Tram has the potential for profound historic significance at a national level, serving as an operational, in-situ historic attraction.
- Tourists and locals alike could not imagine Victor Harbor without the Horse Tram, even if they were not travelling on it the day they participated in a survey. They spoke positively about their experiences with the Tram, horses, staff and historic experience, as well as the natural environment, all found to be fundamental in ensuring this positive experience.

The Horse Tram stands as an integral part of the City’s vitality, and the commitment of the Victor Harbor Horse Tram Authority (VHHTA) to its success is unwavering. Collaborating closely with the City of Victor Harbor, the VHHTA has undertaken a comprehensive revitalisation effort, breathing new life into existing infrastructure, assets, amenities, and buildings. This forward-looking initiative involves not only preserving history but also charting a course for the future.

As part of this rejuvenation journey, the VHHTA has successfully established a state-of-the-art Stable Complex, a testament to its dedication to creating a modern and efficient environment for the Horse Tram operations. Within this new Stables Complex we are now offering visitors an immersive 'Behind the Scenes' experience, providing a glimpse into the inner workings of the iconic attraction.

This strategic approach not only enriches the overall visitor experience but also paves the way for the creation of new income streams independent of Council and ratepayer support. The VHHTA's vision extends beyond the current accomplishments, with ongoing plans to introduce further offerings that will contribute to the financial sustainability of the Horse Tram. Through these initiatives, the VHHTA continues to play a crucial role in ensuring the Horse Tram's resilience and relevance in the years to come.

Despite formidable challenges due to unforeseen horse husbandry and weather conditions, the current fiscal year is tracking well. Notably, the achievement of the 2023/24 budget with an unchanged contribution from the Council reflects sound financial management practices. Anticipating a remarkable sixty-eight percent (68%) self-generated revenue for the 2023/24 financial year, the VHHTA remains resilient and forward-focused.



Message from the Chair

Having weathered the last few years, we can now see comparatively clear sailing for the Victor Harbor Horse Tram Authority (VHHTA) team to create positive and exceptional experiences for the community and tourism. It has been a huge undertaking to pull all the tendrils together: tram, pasture, education, horse husbandry, building the new stables and all the reporting associated so our feeling is a time of 'consolidation'. This, we feel, will serve for us to settle into the new stables, develop guidelines and programs in conjunction with the daily tram service over a period without complicating it with other allied projects we have recognised, going forward.

On Tuesday the 30th of January 2024 we received the confirmation from her Excellency the Governor to extend her patronage to the Victor Harbor Horse Tram, we are humbled and excited to have Her Excellency's support and look forward to proving our merit. This is such an honour and gives recognition to the iconic nature of the tram and éprouvée importance.

Importantly, we would like to extend the Board's congratulations and thanks to the staff and management for such extraordinary feedback from the public, in person and online plus allowing the Horse Tram Authority to thrive visually and finically.

The horses have never looked so fit and healthy plus the rolling stock of trams always look pristine. The care and love the horses receive from the team is obvious with them consistently receiving a 5-star health rating, which is exceptional as our 2 most important assets are the 2 H's - Humans and Horses, a credit to the whole team!

The new 'Causeway' has seen a huge response from locals and visitors alike, which helps to put credence to the importance of the improved causeway together with the much-loved Horse Tram's value to Victor Harbor. The new Causeway has proved to be an absolute triumph, with a constant traffic flow of people enjoying the experience. Now that all works have been completed, it has allowed for an exceptional 2023 and 24 summer, so far, despite a very inclement December & January again we are heartened by the feedback from our patrons. Surveys have provided visitor feedback of 90% satisfaction, for the staff interaction, service and experience. Again, this is a product of the culture built by Meg and Adrian, with the whole team showing outstanding service and attention to detail.

A grant from the Building Better Regions Fund plus great help and support from the City of Victor Harbor, has seen the new Stable Complex and Horse Experience become an exciting reality. The use of the timbers from the Old Causeway around the new build create a sympathetic synergy between the historic tram and the timbers that it travelled on for over a century. The Horse Encounter, at the stable, has expanded our sector reach and enhanced visitor engagement, enabling the delivery of a first-class hands-on, behind the scenes, horse experience. Not only has this offering attracted a more varied visitor base to our business but also has served to increase employment, provide an additional source of income for the VHHTA, and encourage extended holiday stays in the area. Marketing and encouragement of specialist educators, schools and company groups to visit opens up a myriad of future opportunities. The training of staff for extended Horse Education, public speaking, and interaction plus Equine Assisted Learning (EAL) creates not just employment but a career path, creating local engagement and opportunities.

Along with the new 'Stables' another major achievement for the VHHTA is the merchandise store and its offerings. The store has enabled a significant increase in sales, creating another revenue stream, it has again far exceeded predicted budgeting expectations. The Board cannot

thank Councillor Carol Schofield and the volunteers enough for all of their hard work and dedication.

I often visit the tram office and the vibe is always upbeat and positive with the bustle to get everything organised for the day, it is so heart-warming to see the love and care the horses are given, and the obvious affection the staff have for these majestic chargers. Interaction with the families who hang over the fence and ask questions, which I am sure becomes repetitive, are met with kindly responses and considered replies.

Scores of people watch as the horses are ridden along the beach or simply preened, massaged. and coiffured, showing obvious enjoyment at the wonderful spectacle. The staff's engagement with the public, and how convivially they converse with visitors, make it obvious the passion they have for their work. They are greatly appreciated by us all as they really serve to enhance the Horse Tram brand and are our greatest ambassadors.

Regular board meetings, together with internal and external assessments, serve to formalise ideas, helping us to guide decisions to make the Victor Harbor Horse Tram an even greater and more exceptional activity. Through recognition of ideas and governance the Board aims to produce 'The world's leading horse drawn tram experience', delivering encounters that create lasting memories. The Horse Tram and the Bluff at Encounter Bay are the most recognisable features of Victor Harbor and help to showcase South Australia's #1 tourist destination.

As Chair I want to express my gratitude to the Board for their commitment, devotion, and dedication to the Horse Tram, with each member making an incredibly positive contribution, bringing contrasting and complimentary skill sets to what is an exceptionally collaborative Board. Also, we would like to extend our thanks to the City of Victor Harbor and staff that have entrusted us with this icon and have been so supportive of the Tram and what we had vision to achieve. Council has supported our recognition of the Horse Tram's worth as a 'foundation stone' of tourism in Victor Harbor.

Lastly and most importantly, Megan Whibley, the VHHTA General Manager, has gone above and beyond, in running a very diverse and unique business. Her human resourcing skills show, great insight, creating a 'friendly family culture' while bringing new and fresh ideas to the VHHTA. We are so lucky to have such a great team of people working for the VHHTA, and a happy, healthy team of enthusiastic horses.

The future of the Victor Harbor Horse Tram is looking positive, bright, and exciting as we look toward our next undertaking.

Nigel M. Catt

Dip.Ag., Grad.Dip.Sc.

Chair

Victor Harbor Horse Tram Authority

The Board



Nigel Catt (Chair)

Nigel Catt began in the Australian Wine Industry in 1983 after graduating from Roseworthy Ag College. He has had various roles such as Wine Judge, Winery Manager, Senior Winemaker for a number of large and medium wine companies, as well as owning his own vineyards, wineries and wine brands.

During this time, Nigel has made wines in many other countries, consulted to other wineries and the State Government, run Industry Supply Companies at board and management level. He owned the Middleton Winery & Vineyards, developed and built the Flying Fish Café and was a board member for 10 years at Encounter Lutheran College. Also, National Sales and Marketing Consultant for Radoux, a French oak barrel company that he still represents here in Australia. He is the owner of Ocloc Vineyard trellis systems attaining a number of patents, all related to sustainable, ecological and cyclical viticulture.

Nigel has supported and developed many businesses and mentored emerging business-people, here and overseas. Nigel's focus and life has been the Fleurieu Peninsula, specifically Victor Harbor, where he is based with his family and lived since 1989.



Paul Brown

Paul Brown is the former owner of an internationally recognised tourism business. He has previously been the Chair of Tourism Kangaroo Island and the Australian Tourism Export Council (ATEC) SA Branch, as well as a board member of ATEC nationally.

In addition to being a Board member of the Victor Harbor Tram Authority he is a Board member of the Summit Sport and Recreation Park (Mount Barker) and Owner/Director, Dauncey Street Investments Pty Ltd.

A graduate of the Australian Institute of Company Directors course Paul has always sought to make a contribution to his industry and community and in recent times has contributed to the Older Persons Health sector.



Councillor Carol Schofield AM

Councillor Carol Schofield AM is the City of Victor Harbor's Elected Member representative on the Victor Harbor Horse Tram Authority Board. Carol was Chair of the City of Victor Harbor's Horse Tram Advisory Committee before it transitioned to form the Inaugural Victor Harbor Horse Tram Authority. She brings to the Board skills in business management, event management, tourism and agribusiness.

Carol is a long-time resident of Victor Harbor and has been involved in many local organisations. She was a dairy farmer and established her own agriculture business in Inman Valley.



Rachel Kennedy

Professor Rachel Kennedy (PhD, B.Bus(Hons), GAICD) is a globally recognised expert in marketing and evidence-based growth. As a co-founder and director of the Ehrenberg-Bass Institute, she has a proven track record of successful industry engagements that profitably grow businesses and build and protect their iconic assets. She combines this with hands-on experience marketing a local tourism reliant business.

Rachel is passionate about her community in Victor Harbor where she can often be seen walking, at the beach patrolling or playing hockey with her family. She is excited to bring her skills and knowledge to our Horse Tram.



Natasha Hunt

Natasha Hunt has over two decades of experience working in local government and the tourism industry. Having served on the Executive Team with the District Council of Yankalilla and Alexandrina Council she brings a wealth of knowledge in the areas of governance, strategic planning, community engagement, tourism, communications, and marketing.

Natasha represented the Fleurieu Peninsula on the South Australian Tourism Commission's Industry Skills Advisory Committee and was an inaugural member of the South Australian Accredited Visitor Information Centre Network.

Natasha grew up on the Fleurieu Peninsula on her family's farm where they operate two horse-based businesses. Natasha is passionate about the Fleurieu and has volunteered in many community organisations including the Normanville New Year's Eve Pageant, Yankalilla Football and Netball Club and the Fleurieu Horse and Pony Club.

General Manager

The General Manager reports directly to the Board and is responsible for overseeing the operations of the iconic Horse Tram service.

In early 2019, a competitive selection process was undertaken and Megan (Meg) Whibley was appointed from a strong field of candidates.

As the former managing director of Greenhill's Adventure Park, Meg has extensive experience in the tourism and service industry. It was these skills, along with her experience with horses and local knowledge, that led her to be selected as the successful candidate.

Since that time Meg has been a highly motivated driver of the VHHTA's direction and growth, successfully implementing the Board's strategic direction. She is currently bringing to life, entirely new, innovative offerings, services and business directions, promoting expansion, advancement and meaningful evolution, ensuring the future success of the VHHTA. It was the Board's pleasure to renew Meg's contract in 2022 for a further three years.

Since then, Meg has emerged as the driving force behind the VHHTA's direction and growth, overcoming every obstacle to establish new stables for the horse tram and generate additional revenue streams. Her unwavering dedication has propelled the VHHTA's trajectory and development, effectively translating the Board's strategic vision into reality. Presently, she is pioneering fresh initiatives, services, and commercial avenues, catalysing growth, progress, and substantive transformation, thereby safeguarding the VHHTA's future prosperity. The Board enthusiastically extended Meg's contract in 2022 for an additional three years, recognising her instrumental role in shaping the VHHTA's success.

The General Manager is incredibly proud of the cohesive, talented and productive team the VHHTA has in its employ. Meg promotes a work culture of inclusivity, empowerment and collaboration, with a commitment to improving and upskilling employee capabilities and expertise, investing in the team that supports the Victor Harbor Horse Tram to be the national attraction that it is.

Audit Committee

In accordance with the Charter, the VHHTA was required to establish an Audit Committee. The VHHTA drafted and endorsed the Victor Harbor Horse Tram Authority Audit Committee Terms of Reference, appointed four members, which included two board members and two Independent members, and the first meeting occurred on 9 Feb 2021. Since that time an extra independent member has been appointed, to create a 5-member committee for the purposes of decision making and complying with best practice advice from the Local Government Authority.

Since its establishment, our members have consistently demonstrated their capability in their roles, as evidenced by their reappointment through Council. Comprising three independent members alongside two Board members, our team brings a wealth of professional knowledge and specialist expertise to the table. The VHHTA is delighted to have all members serving on the Audit Committee and deeply appreciates their high calibre, especially considering their non-remunerative status.

The VHHTA Audit Committee consult with, and receive professional advice from, an independent financial specialist with expertise in local government finance, to report to Council in the form required.

About this Plan

This Business Plan marks the commencement of a new period, spanning from 2024 to 2027, and is set to undergo annual reviews throughout this timeframe.

This Business Plan includes performance targets that the VHHTA will pursue, the strategic direction of the subsidiary, a statement of financial and other resources, and internal processes that will be required to achieve these performance targets. It also details performance measures that are used to monitor and assess performance against targets.

This document is specifically intended to address the VHHTA Charter clause 1.7 as follows:

- 1.7.7 to prepare a strategic management plan for the Victor Harbor Horse Tram
- 1.7.8 to refine and redefine the strategic management framework for the Victor Harbor Horse Tram in response to changing circumstances

Within this Business Plan the terms *Strategic Document*, *Business Plan*, and *Operational Plan* are to be used interchangeably and have the same meaning in relation to the VHHTA Charter.

Framework for Delivery



Business Planning Process

A VHHTA's annual collaborative one-day strategic business planning workshop was held on 30 January 2024, attended by all members of the VHHTA Board, the VHHTA General Manager and the Assistant Manager. The workshop was facilitated by an external consultant. This was the fifth workshop that the VHHTA had organised, the first four successfully helping to roadmap the 2019, 2020, 2021 and 2022 Business Plan updates.

This year for the first time the VHHTA held their strategic business planning workshop at their new Stables location with all VHHTA Board, with the exception of Paul Brown who was absent. The day began with some preparation activities and reflection. Throughout the morning, the team reviewed the business plan in terms of what has been completed, what is left and what is next. A robust discussion emerged about team development and support and how best to sustain and grow the team culture. In the afternoon, the SWOT Analysis was refreshed, and the purpose statements were reviewed in the context of the addition of The Stables. The day wrapped up by working through the next four strategic priorities to set objectives and actions around. This report is part of the result of the planning day to support business planning.



VHHTA Board 2024 Planning Day



Vision statement

To showcase Victor Harbor through the world's leading horse tram experience.

Mission statement

To deliver historic experiences and create memories.

Goals/objectives

To become more efficient in the development and implementation of a business structure that incorporates a realistic vision for the future of the Horse Tram service.

Summary

After a brief discussion about the scope of the organisation and future growth, it was decided that these purpose statements still accurately capture the intent and direction of the organisation.

As part of the 2024 workshop, a revisit to the skills audit of the group was undertaken, followed by extensive workshopping of strategic priorities and action steps. Conversation was robust, positive and practical, with lots of passion and goodwill in the room for this project. It was very apparent that at this workshop that the direction and planning was a continuation of, and a deepening into, the strategic tact taken in 2020, compared with earlier operational plans.

Informal gatherings have been held bi-monthly to further develop the plan and ultimately, the future of the VHHTA.

The phenomenal progress the VHHTA continues to make is laying a solid foundation for VHHTA success. As all of the hard work and innovation comes to fruition, the next phase of operations will be exciting.

Funding Our Plan

Operating Revenue

The Authority is, in part, funded by City of Victor Harbor. Other revenue is generated through ticket sales, merchandise sales, grant funding, sponsorship, donations, credit interests and reimbursements (own source revenue).

2023/24

Operating expenses of \$1,478,435 will be funded by own source revenue of \$1,113,435. Council will provide a contribution of \$365,000 to the VHHTA aiming for a breakeven budget.

The table below provides a summary of the budgeted income for 2023/24:

Description		Amount
Ticket Sales	Casual and group bookings	\$796,235
Other Income	Souvenir sales	\$155,000
	Behind the Scenes	\$77,100
	DIT Boom Gate Contract	\$45,000
	Council contribution	\$365,000
	Interest and other income/donations/sponsorship	\$40,100
Total		\$1,478,435

2024/25

Operating expenses of \$1,681,500 will be funded by own source revenue of 1,316,500. Council will provide a contribution of \$365,000 to the VHHTA aiming for a breakeven budget.

The table below provides a summary of the revenue for 2024/25:

Description		Amount
Ticket Sales	Casual and group bookings	\$836,000
Other Income	Souvenir sales	\$166,600
	Behind the Scenes	\$217,900
	DIT Boom Gate Contract	\$45,000
	Council contribution	\$365,000
	Interest and other income/donations/sponsorship	\$51,000
Total		\$1,681,500

Expenditure

City of Victor Harbor (CVH) Capital

The City of Victor Harbor holds most of the assets used by the VHHTA in the tram operations. The VHHTA provides recommendations to Council regarding capital requirements as part of the annual budget process.

These recommendations along with the requirements detailed in Council's Asset Management Plans provide for the effective replacement and upgrade of assets associated with horse tram service delivery.

VHHTA Capital

In addition to the City of Victor Harbor Capital budget, the VHHTA has established its own Capital Budget, in response to Council gifting certain assets to the VHHTA. As the VHHTA now has assets, and is responsible for maintaining and replacing those assets, the VHHTA has established its own capital budget for this purpose. The VHHTA is servicing the capital budget with borrowed funds through the LGFA, in accordance with the VHHTA Charter. The VHHTA, through its VHHTA Capital budget is reducing its dependence on Council by managing certain assets and facilitating funding for additional assets.

Funding plan	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
CAPITAL NEW - Description						
IT equipment	\$5,000					
Tools	\$6,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Tractor/mower/slasher						
Gater						
Work vehicle						
Second float						
Harness Equipment	\$10,000		\$5,000		\$5,000	
Equissage						
Horse Exercise machine/walker	\$25,000					
TOTAL – Capital New	\$46,000	\$2,500	\$7,500	\$2,500	\$7,500	\$2,500
CAPITAL REPLACEMENT- Description						
Float	\$25,000					\$25,000
Second Float				\$25,000		
Work Vehicle		\$53,000			\$53,000	
harness Equipment		\$5,000		\$5,000		\$5,000
Spray unit			\$3,000			
Gater					\$15,000	
Work Ute				\$50,000		
Tractor/mower/slasher						\$35,000
Tools	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
IT Equipment		\$6,000		\$6,000		\$6,000
Total - Capital Replacement	\$27,500	\$66,500	\$5,500	\$88,500	\$70,500	\$73,500
TOTAL CAPITAL EXPENDITURE	\$73,500	\$69,000	\$13,000	\$91,000	\$78,000	\$76,000
Less: Income from sale of assets/tradeins	-\$15,000	-\$45,000		-\$50,000	-\$53,000	-\$15,000
TOTAL CAPITAL TO BE FUNDED	\$58,500	\$24,000	\$13,000	\$41,000	\$25,000	\$61,000
Opening balance from borrowings previous year	\$75,796	\$91,946	\$80,497	\$54,798	\$48,899	\$40,949
New Borrowings	\$58,500	\$24,000	\$13,000	\$41,000	\$25,000	\$61,000
Interest	\$6,715	\$4,638	\$3,740	\$3,832	\$2,956	\$4,078
Repayments	-\$49,064	-\$40,087	-\$42,439	-\$50,731	-\$35,906	-\$35,528
Closing Balance	\$91,946	\$80,497	\$54,798	\$48,899	\$40,949	\$70,499

Operating

Operating expenditure for the VHHTA includes employee costs, maintenance of assets, horse care, utilities, corporate support and building and equipment hire.

Corporate support is provided on a pro rata basis by the City of Victor Harbor for a number of services including information technology, finance and administration support. Costs that are directly attributable to the VHHTA are on-charged by council to the VHHTA.

Building and equipment hire is charged by council at a rate equal to depreciation. This reflects the VHHTA's consumption of Council assets whilst providing a cost-effective solution for the VHHTA.

2023/24

The table below provides a summary of the budgeted expenses for 2023/24.

Description		Amount
Employee costs	Salaries, superannuation & Workcover	\$865,154
Office and Administration costs	Travel, stationary, printing and communication Insurance & utilities	\$122,830
Maintenance	Building and equipment maintenance	\$35,000
Surplus from 22/23	Stable finishing with surplus	\$153,000
Horse care	Feed, farrier and vet fees	\$105,000
Marketing	Advertising, promotions and souvenir purchases	\$80,000
Depreciation	Capital Asset Depreciation	\$66,720
Other Expenses	Committee costs, volunteer and staff amenities	\$109,176
Equipment Hire	Building and equipment hire	\$16,855
Corporate Support	IT, finance, records and administration	\$77,700
Total		\$1,631,435

2024/25

The table below provides a summary of the budgeted expenses for 2024/25

Description		Amount
Employee costs	Salaries, superannuation & Workcover	\$991,400
Office and Administration costs	Travel, stationary, printing and communication Insurance & utilities	\$135,700
Maintenance	Building and equipment maintenance	\$41,900
Horse care	Feed, farrier and vet fees	\$110,000
Marketing	Advertising, promotions and souvenir purchases	\$83,900
Depreciation	Capital Asset Depreciation	\$74,500

Other Expenses	Committee costs, Consultants and Professional services, FBT, volunteer and staff amenities	\$160,000
Equipment Hire	Building and equipment hire	\$17,700
Corporate Support	IT, finance, records and administration	\$81,400
Total		\$1,696,500

Financial Indicators

As the VHHTA is part funded by the City of Victor Harbor to achieve a breakeven budget, the VHHTA reports on Own Source Funding Ratio in lieu of the Operating Surplus Ratio.

Own Source Funding Ratio provides a key indicator on the percentage of income that is generated before Council contributions.

Over the long term, the VHHTA aims for, and has been, increasing this percentage, thus reducing reliance on Council funds.

The following table provides the ratios for 2021/22, 2022/23, 2023/24 and predicted 2024/25.

Key Financial Indicators	2021/22 Actual	2022/23 Actual	2023/24 Current Budget	2024/25 Draft Budget
Own Source Revenue	52.5%	64%	68%	78%
Operating Surplus Ratio	0%	11.7%	-10.3%	-0.9%
Net Financial Liabilities Ratio	11%	3%	12.6%	10.9%
Asset Renewal Funding Ratio	0%	0%	100%	100%

Products and Services

The major business of the VHHTA is the sale of tickets to travel to and from Granite Island via the causeway on the Horse Tram. The Tram service supports residents and visitors to the town by providing a transport service, but also by providing an historic and memorable experience, only available in a few rare places in the world.

In 2021 the VHHTA refurbished the old office building into a merchandise store. The creation of the merchandise store has created a substantial source of income. The store has significantly increased the variety of products that the VHHTA has previously been able to offer.

The merchandise store offers products such as horseshoes, plush and wooden toys, post cards, hobby horses, hats, scarves and clothing, glass sculptures, books and more, and the range is ever expanding as shopper preferences and demands are identified. The volunteers that work in the store provide information regarding the Horse Tram and the broader Victor Harbor area to visitors.

The VHHTA has now completed and opened the new Stables Complex that currently offers behind-the-scenes experiences and rooms for hire, expected to increase business. This complex

also has a secondary merchandise store, increasing the audience of products on offer with plans to expand offerings in future.

The VHHTA is also set to deliver Equine Assisted Learning (EAL), a wellness offering, promoting personal development and growth, with the horses assisting humans to enhance their own awareness, build upon their relationship and communication skills, boundary recognition and setting skills and leadership skills, and other growth goals identified by the client. EAL also has a primary focus on improving the regulation of a client's nervous system, helping to build clients capacity to cope with life's hurdles. The VHHTA is very proud to be able to offer this wellness themed experience, and have a team of six practitioners trained, or in training, ready to offer EAL to the community.

Product/Service	Description	Price (Subject to change)
Horse Tram ticket Pricing	Horse tram passenger service using Clydesdales and heritage trams to transport visitors from the mainland to Granite Islands	One way / Return Adult \$20 / \$25 Concession (Seniors and Students, Pensioners) \$15 / \$20 Children ride free with a paying adult. (limit of 2 children per adult)
Horse Tram membership	Membership offers members benefits and local business benefits	Adult \$75 Concession \$60 Children ride free with a paying adult. (limit of 2 children per adult)
Behind the Scenes Experiences	Ticket includes an immersive look into the history of the horse tram, meeting the horses, learning about harnessing and training	Adult \$80 Concession/Student \$60 Senior \$60 Child \$45 4 years age and under attend free with a paying adult.
The Heritage Experience	The ticket includes a trip on the PS Oscar W, Steam Ranger & Horse Tram with a return trip to Goolwa	On hold due to current negotiations
Buy one get one free package	Entertainment Card	Buy one-way get return ride free

Merchandise

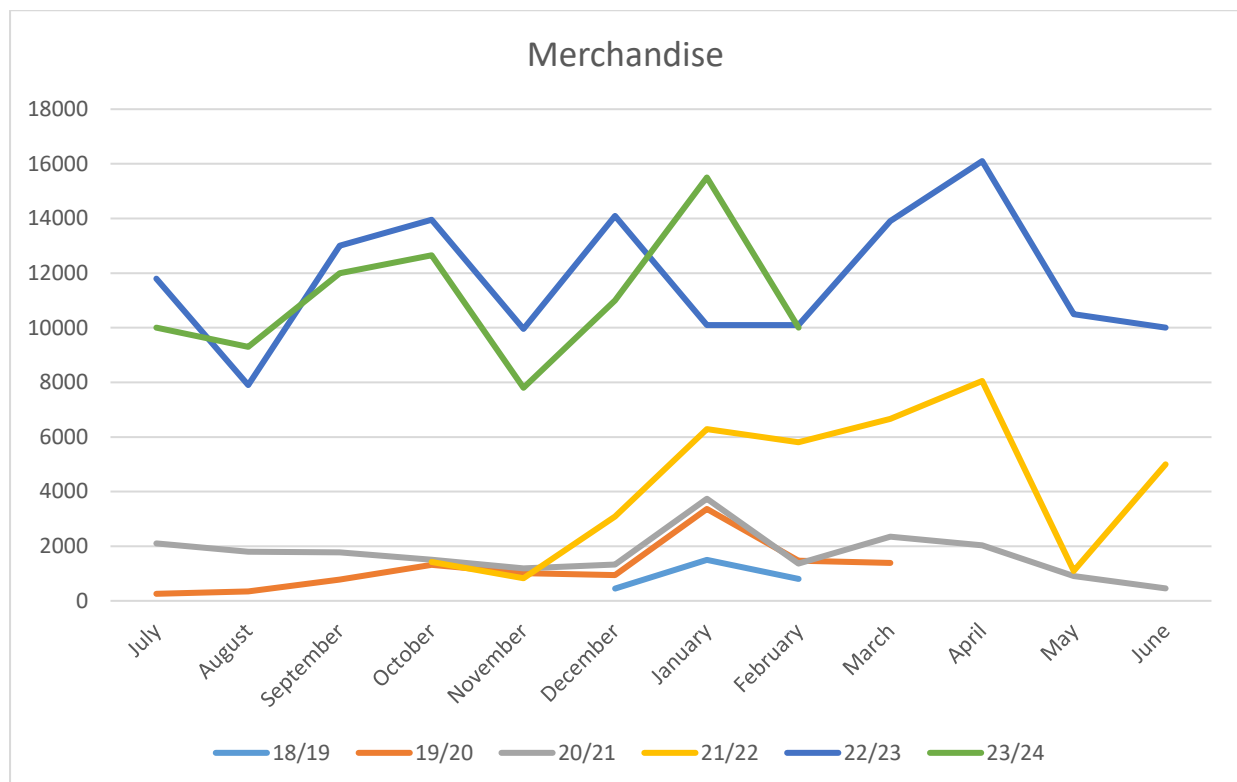
The VHHTA opened its first merchandise store in December 2021 which is progressing well with our esteemed volunteers' help. The store has facilitated merchandise sales to boom well beyond expectation, while also offering comfortable amenities for the volunteers and the protection of stock. Seven new volunteers have joined the VHHTA team since this store opened, an increase from a team of two to a team of nine. The store is also a great point of



of contact for visitors to the tram, providing and assisting passengers with tram travel and other tourism information.

With the opening of the new Stables Complex in late 2023, a second merchandise store was incorporated into the building for visitors to walk through during the behind-the-scenes experiences and have the opportunity to purchase souvenirs upon departure. We anticipate more momentum with future sales with the opening of this secondary location.

The chart below denotes the trend in merchandise sales since the 2018/19 fiscal year. With the opening of the first merchandise store in December 2021 sales revenue showed a significant increase. We are anticipating the 2024/25 merchandise sales to increase again with the opening of the second merchandise store at the new Stables Complex.



The Merchandise Store, Staff Room, Office and Tack Storage



What we will do in 2024 – 2027

In 2024, the business plan was designed around operational set-up, long term strategies, and staff development:

Priority 1: Team Development

Priority 2: Marketing & Promotion

Priority 3: The Experience & Offerings

Priority 4: Finance & Operational Growth

The following pages outline objectives under each of these four key areas and corresponding actions the VHHTA plans to take over the period of the business plan in relation to achievements of these objectives.

Priority 1: Team Development

Strategies to sustain and develop our humans and horses

The Authority has taken strategic steps towards successful development and support of the growing team to ensure efficient and effective management of all operations in a sustainable way.

1.1 Review Operational & Individual Needs & Skills		
Actions	Indicator	Target
New Staff Performance Process	Continual success and maintenance of horse operations	January 2025
Review & clarify staff roles across diverse and growing team	Success of expanding offerings at HDT sites	January 2025
Review Contingency plans for staff changeover with growing team	Smooth transitions of staff during leave periods	January 2025
Continue attraction and retention of staff for growing team	New staff acquired and current staff retained	January 2025
1.2 Succession Planning		
Actions	Indicator	Target
Review succession plan for Board Members	Succession Planning discussed at Board Meeting to ensure proactive approaches by members	May 2024
Review succession plan for Leadership Team	Process is understood and followed by Leadership Team effectively	January 2025
Review succession plan for HDT Team	Regular communication and	January 2025

	transparency regarding succession planning processes	
Review succession plan for Horse team	Continual success and running of horse tram	January 2025
1.3 Induction & Training		
Actions	Indicator	Target
Review and upgrade the induction experience	Documented Induction Process on File	January 2025
Develop staff support, training programs, recognition and career pathways	Feedback from Staff	January 2025
1.4 Enhancing Horse Fitness & Care		
Actions	Indicator	Target
Manage consistent horse training program	Decrease in injuries, fitness for operations is maintained, Improvement in horses performance metrics	July 2024 December 2024 July 2025
Work with mentors to develop trainers' skills and awareness	Regular evaluation of trainer's progress and skill development through performance reviews	Ongoing
Visit other facilities for training camps	Staff visit to training camp	December 2024
Continued Staff Training for IT management of Horse Care and Maintenance	Successful integration of IT tools in staff induction and use in daily operations	July 2024 December 2024

Priority 2: Marketing & Promotion

Strategies to promote Victor Harbor, The Tram, and The Stables

The successful execution of this priority will see more visitors and groups engaging with what the Horse Drawn Tram offers.

2.1 Update Marketing Plan		
Actions	Indicator	Target
Development of Brand Style Guide for continuity across marketing & promotion	Brand Style Guide is uploaded to website and sent to promotional partners	July 2024
Upgrade the website to clarify brand and functionality	Website is live, reflects Style Guide	July 2024

Upgrade social media strategy with staff	Regular social media marketing	January 2025
2.2 Take up promotional activities		
Actions	Indicator	Target
Update and implement new promotional plan to align with new offerings	Plan is documented on file to reflect suite of offerings at The Stables	January 2025
Develop new strategic promotional partners	Ongoing Partnerships developed	January 2025
2.3 Invest in targeted advertising		
Actions	Indicator	Target
Digital signage showcasing Victor Harbor and advertising HDT offers and experiences.	Advertisements showing offers	July 2024
Develop Media List	Media releases sent once per fortnight	May 2024
Develop Values Statement	Referred to on website and in advertisements	January 2025

Priority 3: Experiences & Offerings

Strategies to enhance visitors and locals experience of Victor Harbor through diverse experiences.

The successful execution of this priority will involve designing, rehearsing and launching new ways to interact with The Stables.

3.1 Identify the market possibilities		
Actions	Indicator	Target
Host official opening date for Stables opening with political dignitary as guest of honour.	Official Opening held at stables with esteemed guests in attendance and media coverage	June 2024
Develop Offer Delivery Models	Delivery Models documented on file	July 2025
Develop specific marketing for The Stables	Appeal to target groups and develop upon experience offerings	January 2025
3.2 Design programs to suit chosen groups		
Actions	Indicator	Target
Develop School Programs (Wellness + Animal Interest + Leadership)	School participation in program and feedback from educators	January 2025
Develop Equine Assisted Learning (EAL) Programs (1:1 + Small Group)	Positive outcomes observed in	April 2024

	participants of EAL programs	
Develop Seniors Programs	Participation of seniors in programs	January 2025
Define 'Premium Offers' (Corporate Teambuilding & Leadership Development)	Successful launch and use of premium offers by corporate clients	January 2025
Develop new offerings for the Stables Facility	Introduction of new programs and experiences	January 2025
Develop Corporate offerings for the Stables Facility	Have trialled event for Program	January 2025
Enhance support for team to develop and deliver experiences (horse work, presentation and media training + events)	Project Leaders for various projects	January 2025
Venue hires business model and processes	Model process developed and trialled event for process	January 2025

Priority 4: Finance and Operational Growth

Finance and structure for sustainability and growth

The Authority intends to maintain profitability and progressing projects that secure the future of the tram.

4.1 Operational Budget		
Actions	Indicator	Target
Prepare and submit Ops Budget, Capital Budget and Business Plan	Approval	April 2024
Manage Project Budgets	Approval	Ongoing
Set appropriate experience ticket costs for new programs	Consultation with Board and mentors	June 2024
Cost control and maintenance analysis	Regular check ins with Board	Ongoing
4.2 Build revenue from The Stables Experiences		
Actions	Indicator	Target
Set initial targets and projections for 'The Stables'	Measurable targets established	July 2024 January 2025
Monitor ROI for The Stables	Regularly track and analyse ROI	Ongoing
Report on financial value as well as cultural and community value	Comprehensive report on values	April 2025

	within Business Plan	
Grow merch business arm	Increase in merchandise sales revenue	December 2024
4.3 Secure HR, Capital & Facilities		
Actions	Indicator	Target
Secure future grazing land for horses	Successful contract for lease or purchase of land	January 2026
Continue to recruit and develop skilled and committed team members	Analyse employee satisfaction and performance scores through regular performance evaluations	Ongoing
Enhance signage and wayfinding	Visitor feedback on ease of navigation	July 2024
Monitor capacity of core staff and support development	Regularly assess through performance reviews	Ongoing
4.4 Build Strategic Framework		
Actions	Indicator	Target
Asset Management Plan	Implementation of regular review of plan	December 2024
Risk Assessment and Safety Plan	Implementation and regular review of plan	December 2024
Land and Environment Management Plan	Compliance and Implementation of Plan	December 2025
Horse Care Plan	Achievable maintenance of horse health, performance measures	December 2025
4.5 Funding and Sponsorship		
Actions	Indicator	Target
Acquittals and reporting on funding received	Submission of accurate funding acquittals and sponsorship reports	December 2025 December 2026
Seek out funding and sponsors for specific Programs, Events and aspects of HDT	Increase in the number of secured sponsorships	March 2026

Investigate State Education Funding	Proposal submitted for relevant funding agreement	July 2026
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Patronage

VHHTA was delighted to receive the gracious acceptance of Her Excellency the Honourable Frances Adamson AC, Governor of South Australia, to become a patron of the Victor Harbor Horse Tram. This prestigious alliance marks a significant milestone for us, as we embark on a collaborative journey with Her Excellency to champion our beloved horse tram and invigorate our township.

Our vision encompasses a multifaceted partnership with Her Excellency, leveraging her esteemed position to bolster awareness and appreciation for the Victor Harbor Horse Tram. We eagerly anticipate her involvement in official openings and events, where her presence will undoubtedly lend an air of distinction and prestige. Through strategic collaboration, we aspire to amplify the cultural and historical significance of the horse tram, while simultaneously enhancing the vibrancy and allure of our township.

The addition of Her Excellency the Honourable Frances Adamson AC, Governor of South Australia as our Patron ignites a sense of anticipation and excitement, as we eagerly explore the myriad of strategic opportunities this new alliance may present. With her guidance and support, we are poised to embark on an enriching journey of growth and prominence, further solidifying the Victor Harbor Horse Tram as a cherished gem of South Australia.

Equine Assisted Learning (EAL)

We are in the process of crafting initiatives to introduce Equine Assisted Learning (EAL) sessions at our newly established stables complex. A considerable number of our staff have undergone comprehensive training and are now fully accredited Equine Assisted Teachers, equipped to deliver a spectrum of courses tailored to various proficiency levels, ranging from beginner to advanced.

Our aim is to seamlessly integrate these innovative programs into our offerings, catering to a diverse audience including students, professionals, and enthusiasts of the equestrian world. By harnessing the therapeutic and educational potential of interactions with horses, we aspire to facilitate profound skill development and personal growth.

We envision these Equine Assisted Learning programs serving as transformative platforms for individuals seeking to enhance their abilities, whether it be in academic pursuits, professional endeavours, or simply fostering a deeper connection with these magnificent animals. Through immersive and hands-on experiences, participants will have the opportunity to cultivate a myriad of skills while forging meaningful connections with our equine companions.

As we continue to refine and expand upon these initiatives, we are excited about the prospect of empowering individuals from all walks of life to unlock their full potential in the enriching environment of our stables complex.

The sessions for Equine Assisted Learning are scheduled to open for bookings from mid-March 2024

Website

We launched our brand-new Stables website, coinciding with the grand opening of our state-of-the-art stables complex. This revitalised digital platform embodies modernity and functionality, designed with a keen focus on enhancing the overall customer experience. With user-friendly navigation and an intuitive booking interface, our website ensures seamless interaction for visitors, enabling effortless exploration and hassle-free reservations.

Moving forward, our strategic roadmap entails the development of a cutting-edge website specifically tailored for our esteemed horse tram service. This initiative is aligned with our overarching branding objectives and mirrors the aesthetic and user-centric principles of our newly inaugurated stables website. By harmonizing our online presence across all touchpoints, we aim to elevate our brand identity and deliver a cohesive digital experience to our audience.

Our commitment to innovation and customer satisfaction drives us to continuously refine and enhance our online platforms. Through the implementation of advanced technologies and best practices in web design, we aspire to set new standards of excellence in the digital realm. Stay tuned as we embark on this exciting journey of digital transformation, shaping the future of our online presence to better serve our valued patrons.

Grazing Land

The VHHTA has been fortunate to secure the use of the land opposite the existing stables at Canton Place. This land, purchased by the City of Victor Harbor (CVH) in 2021, has since been leased to the VHHTA, marking a significant achievement in our ongoing efforts to secure more grazing land. With this lease, we now have an adequate acreage for the grazing of the Victor Harbor Horse Tram horses, ensuring compliance with the City of Victor Harbor's regulations regarding Environmental Sustainability.

We are committed to preserving and improving the health of the land where our Clydesdales reside. Over-grazing can lead to environmental damage and land degradation, which is why proper management is essential. Fortunately, the properties we currently utilise, including old Canton Place and Gillespie, offer numerous well-sized paddocks, allowing us to rotate land use and rest paddocks after grazing to promote regeneration.

To further enhance the land, we use professional seeding techniques using a mix designed to improve soil nutrition and encourage self-reseeding. By carefully selecting seed varieties and utilising biodynamic principles, we aim to maximise pasture capacity and maintain plant growth activity throughout the year. These practices not only increase the diversity of fodder species available to our horses but also promote soil health and microbial activity, ensuring the long-term sustainability of our grazing lands.

Currently, the VHHTA has access to a total of 10 hectares for grazing, which includes Gillespie (6.21 hectares), the original Canton Place site (1.9 hectares), and the newly acquired parcel of land (1.89 hectares). Our current horse team remains compliant with the CVH requirement of no more than two horses per hectare, accounting for the size and potential environmental impact of Clydesdales. However, as this lease will need renewal in the next few years, we are actively seeking new local land options to future-proof our horses' access to adequate grazing land.

In our pursuit of new land, we are in communication with SA Water and other landowners to establish collaborations and agreements for grazing rights. It is crucial that any new land secured be located close to our operations for practicality and to minimise risks associated with transportation. All properties currently utilised by the VHHTA are within proximity to each other, ensuring safe and efficient travel for our horses within fifty-kilometre speed zones.



Sponsorship Opportunities and Partnerships

With the new Causeway finished and opened, and the exciting new Stable Complex and Visitor Centre now completed, exciting opportunities for sponsorship have opened up for the VHHTA. We are excited to introduce a range of fresh sponsorship opportunities via our newly launched stables website. These opportunities cater to various levels of engagement, each accompanied by distinct benefits tailored to suit the needs and preferences of our potential sponsors.

The VHHTA has been very proud and grateful to work with current sponsors, as we work together to achieve our goals and make progress. Victor Harbor Isuzu sponsored the VHHTA's Isuzu D-Max utility enabling the car to have wrapping applied, turning the vehicle into a daily moving advertisement for the Horse Tram, Victor Harbor and for the local Isuzu dealer. The D-Max has since travelled interstate for work purposes, advertising the Horse Tram to many potential interstate visitors, extending our reach to a wider target audience.



The VHHTA has seen an increase in annual membership sales, which would not be possible without our annual membership sponsorship partners, the Hotel Victor, Nino's Café, Urimbirra

Wildlife Park and All Sweets & Treats, and the bonuses and benefits that they offer to our annual pass holders.

The VHHTA has had a great partnership with McConnell Dowell Construction Company, who have been responsible for the building of the New Causeway. The partnership enabled the new Causeway to become a reality, and simultaneously allow for the continued service of the Horse Tram for most of the construction period.

Going forward the VHHTA is partnering with the Department of Infrastructure and Transport (DIT) to provide safe Causeway boom gate access to permit vehicles. The VHHTA is uniquely situated to manage vehicle access for DIT and to relieve DIT of this onerous burden. Previously, with the original Causeway, this level of vehicle access was non-existent, and so the challenges that have come with a strong, wide, accessible Causeway are novel and the VHHTA is pleased to provide contractual services to help manage the new conditions.

Reusing – Recycling - Repurposing - Reducing

The VHHTA is dedicated to embracing principles of reusing, recycling, repurposing, and reducing wherever feasible. This commitment is driven by a straightforward rationale: by adopting these practices, the VHHTA not only demonstrates conscientious caring of the environment and valuable resources but also achieves its goals with reduced financial expenditure. It's a logical approach that aligns with our values and goals.

The Victor Harbor Horse Tram is grateful for the approval granted to repurpose and utilise



select timbers salvaged from the old causeway, which underwent deconstruction and replacement in 2022. This significant permission not only facilitated the incorporation of an artistic and historical element within the new Stables Complex but also served as a tribute to a causeway with a rich legacy spanning over a century. Through the ingenious repurposing of these historic timbers, their story perseveres, breathing new life into the Stables Complex.

Installed within the new stables towards the end of 2023, these timbers have swiftly become a prominent feature, capturing the attention and admiration of our esteemed visitors. Serving multifaceted purposes, they adorn the entrance with their artistic allure, line the carpark with their rustic charm, and demarcate the perimeter with their sturdy presence. Each timber holds within it a piece of history, a testament to the enduring legacy of the Victor Harbor Horse Tram and its dedication to preserving the past while embracing the future.





The newly constructed training yard, intended for both the training of our cherished horses and for providing behind-the-scenes experiences, showcases a unique aspect. The fencing surrounding this entire area has been crafted using recycled railway steel sourced from the deconstructed causeway. This not only emphasises our commitment to sustainability through material recycling but also adds a delightful and distinctive feature to our stables.

The new Visitor Centre offers the VHHTA a second office area, requiring office equipment and furniture to ensure its functionality. The VHHTA has sourced two free desks, generously supplied by McConnell Dowell, the company responsible for constructing the new Causeway. The desks were no longer needed once the Causeway project was completed, creating the opportunity for the VHHTA to reuse the desks to fit out the new office. The VHHTA were also lucky enough to receive some free office chairs that were no longer needed, in much the same way. A steel, lockable cupboard and shelving unit was also donated to the VHHTA from Fleurieu Families, another fabulous Council department. The unit will be used in the new Visitor Centre, providing a secure and useful storage facility.



The Visitor Centre and Stable Complex underwent transformation imbued with equine elegance, evoking an authentic horse-themed ambiance. To achieve this vision, the Victor Harbor Horse Tram Association (VHHTA) is committed to infusing every aspect with horse-inspired charm and character.

In a testament to our dedication to sustainability and honouring our equine companions, we have forged a partnership with a local plant nursery Charlie & Jack. Together, we source indoor plants that we lovingly name after beloved horses that have passed, creating a living tribute within our spaces.

Moreover, to infuse the space with a touch of nostalgia and innovation, we're embarking on an exciting upcycling journey. Utilising our old, unusable tack and harness, we're employing inventive and unconventional approaches to repurpose these materials. The VHHTA team is constantly brainstorming innovative ideas to integrate old harnesses into the new buildings, resulting in a plethora of imaginative concepts.

Anticipate encountering captivating features such as wagon wheel chandeliers adorning the stables, harnesses and hames tastefully displayed on the walls and repurposed as holders, and vintage horse collars repurposed in various creative ways.

With each detail meticulously crafted, the Visitor Centre and Stable Complex exudes distinct charm, paying homage to our rich equine heritage while embracing the spirit of innovation and sustainability.



Jay Jay



Thomas



Skye



Misty

The VHHTA disposes of organic waste, such as manure, through the Fleurieu Regional Waste Authority, (FRWA), saving money on disposal costs, recovering resources and improving the environmental performance of the VHHTA. The VHHTA is constantly striving for ways to lower its ecological footprint. FRWA's organic waste collection service is the perfect solution for manure created when the horses are at the office working. The organic matter is collected from FRWA by Peats Soil and Garden Supplies. Peats is a second-generation, wholly South Australian company, focused on receiving, processing and marketing recyclable organic resources in bulk and bag forms.



Horse Tram Helping Humans

The Horse Tram takes great pride in its role in supporting the broader community, including organisations like the Women’s & Children’s Hospital Foundation ‘Laklinyeri’ Beach House, nestled in the scenic Encounter Lakes of Victor Harbor. This remarkable holiday retreat offers families a serene environment to unwind and create cherished memories. Specifically designed and equipped to cater to the needs of children with complex medical conditions and those in palliative care, it serves as a haven of comfort and respite.

As part of our commitment to giving back, the Horse Tram extends complimentary travel experiences to families staying at Laklinyeri. Each year, approximately twenty large, extended family groups benefit from this gesture. Although we have the option to invoice for these journeys, we opt instead to gift these experiences, allowing the Women’s & Children’s Hospital Foundation to allocate their financial resources towards supporting these families.

Additionally, the Horse Tram contributes to various charitable initiatives by donating gift vouchers for family tram rides. These vouchers are often included in raffle prizes, aiding in fundraising efforts for noble causes. Moving forward, the VHHTA remains dedicated to continuing its philanthropic efforts, ensuring ongoing support for the region and its families. This altruistic approach remains a cornerstone of the VHHTA Business Plan, underscoring our commitment to making a meaningful difference in the lives of those we serve.

PROUDLY SUPPORTING



Women’s &
Children’s Hospital
Foundation



LAKLINYERI
beach house

The Victor Harbor Horse Tram Horse Team



Leo

At the Victor Harbor Horse Tram, we deeply value our horses and place high priority on their health and well-being, considering them integral members of our team. Some of our horses have been with us for many years, while others have joined our ranks more recently.

Leo, for example, has been part of our family for three years now. Since being trained to harness and given time to rest, we've been focusing on strengthening the bond between trainer and horse, a connection we're eager to showcase in our new behind-the-scenes experience. Leo has endeared himself to all our staff

and is swiftly becoming a beloved figure in our behind-the-scenes interactions. As his fitness grows throughout the year, we also plan to introduce him to tram duties by the end of 2024.

Striving to expand our working horse team to eight members marks an exciting milestone for the Victor Harbor Horse Tram. This expansion will enable us to implement a spelling regime, allowing our horses to enjoy meaningful breaks from tram duties. Currently, during the off-season, our horses work one morning or afternoon every two and a half days. In the busy season, lasting approximately four weeks, they work four out of five days. However, just like humans, horses require adequate rest and downtime to thrive. Introducing a spelling regime ensures our horses receive the rest they deserve.



Murray

A larger team not only allows us to run three trams during peak periods but also reduces turnaround times, increases revenue, and expands the number of tram journeys possible in a day. This enhanced efficiency is not achievable with our current team, as it would overburden our horses. With more horses available, we can safely and sustainably rotate them, reducing wait times for passengers and better meeting visitor demand.



Moreover, our expanded horse team enhances our Behind the Scenes Experiences and Equine-Assisted Learning (EAL) program. Previously, during peak tram days, we had limited horses available for visitors to interact with. However, with our new team, we can offer more well-rested horses for visitors to engage with, enhancing their experience.

The expanded horse team will also provide untold benefits for the VHHTA's Behind the Scenes Experiences and EAL program. With the VHHTA's previous team, a peak season tram day would have left only three horses

available for visitors to the stables, and one horse of which would be resting after four consecutive days of tram duties.



Isabelle

The new team will mean that at any given time in busy periods the stables are able to offer six well rested horses for visitors to share experiences with.



Leo, Archer, Scotty, Norman and Finn

Additionally, a larger team mitigates the impact of any illness or injury on our horse team, ensuring that the workload remains manageable for all members. We're thrilled to have acquired talented, trainable, and highly recommended horses for a reasonable investment, underscoring the invaluable benefits of our team's expansion. servicing visitor demand at peak times.



Archer training for the Horse Tram

The Opening of the 'Behind the Scenes' Experience Packages

The Victor Harbor Horse Tram Authority has hit the ground running with 'Behind the Scenes' Experiences that has taken several years of planning to finally unveil. The VHHTA now offer up-close and personal opportunities to experience a side of the horse tram operations, and horses that has not previously been accessible to the public.

As well as responding to demand from visitors and locals to get to know the majestic Horse Tram Clydesdales, the opportunity has been created to diversify the operation into additional experiences which we foresee will allow higher margins, better returns and greater employment opportunities.

The new service can now:

- Provide insights into existing operations and the history of the Tram service which dates back to 1894;
- Offer a range of experiences including equine training, education and information, and hands-on demonstrations;
- Showcase the magnificent Clydesdales from the Horse Drawn Tram and introducing visitors to their home (stables and paddocks);
- Offer unique experiences for a range of audiences including:
 - Up close and personal exclusive experiences
 - School groups
 - Senior groups
- Make it possible to market additional value add opportunities e.g. birthday parties, small group experiences, conference facilities for hire, and equine facility rental;
- Facilitate additional merchandise sales; and
- Allow for pre-bookings online for individuals and for coach tour groups, overcoming a limitation with the existing service (where weather makes pre-bookings problematic).



We are also actively pursuing the development of new and captivating experiences, such as corporate training groups, an intimate breakfast with the horses and sunrise sessions followed by a continental breakfast onsite, and more! We're continuously brainstorming and expanding our offerings to provide guests with even more unforgettable experiences to unveil throughout 2024.



The Future

The future holds boundless opportunities for the VHHTA, and we are filled with excitement for what lies ahead. Our goal is to enhance our self-reliance in the coming years, with the ultimate aim of achieving complete independence from Council contributions. Encouragingly, current trends indicate that we are already making significant progress in this direction.

At the new Stable Complex we eagerly anticipate welcoming hordes of enthusiastic visitors eager to partake in our diverse array of Behind the Scenes experiences. To ensure we meet the anticipated high demand and deliver exceptional experiences, the VHHTA remains committed to expanding our staff numbers and diversifying our offerings in the foreseeable future.

We are poised for growth and eagerly embrace the challenges and opportunities that lie ahead!



The stable hosts 8 large, Clydesdale sized stalls and two feed/storage rooms, equal in size to the stalls. This is intentional so that these rooms may be converted into horse stalls should the VHHTA have the need in the future.

The Stable boasts a five-metre-wide by 22-metre-long raceway, down the centre, offering the fabulous opportunity to host experiences, such as high teas and birthday parties in this space, with the inclusion of the horses in their stalls for horse appropriate events.

The Visitor Centre includes three bathrooms, a large kitchen for catering purposes, an office and an expansive floor area for functions, conferences, EAL and entertaining visitor groups. The space itself offers the opportunity for another income stream, from the external hire of the facility.

The main floor area also hosts a second merchandise store. Given the success of the first merchandise store, the VHHTA is optimistic about the performance of the Visitor Centre store.



An important catalyst for expanding our services is the appeal that the new offerings hold for our local community, most of whom are already very familiar with the Horse Tram. Some tourists have shared with us that they specifically visit to observe and spend time with the tram horses at work. These new services align perfectly with this existing public interest, captivating the attention of locals as well as visitors from across the state and beyond.

The introduction of Behind-the-Scenes experiences adds another dimension to our offerings. These experiences can operate at the Stable Complex regardless of weather conditions or Horse Tram operations. Since these services are not impacted by the closure or cancellation of the Horse Tram, the VHHTA can now provide services and bookings with confidence, reliability, and sustainability. This ensures a steady income stream and presents an opportunity to reduce the VHHTA's financial dependence on Council support.



Expanding services beyond the core Horse Tram experience, such as the Behind-the-Scenes Experiences, creates a ripple effect of benefits. It reignites interest and draws attention back to the Horse Tram, reinforcing its status as an iconic attraction. While the Behind-the-Scenes Experience is still in its early stages, our commitment to service expansion remains unwavering.

The VHHTA has been busy facilitating the training and accreditation of a fully qualified team of practitioners who are now able to deliver an Equine Assisted Learning (EAL) program. EAL is a specialist process of experiential learning for a range of clients, addressing particular learning goals.

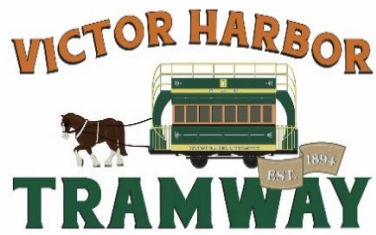
Learning goals of clients, of all ages, may include personal development, or professional development goals for adults. Client goals may include psychosocial skills building, developing life skills, awareness skills, coping skills, listening skills, healthy relationship building, and developing particular organisational, business and work-related skills such as working effectively in teams, leadership skills, and communication skills.

Clients explore personal themes, beliefs, emotions and behaviour patterns through connection to the horse, land and practitioner in an experiential way, promoting self-awareness, awareness of other, and build the capacity to negotiate life's hurdles.



The VHHTA's certified EAL practitioners' partner with the Horse Tram horses to offer 'equine experiences' to clients, exploring and addressing the learning needs and goals identified. We are very excited to be able to offer this wellness themed experience to the region.

Our new stable build has helped facilitate the EAL offering, however much of the experience occurs outside in nature, helping to also fulfil clients biophilic needs. Soon, the EAL team will be offering group professional development sessions, team building sessions and corporate learning days, which the VHHTA expects to be highly sought after and lucrative.



	23/24 Budget	Draft Budget
VICTOR HARBOR HORSE TRAM AUTHORITY		
STATEMENT OF COMPREHENSIVE INCOME		
for the year ended 30 June 2024		
	Revised 2 \$'000	FY25 \$'000
INCOME		
Ticket & Bookings Sales	798	836
Council Contribution	365	365
Other income	317	480
Total Income	1,480	1,681
EXPENSES		
Employee Costs	866	991
Materials, Contracts and Other Expenses	700	631
Depreciation, amortisation & impairment	67	74
	1,633	1,696
OPERATING SURPLUS / (DEFICIT)	(153)	(15)
Asset disposal & fair value adjustments	-	15
NET SURPLUS / (DEFICIT)	(153)	-

VICTOR HARBOR HORSE TRAM AUTHORITY FINANCIAL INDICATORS	Budget	Draft Budget
for the year ended 30 June 2024	Revised 2 \$'000	FY25 \$'000
Operating Surplus Ratio <i>This ratio expresses the operating surplus as a percentage of total operating revenue.</i>	-10.3%	-0.9%
Net Financial Liabilities <i>Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.</i>	186	184
Net Financial Liabilities Ratio <i>being total liabilities less financial assets (excluding equity accounted investments in Authority business), divided by total operating revenue</i>	12.6%	10.9%
Asset Management Plan forecast project spend for re	(5)	27
Asset Renewal Funding Ratio <i>Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.</i>	100%	100%
<i>The ideal ratio is 100%, where VHHTA is spending the amount required each year to renew and replace existing assets so they continue to operate optimally to meet the organisations objectives.</i>		
Own Source Funding	68%	78%

	Budget	Draft Budget
	Revised 2	FY25
	\$'000	\$'000
VICTOR HARBOR HORSE TRAM AUTHORITY		
STATEMENT OF FINANCIAL POSITION		
for the year ended 30 June 2024		
ASSETS		
Current Assets		
Cash and cash equivalents	7	(9)
Trade & Other Receivables	18	18
Inventories	-	-
Total Current Assets	25	9
Non-Current Assets		
Infrastructure, Property, Plant & Equipment	200	198
Total Non-Current Assets	200	198
TOTAL ASSETS	225	207
LIABILITIES		
Current Liabilities		
Trade & Other Payables	10	10
Short-term Provisions	32	32
Short-term Borrowings	35	19
Total Current Liabilities	77	61
Non-Current Liabilities		
Long-term Provisions	40	40
Long-term Borrowings	94	92
Total Non-Current Liabilities	134	132
TOTAL LIABILITIES	211	193
NET ASSETS	14	14
EQUITY		
Accumulated Surplus	14	14
TOTAL EQUITY	14	14

	Budget	Draft Budget
VICTOR HARBOR HORSE TRAM AUTHORITY		
STATEMENT OF CASH FLOWS	Revised 2	FY25
for the year ended 30 June 2024	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts		
Operating receipts	1,479	1,681
Investment receipts	-	-
Payments		
Operating payments to suppliers & employees	(1,544)	(1,614)
Finance payments	(9)	(8)
Net Cash provided by (or used in) Operating Activities	(74)	59
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts		
Grants specifically for new or upgraded assets	-	-
Sale of Assets	-	15
Payments		
Capital Expenditure on renewal/replacement of assets	5	(27)
Capital Expenditure on new/upgraded assets	(55)	(46)
Net Cash provided by (or used in) Investing Activities	(50)	(58)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts		
Proceeds from Borrowings	55	59
Payments		
Repayment of Borrowings	(85)	(76)
Net Cash used in Financing Activities	(30)	(17)
NET INCREASE (DECREASE) IN CASH HELD	(154)	(16)
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD	161	7
CASH & CASH EQUIVALENTS AT END OF PERIOD	7	(9)

	Budget	Draft Budget
	Revised 2	FY25
	\$'000	\$'000
VICTOR HARBOR HORSE TRAM AUTHORITY		
STATEMENT OF FINANCIAL POSITION		
for the year ended 30 June 2024		
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