



24 April 2023

Contact for Apologies: General Manager

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File Ref: GOV9.14.041

Dear Board Member

NOTICE OF MEETING

Notice is hereby given pursuant to the Victor Harbor Horse Tram Authority Charter and Section 87(4) of the Local Government Act, 1999, as amended that a meeting for the **Victor Harbor Horse Tram Authority** has been called for:-

DATE: Thursday, 27 April 2023

TIME: 3:00pm

PLACE: City of Victor Harbor Council Chambers, 1 Bay Road, Victor Harbor

Please find enclosed a copy of the Agenda for the meeting.

Yours faithfully

Megan Whibley
General Manager

Victor Harbor Horse Tram Authority

Please be advised that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.



1. Open Meeting/Welcome

2. Attendance

Nigel Catt (Chair)
Cr Carol Schofield AM
Paul Brown
Rachel Kennedy
Natasha Hunt

Megan Whibley (General Manager VHHTA)
Tamar Herron (Minute Secretary VHHTA)

Karen Rokicinski (Director Corporate and Customer Service)

3. Apologies

Nil

4. Minutes of Previous meeting

4.1 Board Meeting Minutes Report – 7 February 2023 3

5. Adjourned Item(s)

Nil

6. Reports for Receiving and Noting only

6.1 Resolutions Register Report 10
6.2 Audit Committee Minutes Report 14
6.3 Euthanasia of Jay Jay Report 20

7. Reports for Decision

7.1 Amended Draft Operating and Capital Budget 2023/24 23
7.2 March Quarterly Budget Review 2022/23 35

8. Presentation(s)

Nil



9. Discussion Items – No decision(s)

- 9.1 Fiscal responsibility discussion
- 9.2 Meals on Wheels / Neutrog promotional opportunity
- 9.3 Ticket price discussion

10. Correspondence Received

Nil

11. Urgent Business without Notice

Nil

12. Confidential Reports

Nil

Next Meeting

Tuesday, 6 June 2023, 3pm – Encounter Room

Meeting Close

Please be advised

- *That filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*



Meeting **Victor Harbor Horse Tram Authority**
Date **27 April 2023**
From **Megan Whibley**
Subject **Board Meeting Minutes – 7 February 2023**
Report Number **4.1**

RECOMMENDATION

That the minutes of the previous Victor Harbor Horse Tram Authority Board Meeting held Tuesday, 7 February 2023, be confirmed as a true and accurate record.

INFORMATION

Purpose

The purpose of this report is to present the Victor Harbor Horse Tram Authority minutes for the meeting held on 7 February 2023 for confirmation.

Background

A Board meeting of the Victor Harbor Horse Tram Authority was held on Tuesday, 7 February 2023.

Commentary

The minutes for the Victor Harbor Horse Tram Authority meeting held Tuesday, 7 February 2023 were distributed to Members on Thursday, 9 February 2023.

A copy of the minutes are provided at attachment A to this report.

RISK ASSESSMENT

Legal and Compliance – The minutes were prepared and distributed to members in line with legislation. This risk is assessed as **low**.

REFERENCES

Nil

BUDGET IMPLICATIONS

Excluding endorsed budgeted staff resources there are no budget implications in confirming the Victor Harbor Horse Tram Authority minutes.

No additional funds are required.

CONSULTATION

Victor Harbor Horse Tram Authority Board members

**Minutes of the Victor Harbor Horse Tram Authority
Board Meeting
For meeting Tuesday 7 February 2023
Commencing at 3:00pm Encounter Room**



Present

Nigel Catt (Chair)
Cr Carol Schofield AM
Rachel Kennedy
Natasha Hunt
Paul Brown

In Attendance

Megan Whibley (General Manager VHHTA)
Tamar Herron (Minute Secretary VHHTA)

Karen Rokicinski (Director Corporate and Customer Service COVH)

Commencement

The meeting commenced at 3: 00 pm

3. Apologies

4. Minutes of the Previous Meeting

4.1 Board Meeting Minutes – 8 November 2022

VHHTA350 Moved: Carol Schofield
Seconded: Rachel Kennedy

That the minutes of the previous Victor Harbor Horse Tram Authority Board meeting held Tuesday, 8 November 2022, as per a copy supplied to members at attachment A to this report, be confirmed as a true and accurate record.

CARRIED

5. Adjourned Item(s)

Nil

A handwritten signature in black ink, appearing to be "Nigel Catt", is located at the bottom right of the page.

**Minutes of the Victor Harbor Horse Tram Authority
Board Meeting
For meeting Tuesday 7 February 2023
Commencing at 3:00pm Encounter Room**



7. Reports for decision

7.1 December Budget Review 2022/23 Report

VHHTA354 Moved: Rachel Kennedy
 Seconded: Paul Brown

1. That the Victor Harbor Horse Tram Authority receive and note the December Budget Review 2022/23 Report.

CARRIED

VHHTA355 Moved: Rachel Kennedy
 Seconded: Paul Brown

2. That the Victor Harbor Horse Tram Authority;
 - a. endorse the December Budget Review 2022/23 as presented at attachment A to this report, noting an unchanged contribution from Council (operating deficit) of \$415,000, and
 - b. provide the December Budget Review to Council.

CARRIED

7.1 Draft Business Plan Annual Review report

VHHTA356 Moved: Carol Schofield
 Seconded: Rachel Kennedy

1. That the Victor Harbor Horse Tram Authority Board receive and note Draft Business Plan Annual Review 2023 Report.

CARRIED

VHHTA357 Moved: Natasha Hunt
 Seconded: Paul Brown

2. That the Victor Harbor Horse Tram Authority;
 - a. endorse the draft Business Plan 2023/24 as provided at attachment A, and

**Minutes of the Victor Harbor Horse Tram Authority
Board Meeting
For meeting Tuesday 7 February 2023
Commencing at 3:00pm Encounter Room**



9. Discussion Items – No decision(s)

9.1 Ticket prices

There was a general discussion around the Ticket Price report, and it was resolved that ticket prices would be reviewed again at the June 2023 meeting.

10. Correspondence Received

Nil

11. Urgent Business without Notice

Nil

12. Confidential Item(s)

Nil

13. Next Meetings

Thursday, 27 April 2023, 3pm – Encounter Room, TBC

14. Meeting Closed.

The Chair declared the meeting closed at 4:54pm

***Please be advised** that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*

A handwritten signature in black ink, appearing to be "M. Mitchell", is located at the bottom right of the page.

Meeting **Victor Harbor Horse Tram Authority**

Date **27 April 2023**

From **Megan Whibley**

Subject **Resolutions Register Report**

Report Number **6.1**

RECOMMENDATION

That the Victor Harbor Horse Tram Authority receive and note the Outstanding Resolutions Register report.

INFORMATION

Purpose

The purpose of this report is to review the outstanding resolutions register and determine the best course of action for items where required.

Background

The General Manager is to maintain a register of outstanding resolutions and implement resolutions of the Board in a timely and efficient manner.

The outstanding resolutions report lists all the outstanding resolutions from previous Board meetings, with a progress note against each resolution. Completed items are removed from the register for the following Board meeting to ensure that the list remains a current working document of outstanding resolutions that require action.

Commentary

The current outstanding resolutions register is provided at attachment A.

RISK ASSESSMENT

Corporate Governance –The Board must manage its governance risk of implementing decisions of the Board and associated actions as well as undertake duties as required by the Local Government Act 1999 Section 99(1)(a) and the Charter within approved budgets and required time frames. This report provides a mechanism for the Board to monitor progress of resolutions, work and actions and to manage the associated governance risk. The risk is assessed as **low**.

Reputation – There may be some concern from Board members, Council and the broader community if resolutions are not actioned in a timely manner or if the current Board determines to resolve contrary to an earlier resolution. The risk is assessed as **medium**.

BUDGET IMPLICATIONS

There are no budget implications associated with the Board receiving and noting this report.

The majority of tasks on the outstanding resolutions register will be undertaken by the General Manager Horse Tram Authority as scheduled and without requirement for additional funds. Where additional funds are required to achieve items on the resolutions register, endorsement by the Horse Tram Authority Board, or where applicable, budget bids to Council, will be applied to individual items as required.



Attachment A

VHHTA – Outstanding Resolutions Register – updated 24-Apr-23

Date	Minute Number	Resolution	Status/Update
<i>Leave blank</i>			
7 February 2023	VHHTA359	<p>That the Victor Harbor Horse Tram Authority Board;</p> <p>a. endorse the Draft Operating and Capital Budget 2023/24 and the accompanying financial statements, as provided at attachment A to this report, with the following listed alterations,</p> <ul style="list-style-type: none"> • an increase of twenty thousand dollars to the advertising budget so as to be ready for the new facility, • an increase in wages of 8.6% from the 7.8% that was allowed for, due to the average CPI increase for Adelaide being 8.6%, and • a corresponding increase in income so as to have a zero-net effect, and <p>b. provide the Draft Operating and Capital Budget 2023/24 to Council for their approval.</p>	<p>In progress</p> <p>Provided to Council at the meeting held on 27 February 2023. Approved by Council subject to changes made by Council. Further changes to the Draft Budget identified by VHHTA.</p> <p>Amended Draft Budget 2023/24 presented at the VHHTA Board Meeting held on 27 April 2023 for endorsement, and to be presented to Council for approval.</p>
7 February 2023	VHHTA357	<p>That the Victor Harbor Horse Tram Authority;</p> <p>a. endorse the draft Business Plan 2023/24 as provided at attachment A, and</p> <p>b. authorise the General Manager to make alterations to the title and any administrative edits required to ensure consistency, and</p> <p>c. provide the plan to the City of Victor Harbor.</p>	<p>Complete</p> <p>Provided to Council at the meeting held on 27 February 2023</p>
7 February 2023	VHHTA355	<p>That the Victor Harbor Horse Tram Authority;</p> <p>a. endorse the December Budget Review 2022/23 as presented at attachment A to this report, noting an unchanged contribution from Council (operating deficit) of \$415,000, and</p> <p>b. provide the December Budget Review to Council.</p>	<p>Complete</p> <p>Provided to Council at the meeting held on 27 February 2023</p>



Attachment A

Date	Minute Number	Resolution	Status/Update
7 February 2023	VHHTA353	That the VHHTA review the ticket price structure at the June 2023 meeting, including merchant fees, comparison of similar products and experiences, and any operating cost increases.	Pending – 6 June 2023
1 December 2020	VHHTA209	That the General Manager present a report to the Victor Harbor Horse Tram Authority Board prior to the setting of the 2021/2022 budget, that includes information on our training policy and our budget requirements for training, so as to provide direction for the Board.	Draft tabled at Board meeting 13 September 2022 – VHHTA Draft Staff and Development Policy requiring further development.



Meeting **Victor Harbor Horse Tram Authority**
Date **27 April 2023**
From **Megan Whibley**
Subject **Audit Committee Public Minutes – 7 February 2023**
Report Number **6.2**

RECOMMENDATION

That the Victor Harbor Horse Tram Authority receive and note the unconfirmed public minutes of the Audit Committee meeting 7 February 2023 at attachment A to this report.

INFORMATION

Purpose

The purpose of this report is to receive and note the minutes of the Audit Committee meetings held on Tuesday, 7 February 2023 and to consider recommendations from the Audit Committee.

Background

The Audit Committee minutes from the meeting held on Tuesday, 7 February 2023 were distributed to Members on Thursday, 9 February 2023.

Commentary

During the meeting held 7 February 2023, the Audit Committee made an Action List note for the General Manager to review and clarify the Uniform Presentation of Finance Statement for assets.

A copy of the 7 February 2023 Audit Committee minutes are provided at attachment A to this report.

RISK ASSESSMENT

Legal and Compliance – The minutes were prepared and distributed to members in line with legislative requirements. This risk is assessed as **low**.

REFERENCES

VHHTA Charter

The Local Government Act 1999

Local Government (Financial Management) Regulations 2011

BUDGET IMPLICATION

Excluding endorsed budgeted staff resources there are no budget implications in the preparation and receipt of this report.

No additional funds are required

CONSULTATION

Audit Committee Members

Karen Rokicinski – (Director Corporate and Customer Service CVH)

**Minutes of the Victor Harbor Horse Tram Authority
Audit Committee Meeting
For meeting Tuesday 7 February 2023
Commencing at 12:30pm, Encounter Room**



1. Attendance

Present

John Morgan (Independent Member) (Chair)
Laura Hodgson (Independent Member)
Nigel Catt
Rachel Kennedy

In attendance

Megan Whibley (General Manager VHHTA)
Tamar Herron (Minute secretary VHHTA)

Commencement

The meeting commenced at 12:35 pm

2. Apologies

Kate Christ (Independent Member)

3. Conflict of Interest

Nil

4. Minutes of the Previous Meeting

4.1 Audit Committee Meeting Minutes Report – 8 November 2022

AC041 Moved: Nigel Catt
 Seconded: Rachel Kennedy

That the minutes of the previous Victor Harbor Horse Tram Authority Audit Committee meeting held Tuesday, 8 November 2022 be confirmed as a true and accurate record.

CARRIED

5. Business Arising

Nil

Minutes of the Victor Harbor Horse Tram Authority
 Audit Committee Meeting
 For meeting Tuesday 7 February 2023
 Commencing at 12:30pm, Encounter Room



6. Reports for Receiving and Noting only

6.1 Action List Report

AC042 Moved: Laura Hodgson
 Seconded: Rachel Kennedy

That the Audit Committee receive and note the Action List and report.

CARRIED

6.2 December Budget Review 2022/23 Report

AC043 Moved: Rachel Kennedy
 Seconded: Nigel Catt

That the Victor Harbor Horse Tram Authority Audit Committee receive and note the December Budget Review 2022/23 report.

CARRIED

6.2.1 Action item: The Uniform Presentation of Finance Statement for assets requires review / clarification.

6.3 Draft Operating and Capital Budget 2023/24

AC044 Moved: Laura Hodgson
 Seconded: Nigel Catt

1. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the Draft Operating and Capital Budget 2023/24 report.

CARRIED

AC045 Moved: Nigel Catt
 Seconded: Laura Hodgson

2. That the Victor Harbor Horse Tram Authority Audit Committee recommend to the VHHTA that the Draft Operating and Capital Budget 2023/24 be

Minutes of the Victor Harbor Horse Tram Authority
Audit Committee Meeting
For meeting Tuesday 7 February 2023
Commencing at 12:30pm, Encounter Room



adjusted to increase advertising expenses by twenty thousand dollars with a corresponding twenty thousand dollar increase in income.

CARRIED

7. Reports for Decision

7.1. VHHTA Audit Committee Self-Assessment Review

AC046 Moved: Nigel Catt
 Seconded: Rachel Kennedy

1. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the VHHTA Audit Committee Self-Assessment Review Report.
2. That the Victor Harbor Horse Tram Authority Audit Committee adopt the process for self-review as outlined in this report.
3. That the Victor Harbor Horse Tram Authority Audit Committee members complete individual responses to the VHHTA Audit Committee Self-Assessment Survey at attachment A to this report, and provide those responses to the VHHTA General Manager.
4. That the Victor Harbor Horse Tram Authority Audit Committee recommend that the General Manager provide a report to the Committee on the results of the assessment at the next meeting.
5. That the Victor Harbor Horse Tram Authority Audit Committee receive and note the VHHTA Audit Committee Terms of Reference at attachment B to this report for annual review.

CARRIED

8. Presentations

Nil

9. Discussion Items – No decision(s)

Nil

Minutes of the Victor Harbor Horse Tram Authority
Audit Committee Meeting
For meeting Tuesday 7 February 2023
Commencing at 12:30pm, Encounter Room



10. Correspondence Received

Nil

11. Urgent Business without Notice

Nil

12. Confidential Item(s)

Nil

13. Next Meetings

Tuesday 9 May 2023, 12:30 pm at the Encounter Room, TBC

14. Meeting Closed.

The meeting closed at 1:49 pm

***Please be advised** that filming, photography and audio recording may take place at this meeting when the public and media are not lawfully excluded under Section 90 of the Local Government Act 1999.*



Meeting **Victor Harbor Horse Tram Authority**
Date **27 April 2023**
From **Megan Whibley**
Subject **Euthanasia of Jay Jay**
Report Number **6.3**

RECOMMENDATION

That the Victor Harbor Horse Tram Authority receive and note the Euthanasia of Jay Jay report.

INFORMATION

Purpose

The purpose of this report is for the Victor Harbor Horse Tram Authority to receive and note the Euthanasia of Jay Jay report.

Background

Jay Jay has been owned by Council since he was a yearling. A purebred Clydesdale, he was selected as a future tram prospect by Council. Jay Jay was broken to harness as a five year old and performed tram duties until he was twelve. His career was intermittent during that time due to some temporary, but at times serious, health issues.

Since the formation of the VHHTA Jay Jay had experienced good health and had received outstanding health assessments at his annual veterinary check-ups. Jay Jay had, however, made it clear to staff that he did not enjoy performing tram duties, and the decision to retire Jay Jay from tram work was made.

Jay Jay was retained as a member of the team to take on a prominent role in the up and coming 'Behind the Scenes Experiences' that the VHHTA will be offering in 2023/24. Jay Jay would have been performing harness demonstrations and spending time with visitors, all things that Jay enjoyed. Sadly, Jay Jay's health took a sudden and unexpected turn for the worst in early March 2023 and the VHHTA, following veterinary advice, made an end of life decision for Jay Jay.

Commentary

VHHTA staff noted that Jay Jay was off his food a little and had a slight swelling in his sheath area on Wednesday, 1 March 2023. Veterinary assistance was sought and during that week a local vet attended three times, examining Jay Jay and organising bloodwork and testing. Jay Jay was also started on antibiotics and anti-inflammatories. Results returned indicated renal changes.

On Tuesday, (7 March 2023), in consultation with the local vet, Jay Jay was admitted to Roseworthy Large Animal Vet Hospital. Jay Jay stayed in hospital for several days and received the best of medical care and attention. Despite all medical assistance available, Jay Jay failed to respond to treatment. The VHHTA were advised that kidney issues in horses is very hard to treat as there are limited drugs and treatment options available for the species. Due to his worsening condition, and grave prognosis provided during consultation with hospital equine specialist veterinarians, the decision was made to humanely euthanase Jay Jay on Friday, 10 March 2023.

The loss of Jay Jay has been very sudden and impactful on VHHTA staff. The VHHTA have actively encouraged staff members to seek support through the Employee Assistance Program to assist them at this sad time.

The veterinary bills and expenses for Jay Jay's medical treatment have been paid out of the VHHTA's 'Maintenance of horses' budget line. The veterinary report from the University of Adelaide - Roseworthy Large Animal Hospital is provided under separate cover.

RISK ASSESSMENT

Reputation - The Community has a great interest in the health and wellbeing of the Horse Tram horses. A perception that the VHHTA neglected to care for, or take the necessary steps to treat, an unwell horse could create a risk of community backlash and reputational harm. The VHHTA ensures that all horses have regular veterinary examinations, and all horses have consistently received exceptional health ratings. The VHHTA has worked closely with veterinary experts and followed all medical advice provided for Jay Jay. The risk is assessed as *low*.

Reputation - The Community has a great interest in the health and wellbeing of the Horse Tram horses. A non-transparent euthanasia of a tram horse could create a risk of community backlash and reputational harm. The VHHTA has directly informed the public of Jay Jay's euthanasia through media releases and indirectly through other media. The risk is assessed as *medium*.

Financial Management – Poorly planned budgets can result in the VHHTA needing to request additional funds from Council to accommodate unexpected / unplanned expenses. The VHHTA's operational budget has sufficient funds in the 'Maintenance of horses' line to meet the medical expenses outlined in this report. The risk is assessed as *low*.

BUDGET IMPLICATIONS

Costs relating to feed, veterinary attention and hoof trimming would be reduced by the euthanasia of Jay Jay.

Jay Jay's veterinary expenses can be accommodated by the VHHTA's operating budget in the 'Maintenance of horses' line.

No additional funds are required.

CONSULTATION

University of Adelaide – Roseworthy Large Animal Hospital

Local Veterinarian Services

City of Victor Harbor - Director Corporate and Customer Service (Karen Rokicinski)



Meeting **Victor Harbor Horse Tram Authority**
Date **27 April 2023**
From **Megan Whibley**
Subject **Amended Draft Operating and Capital Budget 2023/24**
Report Number **7.1**

RECOMMENDATION

- 1. That the Victor Harbor Horse Tram Authority Board receive and note the Amended Draft Operating and Capital Budget 2023/24 report.**
- 2. That the Victor Harbor Horse Tram Authority Board endorse the Amended Draft Operating and Capital Budget 2023/24 and the accompanying financial statements as provided at attachment A to this report, and provide it to Council for their approval.**

INFORMATION

Purpose

The purpose of this report is for the Board to endorse the amended draft budget for 2023/24, and to provide it to Council for approval.

Background

The draft operating and capital budget 2023/24 was presented to Council at the meeting held Monday, 27 February 2023, and was approved subject to specified changes. The VHHTA has found it necessary to make further changes to the budget, as provided in this report for Board endorsement and Council approval.

The 2019/20 budget was adopted prior to the General Manager being employed by the VHHTA. The draft budget for 2020/21 was an updated and more realistic budget in terms of meeting operational requirements of the Horse Tram in 2020/21. The 2020/21 financial year became unpredictable as it continued due to Covid-19 and Causeway construction issues, however the VHHTA's budget tracked well despite these operating impacts. This turbulence continued through 2021/22. The 2022/23 year has started out strongly with the lifting of Covid restrictions, the completion of the new Causeway and the removal of the old Causeway.

Capital Budget

Previously all assets of the VHHTA were Council owned. In order to maintain and replace these assets Council has utilised a Capital Budget. The VHHTA utilises an operating budget for the running and implementation of Horse Tram services and offerings, but had not previously had a need for a VHHTA Capital Budget. On 30 September 2021 Council gifted assets, including a utility vehicle and horse float, to the VHHTA.

As the VHHTA now has assets, and is responsible for maintaining and replacing those assets, the VHHTA established its own Capital Budget for this purpose. The Capital Budget is serviced by borrowing funds through the LGFA, in accordance with the VHHTA Charter.

Council approved the VHHTA draft Capital Budget at the meeting held Monday, 28 March 2022. This report will provide an updated draft Capital Budget.

Commentary

The draft operating budget 2023/24 was formulated by the General Manager after operating through half of 2022/23, which will be the first full year of operation in the four years since the formation of the VHHTA, giving clear insight regarding the upturn of figures.

The first several years following the establishment of the VHHTA, budgets were based on best estimations of costs, many of which were unable to be accurately predicted as they had previously been embedded in Council budgets, requiring full or partial separation over a period of time. The accuracy of the budget has evolved and improved as the VHHTA has moved further towards independence in its establishment as a Section 42 committee of Council.

The VHHTA's own-source revenue is continually being sought, to decrease reliance on the City of Victor Harbor (COVH). Initiatives, such as the successful grant application with Building Better Regions Fund, round 5, have meant that the COVH has gained valuable funds to add to the stable complex construction, in support of the Horse Tram. The ability to operate a second business from the new facility, with different offerings and services, will increase the VHHTA's own source revenue further.

The COVH's financial contribution has reduced by \$50,000 in the 2023/24 draft budget, and the VHHTA's own source revenue percentage will have increased by 13%.

The draft 2023/24 financial statements for the draft operating budget are provided at attachment A. The amended draft 2023/24 capital budget is provided within this report.

2023/24 Draft Operating Budget

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

Description		Amount
Employee costs	Salaries, superannuation & Workcover	\$974,600
Office and Administration costs	Travel, stationary, printing and communication	
	Insurance, interest & utilities	\$175,660
Maintenance	Building and equipment maintenance	\$35,000
	Horse care - feed, farrier and vet fees	\$70,000
Marketing	Advertising, promotions and souvenir purchases	\$100,000
Depreciation	Capital Asset Depreciation	\$33,575
Other Expenses	Committee costs, volunteer and staff amenities	\$69,600
Equipment Hire	Building and equipment hire	\$50,000
Corporate Support	IT, finance, records and administration	\$70,000
Total		\$1,578,435

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

Description		Amount
Ticket Sales	Casual and group bookings	\$796,235
Other Income	Donations/sponsorship and Souvenir sales	\$195,100
	Behind the Scenes	\$177,100
	DIT Boom Gate Contract	\$45,000
	Council contribution	\$365,000
Total		\$1,578,435

Own Source Funding Ratio	2022/23	2023/24
	64%	77%

Capital Budget

The Victor Harbor Horse Tram Capital funding plan on the following page shows predicted the VHHTA capital spend for the next ten-year period. This has been integrated into the operating budget for incorporate repayments. This plan includes assets which will be needed in the future and shows the timing for the renewal and replacement of current assets. This plan takes into account the development of the new facility at Canton Place.

Interest on the borrowings has been increased by 0.5% annually. This will need monitoring and possible adjustment. Next financial year, 2023/24, interest is currently set at 5.5%.

Total of Asset Value is \$698,378 with a trade in value of assets \$305,727 and total repayments of \$408,500

Capital 10 year funding Plan

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	TOTAL
CAPITAL EXPENDITURE												
CAPITAL NEW												
IT equipment		\$10,000										\$10,000
Tools	\$5,000	\$5,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$32,500
Tractor/mower/slasher		\$20,000										\$20,000
Gater		\$15,000										\$15,000
Work vehicle	\$53,121											\$53,121
Second float	\$23,140											\$23,140
Harness Equipment	\$4,879	\$5,000	\$5,000		\$5,000		\$5,000		\$5,000		\$5,000	\$34,879
Equissage	\$10,120											\$10,120
												\$0
												\$0
Total - Capital New	\$96,260	\$55,000	\$7,500	\$2,500	\$7,500	\$2,500	\$7,500	\$2,500	\$7,500	\$2,500	\$7,500	\$198,760
CAPITAL REPLACEMENT												
Float			\$25,000						\$25,000			\$50,000
Second Float						\$25,000					\$25,000	\$50,000
Work Vehicle				\$53,000			\$53,000			\$53,000		\$159,000
harness Equipment				\$5,000		\$5,000		\$5,000		\$5,000		\$20,000
Spray unit					\$3,000							\$3,000
Gater							\$15,000					\$15,000
Work Ute	\$42,118					\$50,000					\$53,000	\$145,118
Tractor/mower/slasher								\$35,000				\$35,000
Tools			\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$22,500
IT Equipment												\$0
												\$0
												\$0
Total - Capital Replacement	\$42,118	\$0	\$27,500	\$60,500	\$5,500	\$82,500	\$70,500	\$67,500	\$2,500	\$60,500	\$80,500	\$499,618
TOTAL CAPITAL EXPENDITURE	\$138,378	\$55,000	\$35,000	\$63,000	\$13,000	\$85,000	\$78,000	\$70,000	\$10,000	\$63,000	\$88,000	\$698,378
Less: Income from sale of assets/tradeins	-\$27,727		-\$15,000	-\$45,000		-\$50,000	-\$53,000	-\$15,000		-\$60,000	-\$40,000	-\$305,727
TOTAL CAPITAL TO BE FUNDED	\$110,651	\$55,000	\$20,000	\$18,000	\$13,000	\$35,000	\$25,000	\$55,000	\$10,000	\$3,000	\$48,000	\$392,651
BORROWINGS												
Opening balance from previous year	\$0	\$74,664	\$75,796	\$34,543	\$20,459	\$16,301	\$29,148	\$29,480	\$46,661	\$26,760	\$7,588	\$0
New Borrowings	\$110,651	\$55,000	\$20,000	\$18,000	\$13,000	\$35,000	\$25,000	\$55,000	\$10,000	\$3,000	\$48,000	\$392,651
Interest	\$2,513	\$7,132	\$5,748	\$3,415	\$2,342	\$3,848	\$4,332	\$7,181	\$5,099	\$2,827	\$5,559	\$49,995
Repayments	-\$38,500	-\$61,000	-\$67,000	-\$35,500	-\$19,500	-\$26,000	-\$29,000	-\$45,000	-\$35,000	-\$25,000	-\$27,000	-\$408,500
Closing Balance	\$74,664	\$75,796	\$34,543	\$20,459	\$16,301	\$29,148	\$29,480	\$46,661	\$26,760	\$7,588	\$34,146	\$34,146
ROUA												
Opening Balance	119,829.57	87,035.04	53,000.00	19,399.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest	\$2,205.47	\$1,528.00	\$836.53	\$165.04								
Repayment	- 32,794.53	- 34,035.04	- 33,600.43	- 19,399.57								
Closing Balance	87,035.04	53,000.00	19,399.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

RISK ASSESSMENT

The risks associated with the recommendation have been assessed as follows:

Corporate Governance - The VHHTA Charter requires the Board, in accordance with the Act, to endorse and provide the Draft Operating Budget to Council before 31 March each year. Preliminary figures were supplied to Council prior to this date, to assist with Council's own budget planning. The risk is assessed as **low**.

Financial Management – Poorly planned budgets can result in a costly overspend. The VHHTA Board should endorse a realistic budget and present it to Council for approval, taking into account learnings from the previous budgets of the VHHTA to improve accuracy for the coming financial year. VHHTA has made every effort to reduce the operating deficit (contribution from COVH) through initiatives that will generate own source revenue, so the deficit contribution will be \$65,000 less than last financial year in this draft 2023/24 budget. This risk is assessed as **low**.

Socio Political, Community Issues/Reputation –A realistic budget is essential for the operations to run safely and ensure that it continues to be an icon for Victor Harbor. This risk is assessed as **low**.

Service Delivery – Poorly planned budgets impact on service delivery and may include interruption to service. This budget has been conservatively prepared to ensure that there is minimal impact on service delivery outside of external factors such as COVID-19. This risk is assessed as **low**.

Service Delivery – Some budget increases from 2023/24 have been included to address employee professional development and loan repayments of assets purchases. This risk is assessed as **low**.

Employee Safety / Public Safety – Some budget increases from 2023/24 have been included to address risks to public and employee safety. This risk is assessed as **low**.

REFERENCES

VHHTA Budget 2019/20
VHHTA Budget 2020/21
VHHTA Budget 2021/22
VHHTA Budget 2022/23
Victor Harbor Horse Tram Authority Charter

BUDGET IMPLICATIONS

Excluding endorsed budgeted staff resources there are no budget implications in the 2022/23 VHHTA budget in receiving, noting and endorsing this Draft Operating Budget 2023/24.

Endorsement by the VHHTA Board and approval by COVH Council of the Draft Operating Budget 2023/24 will impact as detailed in the draft budget at attachment A, with an operating deficit (contribution amount from COVH) of \$365,000.

CONSULTATION

VHHTA Board Members
SMP Chartered Accountants
Michele Bennetts LGiQ
City of Victor Harbor - Director Corporate and Customer Service (Karen Rokicinski)



VICTOR HARBOR HORSE TRAM AUTHORITY STATEMENT OF COMPREHENSIVE INCOME	Actual	Actual	Budget	Budget	Budget	Variance	Budget	Variance BR3	Draft
	FY22 \$'000	YTD 22/23 \$'000	Original \$'000	Revised 1 \$'000	Revised 2 \$'000	BR2 to BR1 \$'000	Revised 3 \$'000	to BR2 \$'000	Budget FY24 \$'000
INCOME									
Ticket & Bookings Sales	349	617	538	538	606	68	756	150	796
Council Contribution	415	311	415	415	415	-	415	-	365
Other income	81	145	160	200	198	(3)	187	(11)	417
Total Income	845	1,073	1,113	1,153	1,219	65	1,358	139	1,578
DIRECT EXPENSES									
Employee Costs	495	482	695	687	706	18	720	15	975
Materials, Contracts and Other Expenses	336	354	403	451	450	-	548	98	570
Depreciation, amortisation & impairment	-	-	15	15	16	(1)	18	3	33
	831	836	1,113	1,153	1,172	17	1,286	116	1,578
OPERATING SURPLUS / (DEFICIT)	14	237	-	-	47	48	72	23	-
Net gain (loss) on disposal or revaluation of assets	-	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	14	237	-	-	47	48	72	23	-



VICTOR HARBOR HORSE TRAM AUTHORITY CASH FLOW STATEMENT	Actual FY22 \$'000	Actual YTD 22/23 \$'000	Budget Original \$'000	Budget Revised 1 \$'000	Budget Revised 2 \$'000	Variance BR2 to BR1 \$'000	Budget Revised 3 \$'000	Variance BR3 to BR1 \$'000	Budget FY24 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts									
Operating receipts	868	1,071	1,113	1,153	1,217	-	1,366	148	1,578
Investment receipts	-	-	-	-	-	-	-	-	-
Payments									
Operating payments to suppliers & employees	(774)	(877)	(1,098)	(1,136)	(1,155)	-	(1,258)	(102)	(1,504)
Finance payments	(3)	-	-	(2)	-	2	(5)	(5)	(9)
Net Cash provided by (or used in) Operating Activities	91	194	15	15	62	2	103	41	65
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Grants specifically for new or upgraded assets	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	28	-	28	-	28	-	-
Payments									
Capital Expenditure on renewal/replacement of assets	(43)	(70)	(53)	-	(42)	-	(42)	-	-
Capital Expenditure on new/upgraded assets	-	-	(78)	-	(86)	-	(96)	10	(55)
Net Cash provided by (or used in) Investing Activities	(43)	(70)	(103)	-	(100)	-	(110)	10	(55)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Proceeds from Borrowings	-	-	21	-	101	-	111	10	55
Payments									
Repayment of Borrowings	(32)	(1)	(14)	-	(17)	-	(69)	59	(88)
Net Cash used in Financing Activities	(32)	(1)	7	-	84	-	42	69	(33)
NET INCREASE (DECREASE) IN CASH HELD	16	123	(81)	15	46	2	35	120	(23)
CASH AT BEGINNING OF YEAR	75	91	91	91	91	-	91	-	126
CASH AT END OF PERIOD	91	214	10	106	137	2	126	120	103



	Actual	Actual	Budget	Budget	Budget	Variance	Budget	Variance BR3	Draft
VICTOR HARBOR HORSE TRAM AUTHORITY BALANCE SHEET	FY22	YTD 22/23	Original	Revised 1	Revised 2	BR2 to BR1	Revised 3	to BR1	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	FY24
									\$'000
ASSETS									
Current Assets									
Cash and cash equivalents	91	214	10	106	137	30	126	(11)	104
Trade & Other Receivables	9	11	31	9	-	(9)	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Total Current Assets	100	225	41	115	137	21	126	(11)	104
Non-Current Assets									
Infrastructure, Property, Plant & Equipment	164	233	287	148	173	27	208	36	198
Total Non-Current Assets	164	233	287	148	173	27	208	36	198
TOTAL ASSETS	264	458	328	263	310	48	334	25	302
LIABILITIES									
Current Liabilities									
Trade & Other Payables	83	40	67	82	34	(49)	41	8	42
Short-term Provisions	63	63	15	63	17	(45)	23	5	23
Short-term Borrowings	120	120	39	120	35	(85)	35	-	35
Total Current Liabilities	266	223	121	265	86	(179)	99	13	100
Non-Current Liabilities									
Long-term Provisions	-	-	40	-	40	40	40	-	40
Long-term Borrowings	-	-	120	-	139	139	127	(12)	94
Total Non-Current Liabilities	-	-	160	-	179	179	167	(12)	134
TOTAL LIABILITIES	266	223	281	265	265	-	266	1	234
NET ASSETS	(2)	235	47	(2)	45	48	68	24	68
EQUITY									
Accumulated Surplus	(2)	235	47	(2)	45	47	69	24	69
	(2)	235	47	(2)	45	47	69	24	69
	Actual	Actual	Budget	Budget	Budget		Budget		Draft
									Budget



**VICTOR HARBOR HORSE TRAM AUTHORITY
STATEMENT OF CHANGES IN EQUITY**

ACCUMULATED SURPLUS

Opening balance at beginning of financial year
 Total comprehensive income for the year
 Closing balance at end of period

	FY22 \$'000	YTD 22/23 \$'000	Original \$'000	Revised 1 \$'000	Revised 2 \$'000	Variance BR2 to BR1 \$'000	Revised 3 \$'000	Variance BR3 to BR1 \$'000	FY24 \$'000
Opening balance at beginning of financial year	(16)	(2)	47	(2)	(2)	-	(2)	-	45
Total comprehensive income for the year	14	237	-	-	47	47	72	23	-
Closing balance at end of period	(2)	235	47	(2)	45	47	70	23	45



	Actual	Actual	Budget	Budget	Budget	Variance	Budget	Variance BR3	Draft
VICTOR HARBOR HORSE TRAM AUTHORITY UNIFORM PRESENTATION OF FINANCES	FY22	YTD 22/23	Original	Revised 1	Revised 2	BR2 to BR1	Revised 3	to BR1	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	FY24
									\$'000
Operating Revenues	845	1,073	1,113	1,153	1,219	65	1,358	139	1,578
less Operating Expenses	(831)	(836)	(1,113)	(1,153)	(1,172)	(17)	(1,286)	(116)	(1,578)
OPERATING SURPLUS (DEFICIT) BEFORE CAPITAL AMOUNTS	14	237	-	-	47	48	72	23	-
NET OUTLAYS ON EXISTING ASSETS									
Capital Expenditure on Renewal and Replacement of Existing Assets	(43)	(70)	(53)	-	(42)	-	(42)	-	-
add back Depreciation, Amortisation and Impairment	-	-	15	15	16	(1)	18	3	33
add back Proceeds from Sale of Replaced Assets	-	-	28	-	28	-	28	-	-
	(43)	(70)	(10)	15	2	(1)	4	3	33
NET OUTLAYS ON NEW AND UPGRADED ASSETS									
Capital Expenditure on New and Upgraded Assets	-	-	(78)	-	(86)	-	(96)	10	(55)
add back Amounts Received Specifically for New and Upgraded Assets	-	-	(78)	-	(86)	-	(96)	10	(55)
NET LENDING (BORROWING) FOR FINANCIAL PERIOD	(29)	167	(88)	15	(37)	47	(20)	36	(22)



VICTOR HARBOR HORSE TRAM AUTHORITY FINANCIAL INDICATORS	Actual FY22 \$'000	Actual YTD 22/23 \$'000	Budget Original \$'000	Budget Revised 1 \$'000	Budget Revised 2 \$'000	Variance BR2 to BR1 \$'000	Budget Revised 3 \$'000	Variance BR3 to BR1 \$'000	Draft Budget FY24 \$'000
Operating Surplus Ratio <i>being operating surplus (deficit) divided by operating revenue</i>	1.7%	22.1%	0.0%	0.0%	3.9%		5.3%		0.0%
Net Financial Liabilities <i>being total liabilities less financial assets (excluding equity accounted investments in Council business)</i>	166	(2)	240	150	128	(21)	140	12	130
Net Financial Liabilities Ratio <i>being total liabilities less financial assets (excluding equity accounted investments in Council business), divided by total operating revenue</i>	19.6%	-0.2%	21.6%	13.0%	10.5%	-32.3%	10.3%	8.6%	8.2%
Asset Management Plan forecast project spend for renev	43	70	53	-	42		42		-
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. The optimal level planned refers to the Council's Asset Management Plan (AMP) which forecasts the activities/projects that need to be undertaken in order to maintain the Council's assets.</i>	100%	100%	100%		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 Sorce Funding		91%	63%	64%	69%		73%		77%



VICTOR HARBOR HORSE TRAM AUTHORITY	Actual	Actual	Budget	Budget	Budget	Variance	Budget	Variance BR3	Draft
CAPITAL EXPENDITURE	FY22	YTD 22/23	Original	Revised 1	Revised 2	BR2 to BR1	Revised 3	to BR1	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	FY24
									\$'000
CAPITAL NEW									
IT equipment	-	-	-	-	-	-	-	-	10
Tools	-	-	-	-	5	-	5	-	5
Tractor/mower/slasher	-	-	-	-	-	-	-	-	20
Gater	-	-	-	-	-	-	-	-	15
Work vehicle	-	-	-	-	53	-	53	-	-
Second float	-	-	-	-	23	-	23	-	-
Harness Equipment	-	-	-	-	5	-	5	-	5
Equissage	-	-	-	-	-	-	10	-	-
0	-	-	-	-	-	-	-	-	-
Total - Capital New	-	-	-	-	86	-	96	-	55
CAPITAL REPLACEMENT									
Float	-	-	-	-	-	-	-	-	-
Second Float	-	-	-	-	-	-	-	-	-
Work Vehicle	-	-	-	-	-	-	-	-	-
harness Equipment	-	-	-	-	-	-	-	-	-
Spray unit	-	-	-	-	-	-	-	-	-
Gater	-	-	-	-	-	-	-	-	-
Work Ute	-	-	-	-	42	-	42	-	-
Tractor/mower/slasher	-	-	-	-	-	-	-	-	-
Tools	-	-	-	-	-	-	-	-	-
IT Equipment	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-
Total - Capital Replacement	-	-	-	-	42	-	42	-	-
	-	-	-	-	128	-	138	-	55



Meeting **Victor Harbor Horse Tram Authority**
Date **27 April 2023**
From **Megan Whibley**
Subject **March Quarterly Budget Review 2022/23**
Report Number **7.2**

RECOMMENDATION

- 1. That the Victor Harbor Horse Tram Authority receive and note the March Quarterly Budget Review 2022/23 Report.**
- 2. That the Victor Harbor Horse Tram Authority;**
 - a. endorse the March Quarterly Budget Review 2022/23 as presented at attachment A to this report, noting an unchanged contribution from Council (operating deficit) of \$415,000, and**
 - b. provide the March Quarterly Budget Review to Council.**

INFORMATION

Purpose

The purpose of this report is for the Victor Harbor Horse Tram Authority Board to endorse the March Quarterly Budget Review 2022/23.

Background

Section 9 of the Local Government (Financial Management) Regulations 2011 provides the requirement for regular budget reviews. Further, the Victor Harbor Horse Tram Authority are required by the Charter to provide reports on the financial position of the Authority each quarter:

5.5 Quarterly reports summarising the financial position and performance of the Authority against the Budget must be prepared and presented to the Board within thirty days of the conclusion of each quarter and copies provided to the Council.

The March report for the 2022/23 financial year has been prepared on schedule. This March Review of the 2022/23 Budget, is a review addressing the first 9 months of the 2022/23 financial year.

Commentary

The Victor Harbor Horse Tram Authority 2022/23 budget was prepared by the VHHTA, utilising the software package 'Xero' to manage Authority finances.

The 2022/23 budget is tracking really well with the summer season seeing some record days. It is exciting times, with all Causeway construction finished, and the new merchandise store continuing to show really impressive results this financial year.

Ticket sales have been tracking well since the opening of the new Causeway, which has brought many visitors to the area, however with increased ticket sales there are also additional staffing and other expenses associated with running the Horse Tram operation.

The budget was adjusted at the December budget review, to reflect that the Behind the scenes income will be nil as the buildings are now predicted to be finished in this financial year - 2023, not the original December 2022, an increase in revenue both in ticket sales and the merchandise store, and that the performance of the merchandise store exceeded expectations requiring an allowance for extra stock purchases.

The March Quarterly Budget Review is a further opportunity to revise the original budget and adjust it according to known information at this point in the financial year.

When the December 2022/23 review was reported to COVH at the 27 February 2023 council meeting the resolution was made to allow the VHHTA to spend \$20,000 of the surplus on signage and landscaping of the new facilities. This has been allowed for in this review as well as extra expenditure for horse care, after the loss of Jay Jay and associated vet costs. Depreciation has now been calculated correctly and the repayments of loans on capital expenditure have been set up in a schedule that works for the VHHTA budget. An extra piece of equipment (Equissage) has been allowed for in this capital budget due to the needs of the horses being paramount in the success of the Tram operations.

The end of financial year 2022/23 result is still looking to produce a promising surplus of \$72,000 – Something that the VHHTA has worked hard at achieving.

The March Quarterly Budget Review 2022/23 is provided at attachment A, for Board endorsement.

RISK ASSESSMENT

Financial Management – The VHHTA is on track to achieve budget with a \$75,000 surplus. This is the first year that the VHHTA has been able to operate unimpeded, with no prolonged shutdowns. The risk is assessed as *low*.

Reputation - The Board are continuing to find ways to generate own-source income to reduce the dependency on Council funding which will go toward appeasing any community concern regarding the use of ratepayer money to fund Horse Tram operations. The VHHTA has been able to provide information to the Victor Harbor community around the benefits of the iconic Horse Tram as a driver of the tourist economy and as an

attraction for Victor Harbor versus the relatively low cost of keeping the service running, via the study and report by Laura Hodgson, titled 'The Assessment of the Value of the Victor Harbor Horse Tram'. This risk is assessed as **low**.

REFERENCES

Victor Harbor Horse Tram Authority 2022/23 budget
Local Government (Financial Management) Regulations 2011

BUDGET IMPLICATION

The contribution required from City of Victor Harbor (operating deficit) presented in the budget review at attachment A remains at \$415,400, being the same as the original 2022/23 budget approved by Council and adopted by the VHHTA.

CONSULTATION

Director Corporate & Customer Service, City of Victor Harbor – Karen Rokicinski
Director and Chartered Accountant, SMP Chartered Accountants – Sarah Milosevic



VICTOR HARBOR HORSE TRAM AUTHORITY STATEMENT OF COMPREHENSIVE INCOME	Actual	Actual	Budget	Budget	Budget	Variance	Budget	Variance BR3	Draft
	FY22 \$'000	YTD 22/23 \$'000	Original \$'000	Revised 1 \$'000	Revised 2 \$'000	BR2 to BR1 \$'000	Revised 3 \$'000	to BR2 \$'000	Budget FY24 \$'000
INCOME									
Ticket & Bookings Sales	349	617	538	538	606	68	756	150	796
Council Contribution	415	311	415	415	415	-	415	-	365
Other income	81	145	160	200	198	(3)	187	(11)	417
Total Income	845	1,073	1,113	1,153	1,219	65	1,358	139	1,578
DIRECT EXPENSES									
Employee Costs	495	482	695	687	706	18	720	15	975
Materials, Contracts and Other Expenses	336	354	403	451	450	-	548	98	570
Depreciation, amortisation & impairment	-	-	15	15	16	(1)	18	3	33
	831	836	1,113	1,153	1,172	17	1,286	116	1,578
OPERATING SURPLUS / (DEFICIT)	14	237	-	-	47	48	72	23	-
Net gain (loss) on disposal or revaluation of assets	-	-	-	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME	14	237	-	-	47	48	72	23	-



VICTOR HARBOR HORSE TRAM AUTHORITY CASH FLOW STATEMENT	Actual FY22 \$'000	Actual YTD 22/23 \$'000	Budget Original \$'000	Budget Revised 1 \$'000	Budget Revised 2 \$'000	Variance BR2 to BR1 \$'000	Budget Revised 3 \$'000	Variance BR3 to BR1 \$'000	Budget FY24 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES									
Receipts									
Operating receipts	868	1,071	1,113	1,153	1,217	-	1,366	148	1,578
Investment receipts	-	-	-	-	-	-	-	-	-
Payments									
Operating payments to suppliers & employees	(774)	(877)	(1,098)	(1,136)	(1,155)	-	(1,258)	(102)	(1,504)
Finance payments	(3)	-	-	(2)	-	2	(5)	(5)	(9)
Net Cash provided by (or used in) Operating Activities	91	194	15	15	62	2	103	41	65
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Grants specifically for new or upgraded assets	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	28	-	28	-	28	-	-
Payments									
Capital Expenditure on renewal/replacement of assets	(43)	(70)	(53)	-	(42)	-	(42)	-	-
Capital Expenditure on new/upgraded assets	-	-	(78)	-	(86)	-	(96)	10	(55)
Net Cash provided by (or used in) Investing Activities	(43)	(70)	(103)	-	(100)	-	(110)	10	(55)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Proceeds from Borrowings	-	-	21	-	101	-	111	10	55
Payments									
Repayment of Borrowings	(32)	(1)	(14)	-	(17)	-	(69)	59	(88)
Net Cash used in Financing Activities	(32)	(1)	7	-	84	-	42	69	(33)
NET INCREASE (DECREASE) IN CASH HELD	16	123	(81)	15	46	2	35	120	(23)
CASH AT BEGINNING OF YEAR	75	91	91	91	91	-	91	-	126
CASH AT END OF PERIOD	91	214	10	106	137	2	126	120	103



VICTOR HARBOR HORSE TRAM AUTHORITY BALANCE SHEET	Actual	Actual	Budget	Budget	Budget	Variance	Budget	Variance BR3	Draft
	FY22 \$'000	YTD 22/23 \$'000	Original \$'000	Revised 1 \$'000	Revised 2 \$'000	BR2 to BR1 \$'000	Revised 3 \$'000	to BR1 \$'000	Budget FY24 \$'000
ASSETS									
Current Assets									
Cash and cash equivalents	91	214	10	106	137	30	126	(11)	104
Trade & Other Receivables	9	11	31	9	-	(9)	-	-	-
Inventories	-	-	-	-	-	-	-	-	-
Total Current Assets	100	225	41	115	137	21	126	(11)	104
Non-Current Assets									
Infrastructure, Property, Plant & Equipment	164	233	287	148	173	27	208	36	198
Total Non-Current Assets	164	233	287	148	173	27	208	36	198
TOTAL ASSETS	264	458	328	263	310	48	334	25	302
LIABILITIES									
Current Liabilities									
Trade & Other Payables	83	40	67	82	34	(49)	41	8	42
Short-term Provisions	63	63	15	63	17	(45)	23	5	23
Short-term Borrowings	120	120	39	120	35	(85)	35	-	35
Total Current Liabilities	266	223	121	265	86	(179)	99	13	100
Non-Current Liabilities									
Long-term Provisions	-	-	40	-	40	40	40	-	40
Long-term Borrowings	-	-	120	-	139	139	127	(12)	94
Total Non-Current Liabilities	-	-	160	-	179	179	167	(12)	134
TOTAL LIABILITIES	266	223	281	265	265	-	266	1	234
NET ASSETS	(2)	235	47	(2)	45	48	68	24	68
EQUITY									
Accumulated Surplus	(2)	235	47	(2)	45	47	69	24	69
	(2)	235	47	(2)	45	47	69	24	69
	Actual	Actual	Budget	Budget	Budget		Budget		Draft Budget



**VICTOR HARBOR HORSE TRAM AUTHORITY
STATEMENT OF CHANGES IN EQUITY**

ACCUMULATED SURPLUS

Opening balance at beginning of financial year
 Total comprehensive income for the year
 Closing balance at end of period

	FY22 \$'000	YTD 22/23 \$'000	Original \$'000	Revised 1 \$'000	Revised 2 \$'000	Variance BR2 to BR1 \$'000	Revised 3 \$'000	Variance BR3 to BR1 \$'000	FY24 \$'000
Opening balance at beginning of financial year	(16)	(2)	47	(2)	(2)	-	(2)	-	45
Total comprehensive income for the year	14	237	-	-	47	47	72	23	-
Closing balance at end of period	(2)	235	47	(2)	45	47	70	23	45



	Actual	Actual	Budget	Budget	Budget	Variance	Budget	Variance BR3	Draft
VICTOR HARBOR HORSE TRAM AUTHORITY UNIFORM PRESENTATION OF FINANCES	FY22	YTD 22/23	Original	Revised 1	Revised 2	BR2 to BR1	Revised 3	to BR1	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	FY24
									\$'000
Operating Revenues	845	1,073	1,113	1,153	1,219	65	1,358	139	1,578
less Operating Expenses	(831)	(836)	(1,113)	(1,153)	(1,172)	(17)	(1,286)	(116)	(1,578)
OPERATING SURPLUS (DEFICIT) BEFORE CAPITAL AMOUNTS	14	237	-	-	47	48	72	23	-
NET OUTLAYS ON EXISTING ASSETS									
Capital Expenditure on Renewal and Replacement of Existing Assets	(43)	(70)	(53)	-	(42)	-	(42)	-	-
add back Depreciation, Amortisation and Impairment	-	-	15	15	16	(1)	18	3	33
add back Proceeds from Sale of Replaced Assets	-	-	28	-	28	-	28	-	-
	(43)	(70)	(10)	15	2	(1)	4	3	33
NET OUTLAYS ON NEW AND UPGRADED ASSETS									
Capital Expenditure on New and Upgraded Assets	-	-	(78)	-	(86)	-	(96)	10	(55)
add back Amounts Received Specifically for New and Upgraded Assets	-	-	(78)	-	(86)	-	(96)	10	(55)
NET LENDING (BORROWING) FOR FINANCIAL PERIOD	(29)	167	(88)	15	(37)	47	(20)	36	(22)



	Actual	Actual	Budget	Budget	Budget	Variance	Budget	Variance BR3	Draft
VICTOR HARBOR HORSE TRAM AUTHORITY FINANCIAL INDICATORS	FY22 \$'000	YTD 22/23 \$'000	Original \$'000	Revised 1 \$'000	Revised 2 \$'000	BR2 to BR1 \$'000	Revised 3 \$'000	to BR1 \$'000	FY24 \$'000
Operating Surplus Ratio <i>being operating surplus (deficit) divided by operating revenue</i>	1.7%	22.1%	0.0%	0.0%	3.9%		5.3%		0.0%
Net Financial Liabilities <i>being total liabilities less financial assets (excluding equity accounted investments in Council business)</i>	166	(2)	240	150	128	(21)	140	12	130
Net Financial Liabilities Ratio <i>being total liabilities less financial assets (excluding equity accounted investments in Council business), divided by total operating revenue</i>	19.6%	-0.2%	21.6%	13.0%	10.5%	-32.3%	10.3%	8.6%	8.2%
Asset Management Plan forecast project spend for renev	43	70	53	-	42		42		-
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. The optimal level planned refers to the Council's Asset Management Plan (AMP) which forecasts the activities/projects that need to be undertaken in order to maintain the Council's assets.</i>	100%	100%	100%		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 Sorce Funding		91%	63%	64%	69%		73%		77%



VICTOR HARBOR HORSE TRAM AUTHORITY	Actual	Actual	Budget	Budget	Budget	Variance	Budget	Variance BR3	Draft
CAPITAL EXPENDITURE	FY22	YTD 22/23	Original	Revised 1	Revised 2	BR2 to BR1	Revised 3	to BR1	Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	FY24
									\$'000
CAPITAL NEW									
IT equipment	-	-	-	-	-	-	-	-	10
Tools	-	-	-	-	5	-	5	-	5
Tractor/mower/slasher	-	-	-	-	-	-	-	-	20
Gater	-	-	-	-	-	-	-	-	15
Work vehicle	-	-	-	-	53	-	53	-	-
Second float	-	-	-	-	23	-	23	-	-
Harness Equipment	-	-	-	-	5	-	5	-	5
Equissage	-	-	-	-	-	-	10	-	-
0	-	-	-	-	-	-	-	-	-
Total - Capital New	-	-	-	-	86	-	96	-	55
CAPITAL REPLACEMENT									
Float	-	-	-	-	-	-	-	-	-
Second Float	-	-	-	-	-	-	-	-	-
Work Vehicle	-	-	-	-	-	-	-	-	-
harness Equipment	-	-	-	-	-	-	-	-	-
Spray unit	-	-	-	-	-	-	-	-	-
Gater	-	-	-	-	-	-	-	-	-
Work Ute	-	-	-	-	42	-	42	-	-
Tractor/mower/slasher	-	-	-	-	-	-	-	-	-
Tools	-	-	-	-	-	-	-	-	-
IT Equipment	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-
0	-	-	-	-	-	-	-	-	-
Total - Capital Replacement	-	-	-	-	42	-	42	-	-
	-	-	-	-	128	-	138	-	55