ANNUAL REPORT 2024-2025

PUFFING BILLY
RAILWAY BOARD

ACKNOWLEDGEMENT OF COUNTRY

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

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PBR is operated by the Puffing Billy Railway Board.

The principal office is located at:

1 Old Monbulk Road, Belgrave.
Phone: (03) 9757 0700
Email: info@pbr.org.au

The organisational structure of the Board, its staff and committees are set out on Page 26 to 27 of this report.

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

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

ALL ABOARD OUR 2024-25 JOURNEY

PUFFING BILLY RAILWAY HAS A PROUD HISTORY OVER 124 YEARS.

Today we are Australia's premier heritage steam railway and one of the largest of its kind in the world. The iconic International and domestic visitor experience is made possible through the commitment of accredited volunteers, alongside the dedicated staff - showcasing the Dandenong Ranges and bringing heritage to life.

WE ARE PLEASED TO PRESENT THE HIGHLIGHTS OF OUR JOURNEY IN 2024-25.

Delivered iconic experiences for

466,180

visitors.

1,216

services ran at full capacity.

379

volunteers contributed over 70,000 hours.

9,433

students from 148 schools came aboard.

PUFFING BILLY RAILWAY BOARD

OUR PURPOSE

WE STRIVE TO DELIVER AN ICONIC HERITAGE VISITOR EXPERIENCE.

OUR KEY AREAS OF FOCUS

- Develop and deliver iconic service and product offerings that create memorable and unique visitor experiences.
- Deliver a profitable and viable business outcome through efficient, safe and cost-effective operations.
- Deliver our heritage legacy by working with the local community to maintain and develop the corridor heritage and tell the story of the Puffing Billy Railway.

17%

growth in passenger numbers.

10%

increase in total revenue.

Collaborated with **28** local tourism businesses.

CHAIR AND CEO REPORT

PUFFING BILLY RAILWAY IS SOMETHING SPECIAL FOR VICTORIA, AUSTRALIA AND THE WORLD.

We are extremely proud of the efforts and achievements in 2024-25 to bring the legacy of our heritage railway to life for visitors.

ECONOMIC SUSTAINABILITY AND VIABILITY

In 2024-25 we continued our measured and strategic approach to keeping operations on track and ensuring our business remains profitable and viable. This was achieved through robust governance in alignment with our strategic objectives. We also focussed on continuing to diversify revenue sources while seeking efficiencies within our operations and team. This was reflected in a 10% increase in total revenue across the year.

ICONIC EXPERIENCES

Together, our team and volunteers delivered safe, profitable and iconic experiences for 466,180 local, national and international visitors. For the financial year, passenger numbers exceeded budget expectations by 17%.

This success is due to our continual improvement of our services and product offerings at each station precinct to ensure a truly iconic experience and new memories for returning visitors. Event trains such as Day Out With Thomas and Train of Lights were very popular and booked out quickly. This success reflects the enjoyment these experiences provide for all ages and interests.

FULL CAPACITY

A total of 1,216 services ran at full capacity across much of the year. This was made possible through efficient programming, disciplined teams and being nimble and adaptable as needed. This approach also supported growth of our operations through extra services on the Lakeside and Menzies Creek sections along with additional carriages being made available.

VOLUNTEERISM

Our volunteers are the heart of our heritage experience. Their passion, dedication, and collective knowledge enrich every aspect of Puffing Billy Railway. With 379 active volunteers contributing over 70,000 hours across the year, we are grateful for the time, energy and spirit they bring to our community. Their commitment helps us preserve history, share stories, and create memorable moments for visitors from all walks of life.

INCLUSIVE TEAM

We are committed to listening to the voices of our team and creating a safe and inclusive place to work, visit and volunteer. We continued to implement our 'Reflect' Reconciliation Action Plan and engage with Traditional Owners and affiliated organisations. We promoted diversity by inviting young voices through our Youth Reference Group and the ongoing delivery of our Gender Equity Plan.

HONOURING OUR HERITAGE LEGACY

We are proud to be custodians of Puffing Billy's narrow gauge railway. Our team remains committed to preserving, sharing and celebrating this history through restoration and maintenance and engaging education programs. In 2024-25 we welcomed over 9,433 students from 148 schools aboard to inspire the next generation.

COMMUNITY CONNECTION

Puffing Billy Railway is proud to be part of the vibrant Dandenong Ranges community. We value the meaningful partnerships we've built with local organisations such as the CFA, local RSLs and Rotary, whose contribution and collaboration help us create memorable experiences and foster a strong sense of place. Events like the Variety Dream Day highlight the power of community spirit and the joy of coming together to make a difference.

Our Community Consultative Committee met twice and continues to be a valuable conduit between Puffing Billy Railway and the community.

Our collaborative approach across the year enabled us to strengthen relationships across all areas of operation from emergency management to environmental sustainability and to play a key role in Victoria's tourism and visitor economy. We are key players in the tourism industry supporting the annual timetable of events, conventions and trade missions. Hosting over 2,338 visitors from Amway China in April was a key highlight.

TIM NORTH OAM KC

Chair Puffing Billy Railway Board

30 October 2025

THE LINE AHEAD

We are confident that our renewed strategic objectives and approach are driving the success demonstrated in this report.

As we steam ahead into 2025-26 we will continue to focus on and refine our strategic objectives to ensure our visitors enjoy iconic heritage experiences and make many memories at Puffing Billy Railway.

A special thanks to Minister for Tourism, Sport and Major Events, Steve Dimopolous MP, Department of Jobs Skills Industry and Regions, our Board of Directors, executive team, staff, partners and of course the volunteers for your support and dedicated efforts across the year. You are all making history with the part you have played in another successful year of Puffing Billy Railway's long history with many more successful years to come.

Pursuant to the provisions of the *Financial Management Act 1984* and the *Audit Act 1984*, the Board presents its Annual Report in respect of the year ended 30 June 2025.

STEFANIE STRAUB

Chief Executive Officer, Puffing Billy Railway

30 October 2025

CURRENT YEAR FINANCIAL REVIEW

In the 2024–25 financial year, the Puffing Billy Railway Board reported a net loss of $800k, after accounting for depreciation and grants. This represents an improvement of $113k compared to the prior year's net loss.

Revenue from income and transactions increased by 10%, primarily driven by a 17% growth in passenger numbers. Correspondingly, expenses from transactions rose by 9%, reflecting the increased operational costs associated with expanded train services and event delivery.

The Board identifies the Net Result from Transactions as the most appropriate indicator of financial performance attributable to core operations. This metric excludes asset revaluations and other economic flows that are beyond the organisation's control.

Total assets increased modestly, supported by higher cash holdings and receivables, partially offset by depreciation. Total liabilities also rose, largely due to increased payables directly attributable to higher volume of advance passenger bookings.

During the year, $10k in donations were received, earmarked for future projects. As at 30 June 2025, $272k in donated funds remain held in reserve for these initiatives.

FIVE YEAR FINANCIAL SUMMARY (a)

	YEAR 5 2025	YEAR 4 2024 (b)	YEAR 3 2023	YEAR 2 2022	YEAR 1 2021 (c)
Revenue from Income and Transactions	28,892,297	26,300,860	23,066,473	19,438,738	15,044,848
Expenses from Transactions	29,692,323	27,213,636	22,339,026	17,568,486	14,045,719
Net Result from Transactions	(800,026)	(912,776)	727,447	1,870,251	999,129
Other economic flows	3,990	-	-	-	1,273
Net Results for the year	(796,036)	(912,776)	727,447	1,870,251	1,000,402
Asset Revaluations	-	4,855,058	-	-	27,417,189
Comprehensive Results for the Year	(796,036)	3,942,282	727,447	1,870,251	28,417,591
Net Cash Flows from Operating Activities	3,571,621	3,484,936	4,267,074	2,906,302	9,701,477
Total Assets	120,102,092	119,757,271	114,293,377	112,921,846	111,415,888
Total Liabilities	7,005,958	5,865,101	4,343,488	3,699,404	5,299,697

(a) This table presents data from the current reporting year with comparative data from the past four reporting years. Year 5 represents the current year (2025).

(b) In the Annual Report of 2023-24 Operating Income and Operating Expenditure have been re-aligned to correctly reflect the allocation of commission expense.

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

CAPITAL PROJECTS

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


17%
growth in passenger numbers

THE PUFFING BILLY EXPERIENCE

IN 2024-25, A TOTAL OF 466,180 PEOPLE FROM AUSTRALIA AND AROUND THE WORLD TOOK A RIDE ON OUR HERITAGE RAILWAY.

The key initiatives that drove this success were:

Providing **additional train services** to Lakeside and Menzies Creek.

Adding carriages onto services for more visitors to be able to enjoy the ride.

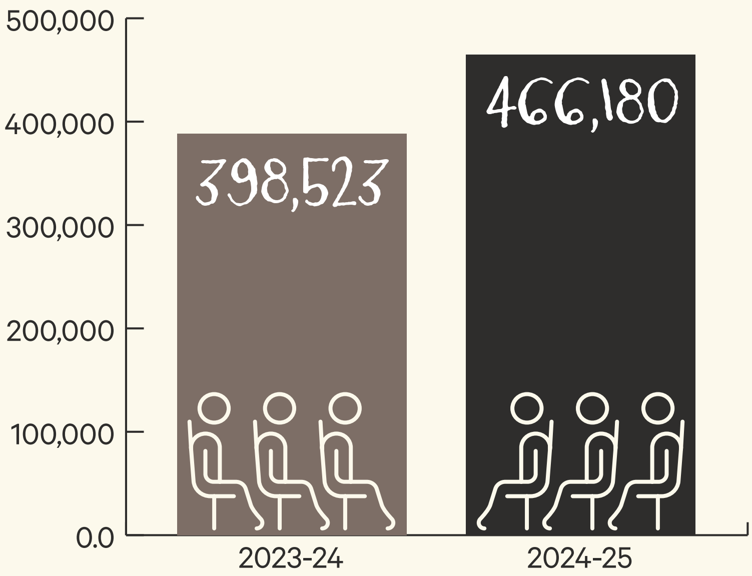
Curating memorable events such as **Train Of Lights** and **Day Out With Thomas**.

Supporting key Melbourne events by **hosting 2,338 visitors**.

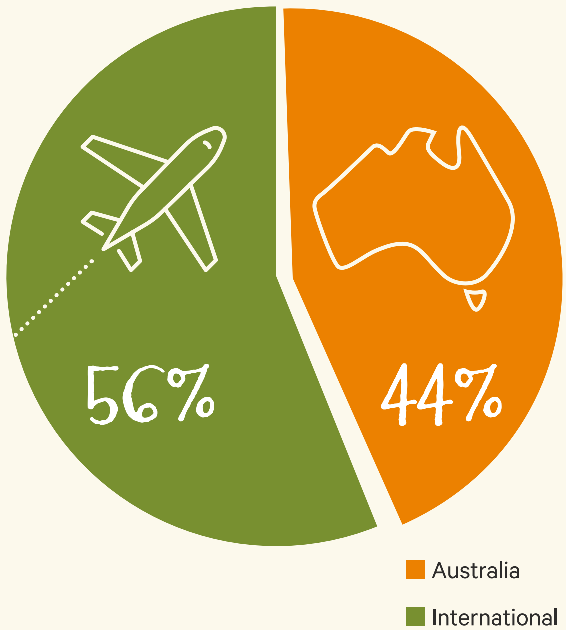
Riding Puffing Billy was a magical experience. The historic steam train, with its open carriages, offered stunning views of the Dandenong Ranges. I loved the fresh air and the nostalgic feel of the journey. It was a perfect escape into nature and history, creating memories I'll cherish. A must-do for anyone visiting the area!

International visitor Google review
October 2025

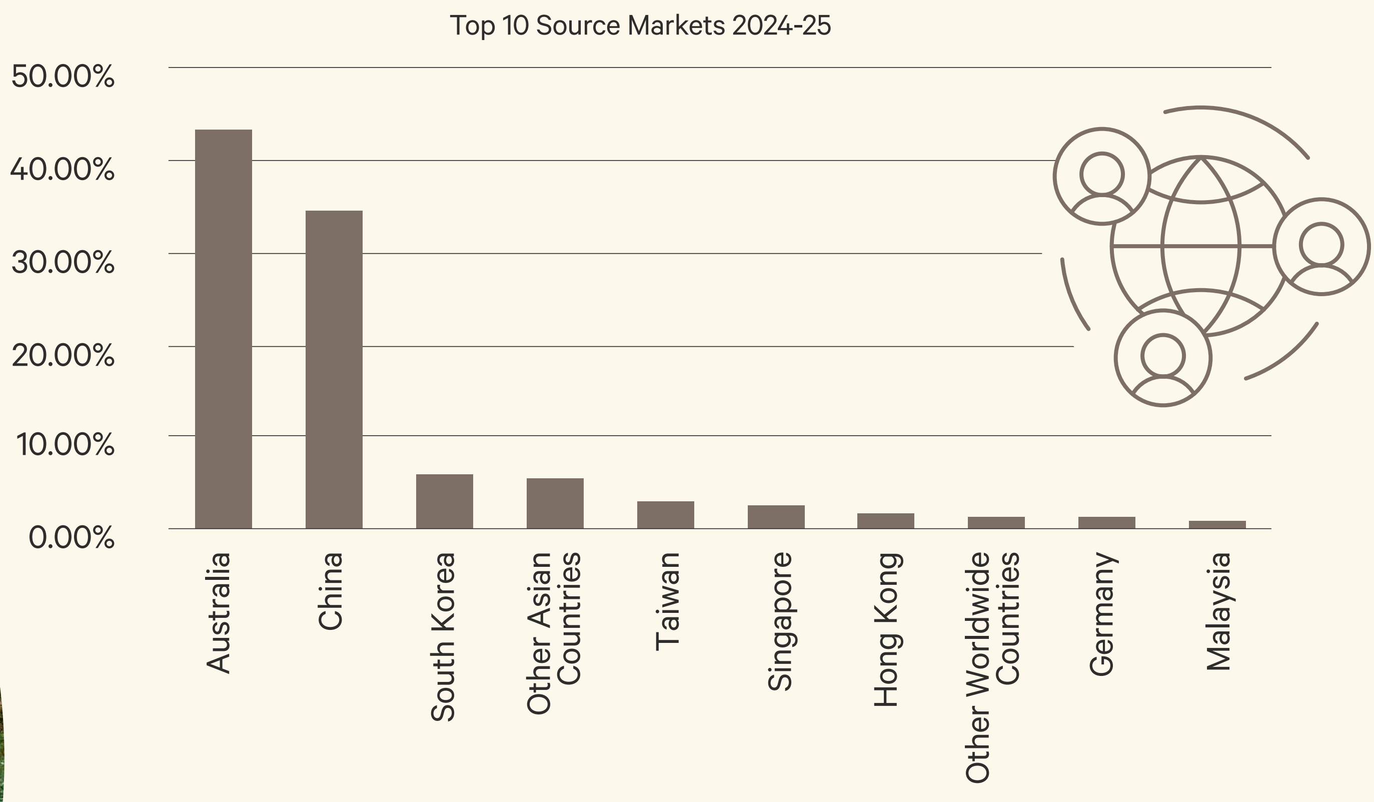
PUFFING BILLY RAILWAY PASSENGERS 2023-2025



WHERE OUR PASSENGERS TRAVELLED FROM 2024-25



BREAKDOWN OF WHERE OUR PASSENGERS TRAVELLED FROM 2024-25



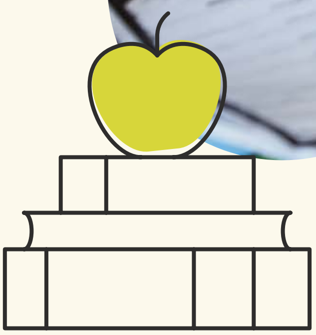
> "Legs out and away we go! Had a brilliant day on the train with Family, from Belgrave to Lakeside, the Staff were very friendly and enthusiastic and really made the day. To be able to ride this unique train on the carriage window sills with your legs out was simply fantastic and a very enjoyable experience."

UK Visitor May 2025

FUELLING THE NEXT GENERATION.

We love inspiring the next generation of history and rail enthusiasts through our ongoing programs delivered to students. Programs range from pre-school, primary and secondary through to tertiary and international students.

In 2024-25, an increased number of schools and students participated in both our guided curriculum based education program 'Endless Discovery' tours and also visited Puffing Billy to enjoy a self-guided experience.



	2024-25	2023-24
TOTAL ALL STUDENTS	9,433	7,300
GUIDED STUDENTS	3,386	3,565
GUIDED SCHOOLS	52	63
TOTAL SCHOOLS	148	117

> *We had a wonderful day. The program was engaging and fun!*
>
> Year 2 Teacher, St Clare's Primary School

DAY OUT WITH THOMAS

11,292

PASSENGERS

24

We attended **24 events** with Australia's key tourism industry stakeholders.

WE CONTINUED TO ACTIVELY PROMOTE, PACKAGE AND SHOWCASE PUFFING BILLY RAILWAY TO BUILD BRAND AWARENESS, DRIVE VISITATION AND BE ACTIVE CONTRIBUTORS IN THE TOURISM INDUSTRY.

Over the past year, we collaborated with key international tourism stakeholders to share insights and brainstorm current challenges, partner with the industry to support trade missions and showcase the experience to Australia's operators within international target markets.

OUR SOCIAL MEDIA REACH 2024-25

	Followers	Reach
Facebook	73,000+ followers	1.3m people
Instagram	68,000+ followers	93,800 people

28

We collaborated with **28 tourism businesses** across Yarra Valley, Dandenong Ranges and Melbourne Eastern Suburbs through our Tourism Marketing Package.


RUNNING FESTIVAL
3,201
PARTICIPANTS


TRAIN OF LIGHTS
5,476
PASSENGERS

IN 2024-25, WE FOCUSSED ON WORKING WITH OUR PARTNERS AND COMMUNITY TO SECURE AND DELIVER MEMORABLE FUNCTIONS AND TO REFRESH AND STREAMLINE OUR FOOD AND BEVERAGE AND COMMERCIAL OFFERINGS IN LINE WITH TOURISM OPERATORS AND PASSENGERS' NEEDS.

26,000

Our chefs prepared over 26,000 food and beverage packages for passengers.

3,320

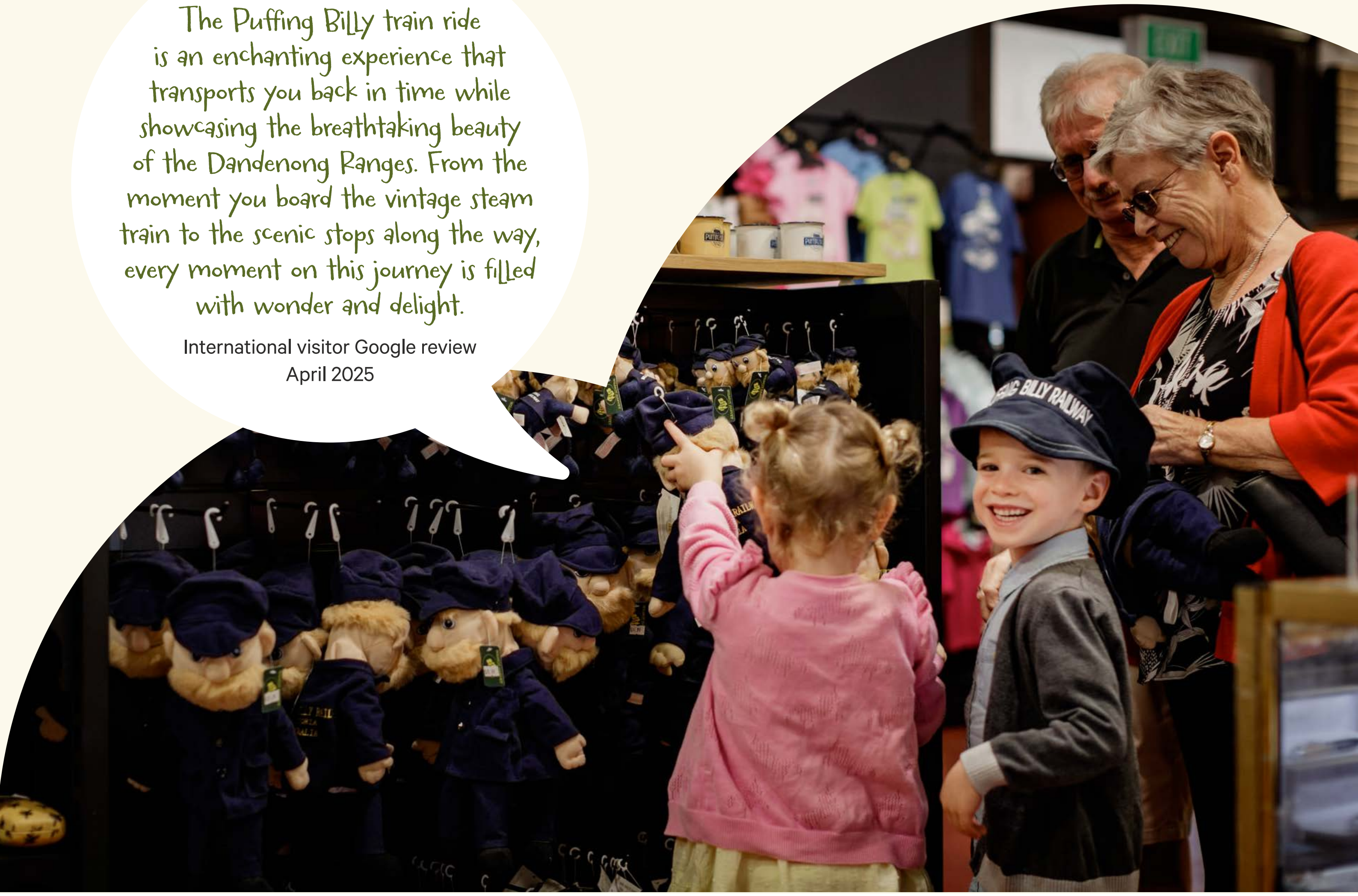
We hosted fifteen major group functions for over 3,320 people ranging from private birthdays to tourism industry gatherings and PROBUS and other community groups.

1,000+

Hosted over 1,000 guests on our Murder Mystery train journeys featuring a food and beverage package.

The Puffing Billy train ride is an enchanting experience that transports you back in time while showcasing the breathtaking beauty of the Dandenong Ranges. From the moment you board the vintage steam train to the scenic stops along the way, every moment on this journey is filled with wonder and delight.

International visitor Google review
April 2025



PRESERVATION AND CONSERVATION

A NARROW-GAUGE HERITAGE

We are privileged to be the custodians of one of the world's largest narrow gauge railways with a history spanning over 124 years.

Keeping this history alive and operational for visitors to experience is an ongoing role and one undertaken with passion. The unique heritage comprised of narrow gauge rail and locomotives needs to be preserved and maintained through an ongoing program of restoration works.

In 2024-25 we celebrated major milestones and were proud to restore and reinvigorate some beautiful pieces of rail history.

NRT1

RUSTON & HORNSBY DIESEL LOCOMOTIVE

Built in 1951 to a gauge of 3', this Ruston diesel locomotive or rail tractor operated on the State Electricity Commission of Victoria's Kiewa scheme. Some years later, it was regauged to 2'6" and was operated by the Melbourne & Metropolitan Board of Works.

NRT1 ended its working life in 1977 when it was transferred to Puffing Billy. This type of locomotive was popular in many industrial locations, with their unique clutch-less 3 speed gearboxes. In 1983 it was returned to service as NRT1.
The restoration works include:

- ✔ Construction of a replacement radiator
- ✔ Repairs on electrical system
- ✔ Repairs to Westinghouse air brake
- ✔ Inspection and adjustment to drive chains
- ✔ General servicing and inspection cooling system hoses replaced.
- ✔ Bodywork and repaint.

8NBH

NARROW GAUGE SECOND CLASS HOLIDAY PASSENGER CARRIAGE BUILT IN 1919.

This second class excursion car is recognised for its use for 'Holiday' traffic. They have steel frames, padded seats, and a wide window sill. In 2024-25, works to bring these features back for visitors to enjoy were made including:

- ✔ Restoring the individual tongue and groove boards.
- ✔ Installing white blinds and unpadded seating.
- ✔ Reinstating full-length running boards.

> "In May we celebrated a very special day for 7A! Happy 120th birthday to the little Canadian Pacific red loco that could and still does more than a century later! Did you know that 7A hauled our re-opening trains to both Menzies Creek in 1962 and to Lakeside in 1975? Here's to another year with this treasured member of our family of locomotives!"
>
> Facebook post May 2025

6A

NARROW GAUGE STEAM LOCOMOTIVE BUILT IN 1901.

This locomotive returned to service at Belgrave in 1962 for the reopening of the line where it saw almost continuous service until 1983. In 2024-25, works were completed to restore the original design and colour scheme including:

✔ Repairing the boiler, water tanks and cab.

✔ Replacing of cracked wheels.

✔ Manufacturing and installing of original timber cow-catchers.

✔ Re-painting the two-tone green with white lining.

OUR SUSTAINABLE FUTURE

THE NATURAL ENVIRONMENT ALONG THE RAILWAY CORRIDOR IS PRECIOUS AND PROVIDES A SPECTACULAR BACKDROP THAT IS CENTRAL TO OUR UNIQUE VISITOR EXPERIENCE.

We are committed to protecting and enhancing this valuable habitat with our neighbours and partners.

In 2024-25 we continued to implement a range of measures to reduce electricity use and improve our carbon footprint.

THIS YEAR WE WORKED WITH LOCAL FARMERS TO PILOT A LONG-TERM SOLUTION FOR REPURPOSING STEAM LOCOMOTIVE ASH RATHER THAN SENDING IT TO LANDFILL.

Working on the hypothesis that steam locomotive ash has similar characteristics to biochar we worked collaboratively with local farmers to redirect ash away from landfill and back into farm land to assist with improving soil aeration, reducing nutrient leaching and soil acidity.

Biochar is highly porous, lightweight and fine-grained with approximately 70 percent of its composition being carbon and the remaining percentage consisting of nitrogen, hydrogen and oxygen among other elements.

Biochar technology shows promise in mitigating climate change and improving soil quality, as well as reducing waste and producing energy as a byproduct.

ENVIRONMENTAL IMPACTS

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

ELECTRICITY PRODUCTION AND CONSUMPTION

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

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

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

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

	2024-25	2023-24	2022-23
Trading days	357	353	364
Electricity (MWH)	821.87	816.87	787.19
Electricity (Co2t)	0	694	530

TRANSPORTATION

Puffing Billy Railway maintains vehicles essential to the delivery of its train services. These vehicles include trucks, trolleys, utility vehicles and locomotives.

	2024-25	2023-24	2022-23
Trading days	357	353	364
Diesel (Ltr)	88,958	168,218	128,332
Petrol (Ltr)	3,481	6,338	5,250
Coal (T)	805	613	435
Diesel (Co2t)	240	454	347
Petrol (Co2t)	8	15	12
Coal (Co2t)	1,949	1,483	1,053
Total Co2 Emissions	**2,197**	**1,952**	**1,412**

100%

Green Power for the electricity usage at large sites.


C 42

OUR PEOPLE

IT TAKES AN INSPIRED, INCLUSIVE AND DIVERSE TEAM TO SAFELY DELIVER THE ICONIC PUFFING BILLY RAILWAY EXPERIENCE.

COMPARATIVE WORKFORCE DATA

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

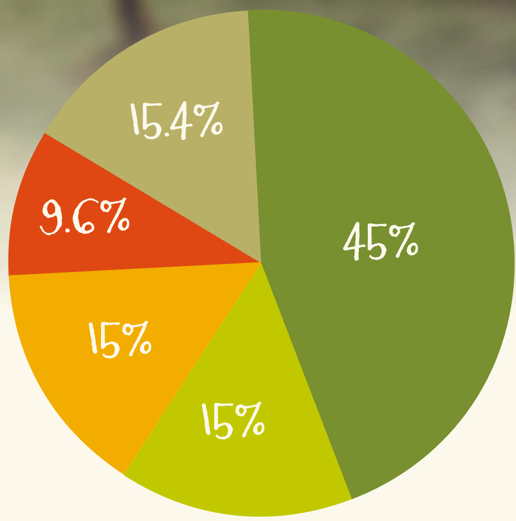
JUNE 2024	**Entire Workforce**				**Employees**		
	Workforce (head count)	**Employee (head count)**	**FTE**	**Active Volunteers**	**Full-time**	**Part-Time**	**Fixed term & Casual**
Gender							
Women	133	71	50	62	25	28	18
Men	362	73	61	289	41	20	12
Self-described	3	-	-	3	-	-	-
Not provided	1	-	-	1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

JUNE 2025	**Entire Workforce**				**Employees**		
	Workforce (head count)	**Employee (head count)**	**FTE**	**Active Volunteers**	**Full-time**	**Part-Time**	**Fixed term & Casual**
Gender							
Women	122	68	47	54	20	24	24
Men	332	65	54	267	36	15	14
Self-described	2			2			
Not provided	5	1	1	4	1		
Age							
15-24	55	20	10	35	1	-	19
25-34	59	23	19	36	13	5	5
35-44	68	34	29	34	20	10	4
45-54	37	17	14	20	8	3	6
55-64	70	21	18	49	10	9	2
65+	172	19	12	153	5	12	2

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

ENGAGING AND DIVERSIFYING OUR VOLUNTEER TEAM

Over the year, we focussed on continually improving, diversifying and celebrating our volunteer team and programs.



379
volunteers contributed over
70,000
hours across
10,000
individual shifts.

CULTURAL DIVERSITY

In 2024-25 the number of volunteers with English as their second language increased to **36%** and **28%** of newly onboarded volunteers were born in countries outside Australia.

LENGTH OF VOLUNTEER SERVICE

- 45% volunteering between 0-5 years
- 15% volunteering between 6-11 years
- 15% volunteering between 12-17 years
- 9.6% volunteering between 18-22 years
- 15.4% volunteering 23 + years

PROVIDE A SAFE, INCLUSIVE AND DIVERSE WORKING ENVIRONMENT

CHILDREN AND YOUNG PEOPLE

All our actions are driven by the organisation's commitment to implementing and abiding to the Child Safety Standards.

This year we welcomed five new members to the Puffing Billy Railway Youth Representative Group which plays an important role in engaging the feedback and input from young people in the services and programs we offer.

SAFETY FIRST

We aim to create a safe, secure and welcoming destination for everyone to enjoy.

Operating in one of the most bushfire prone areas in the world, the magnificent Dandenong Ranges, extreme weather and fire risks are always front of mind. Our extreme weather and fire risk assessments consider the immediate safety risks to staff, volunteers and visitors as well as the wider community and the burden that may be placed on emergency services in the event of an emergency.

This year we have worked with the Emerald & Surrounding Emergency Planning Group, Cardinia Shire Council, Yarra Ranges Council, VicPol, CFA and SES on emergency preparedness, response and recovery plans. No one understands the risks and challenges associated with the natural environment of the Dandenong Ranges better than our local community and together we are ensuring that our staff, volunteers, visitors and community remain safe.

PART OF OUR COMMUNITY

WE ARE PROUD TO HOLD AN IMPORTANT ROLE IN THE DANDENONG RANGES COMMUNITY AND LOVE TO SUPPORT THE GENEROUS COMMUNITY THAT SUPPORTS US.

We supported the work of the **DANDENONG RANGES EMERGENCY RELIEF SERVICE INC** through local food drives.

We were thrilled to partner with **VARIETY AUSTRALIA** to host **VARIETY DREAM DAY**. On the day, the railway was closed to the public giving exclusive access to Puffing Billy's trains and the Lakeside Visitor Centre.

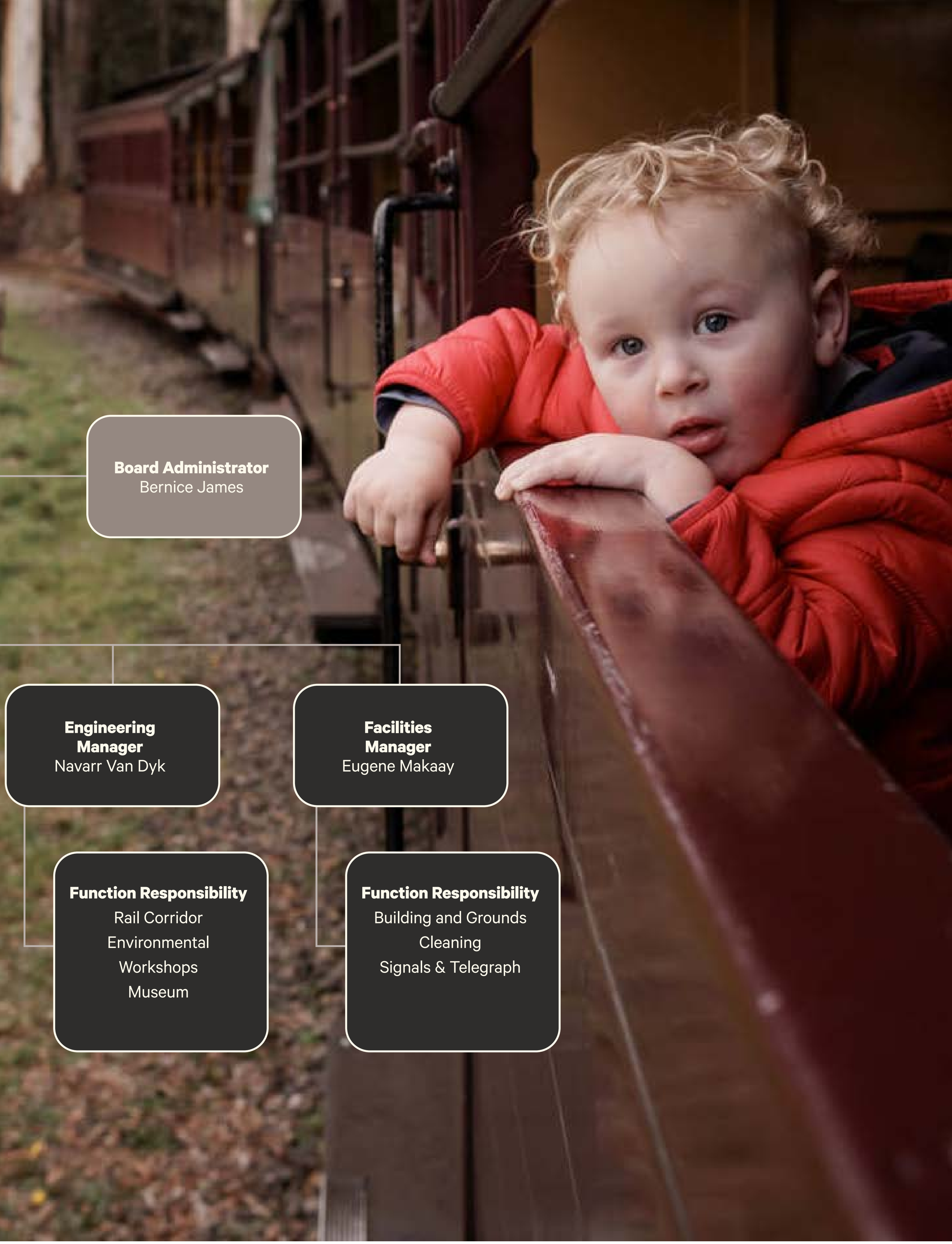
We continued our sponsorship of the **KIDS RUN WITH PUFFING BILLY RAILWAY** in November 2024. Rotary Club of Emerald District raised over $50,000, with proceeds going to the Monash Children's Hospital.

ORGANISATIONAL MANAGEMENT STRUCTURE

Puffing Billy Railway Board

CEO
Stefanie Straub

- **Group Manager Business Services - Acting**
  Sarah Stickland
  - **Function Responsibility**
    - Finance
    - Information Technology
    - Procurement
    - Safety
- **Group Manager Visitor Experience**
  Nicoleta Giurgiu
  - **Function Responsibility**
    - Retail & Food & Beverage
    - Communications
    - Marketing / Events
    - Passenger Services
    - Train Services
- **People & Culture Manager**
  Elizabeth Oxworth
  - **Function Responsibility**
    - Volunteer Program
    - Employee Relations



Board Administrator
Bernice James

Engineering Manager
Navarr Van Dyk

Function Responsibility
- Rail Corridor
- Environmental
- Workshops
- Museum

Facilities Manager
Eugene Makaay

Function Responsibility
- Building and Grounds
- Cleaning
- Signals & Telegraph

GOVERNANCE

OUR BOARD

TIM NORTH OAM KC

Chair
Financial Management, Law, Public Governance.

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

Appointed: 23 June 2018

DIANNE SMITH

Deputy Chair
Tourism, Economic Development, Marketing & Communications, Financial Management, Public Governance

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

Appointed: 29 June 2020

BART CLINGIN

Director
Economic Development, Financial Management, Public Governance, Capital Works Management, Human Resources.

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

Appointed: 12 May 2021

ANGELA JAMIESON

Director
Financial Management, Public Governance.

Angela Jamieson is a forensic accountant with extensive leadership and executive expertise, specialising in corporate governance, financial crime, AML/CTF compliance, corporate misconduct investigations and general practice accounting in both the public and private sectors.

Appointed: 14 October 2021

THOMAS SARGANT

Director
Operations & Safety, Financial Management, Public Governance.

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

Appointed: 14 October 2021

GABRIELLE LIM

Director
Economic Development, Marketing & Communications, Financial Management.

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

Appointed: 1 July 2023

JACQUI DE KIEVIT

Director
Tourism, Economic Development, Marketing & Communications.

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

Appointed: 1 July 2023

TREVOR BUDGE AM

Director
Heritage & Preservation, Tourism, Economic Development, Marketing & Communications, Financial Management, Law, Public Governance.

Trevor Budge has held several Ministerial appointments on government boards and has extensive experience in senior positions in local and state government, universities and private consulting. He has led numerous strategic planning projects including extensive community consultations and conducted major heritage studies. Trevor currently works part time on the nomination by the Victorian Government for the World Heritage Listing of the Victorian Goldfields.

Appointed: September 2024

SECRETARY TO THE BOARD:

Board Administrator, Bernice James, supports the Board and Management in regard to Company Secretariat and Governance requirements. All Board appointments and re-appointments are by recommendation of the Minister and approved by the Governor in Council under the P*uffing Billy Railway Act 2022*.

COMMITTEES AND OFFICERS OF THE BOARD

Finance, Risk, Audit, and Compliance Subcommittee.

Chair	Bart Clingin
Members	Tim North OAM KC, Thomas Sargant, Gabrielle Lim
By Invitation	Stefanie Straub, Nicoleta Giurgiu, Sarah Stickland.

Heritage and Conservation Subcommittee

Chair	Trevor Budge AM
Members	Jacqui de Kievit
By Invitation	Stefanie Straub, Nicoleta Giurgiu, Sarah Stickland, David Baker, Andrew Nolte

Operations and Safety Subcommittee

Chair	Thomas Sargant
Members	Gabrielle Lim, Trevor Budge AM
Advisors:	Dean Matthews, Ian Burton (to August 2024)
By Invitation	Stefanie Straub, Nicoleta Giurgiu, Sarah Stickland, Vikki Ducrow, Navarr Van Dyk, Andrew Nolte, Varun Sachdeva.

People and Culture Subcommittee

Chair	Angela Jamieson
Members	Tim North OAM KC, Dianne Smith.
Advisors	Nicole Tewierik (to March 2025)
By Invitation	Stefanie Straub, Nicoleta Giurgiu, Sarah Stickland, Elizabeth Oxworth.

Visitor Economy, Fundraising and Development Subcommittee

Chair	Dianne Smith
Members	Gabrielle Lim, Jacqui de Kievit, Trevor Budge AM
By Invitation	Stefanie Straub, Nicoleta Giurgiu, Sarah Stickland.

Communication Governance Subcommittee

Chair	Tim North OAM KC
Members	Dianne Smith, Angela Jamieson
By Invitation	Stefanie Straub

PBR Stakeholder Consultative Committee

Chair	Tim North OAM KC
Members	Dianne Smith, Angela Jamieson, Bart Clingin, Thomas Sargant, Gabrielle Lim, Jacqui De Kevit, Trevor Budge AM
By Invitation	Stefanie Straub, Nicoleta Giurgiu, Sarah Stickland

General Members

Membership of the Stakeholder Consultative Committee is voluntary and open to the organisations, entities or groups representing various interests as set out in the Puffing Billy Railway Act 2022

Management Executive Group at 30 June 2025

Stefanie Straub - Chief Executive Officer and Accountable Officer

Sarah Stickland - Acting Group Manager, Business Services

Nicoleta Giurgiu - Group Manager, Visitor Experience.

EXTERNAL ADVISORS TO THE BOARD:

Dean Matthews (Chief Executive Officer, Geelong Cemeteries Trust)

Ian Burton (former Executive General Manager Project Delivery Group, VicTrack) (stepped down effective August 2024)

Nicole Tewierik (Founder, Nicole Tewierik Coaching) (stepped down effective March 2025)

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

COMPLIANCE

GOVERNMENT ADVERTISING EXPENDITURE

In 2024-2025, PBR did not enter into any advertising campaigns with total media spend exceeding $100,000.

CONSULTANCY EXPENDITURE

Details of consultancies (valued at $10,000 or greater)

In 2024-2025, there were two consultancies where the total fees payable to the consultants were $10,000 or greater. The total expenditure incurred during 2024-2025 in relation to these consultancies is $42,990 (excluding GST). Details of individual consultancies are outlined below.

CONSULTANT	PURPOSE OF CONSULTANCY	EXPENDITURE 2024 - 2025 (EXCL. GST)
Nancy Vaughan	Grants Advisory	$23,190
Nicole Tewierik Coaching	Planning Facilitation	$19,800

Details of consultancies under $10,000

In 2024-2025, there were five consultancies engaged where the total fees payable to the individual consultancies was less than $10,000. The total expenditure incurred during 2024-2025 in relation to these consultancies was $11,864 (excluding GST).

INFORMATION AND COMMUNICATION TECHNOLOGY EXPENDITURE

Details of Information and Communication Technology (ICT) expenditure

For the 2024-2025 reporting period, PBR had a total ICT expenditure of $416,582 with the details shown below.

ALL OPERATIONAL ICT EXPENDITURE	ICT EXPENDITURE RELATED TO PROJECTS TO CREATE OR ENHANCE ICT CAPABILITIES		
Total Business as Usual (BAU) ICT expenditure	Total Non-Business as Usual (non BAU) ICT expenditure	Non BAU Operational expenditure	Non BAU Capital expenditure
$314,656	$101,927	Nil	$101,927

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

DISCLOSURE OF MAJOR CONTRACTS

PBR has not engaged in any large-scale contracts in 2024-2025 which exceed $10 million in value.

OCCUPATIONAL HEALTH AND SAFETY ACT 2004

PBR is committed to providing and maintaining an environment that is safe for all workplace participants and visitors. PBR complies with the *Occupational Health and Safety Act 2004.*

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

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

MEASURE	2024-25	2023-24
Injuries	36	64
Fatalities	0	0
Claims	2	7
WorkSafe Infringement Notices	1	0

CHILD WELLBEING AND SAFETY ACT 2005

PBR is committed to safeguarding children and young people and providing positive experiences for all. PBR complies with the Victorian Child Safe Standards, under the *Child Wellbeing and Safety Act 2005*. PBR have actioned all recommendations of the June 2020 Child Safety Standards Audit conducted by the Commission for Children and Young People.

PUBLIC RECORDS ACT 1973

PBR recognises information as a vital asset. Sound information management practices and systems ensure that PBR preserves valuable information to better assist the functions of the organisation. PBR manages all documents and records in accordance with the *Public Records Act 1973.*

PRIVACY AND DATA PROTECTION ACT 2014

PBR is committed to maintaining the privacy of all personal information. PBR complies with the Information Privacy Principles of the *Privacy and Data Protection Act 2014.*

PBR's Privacy Policy is available from:

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

During 2024-2025, no matters regarding PBR's compliance with the Information Privacy Principles were referred to the Victorian Information Commissioner.

FREEDOM OF INFORMATION ACT 1982

PBR is subject to the *Freedom of Information Act 1982 (FOI).* The purpose of the Act is to extend, as far as possible, the right of the community to access information held by government departments, local councils, ministers, and other bodies subject to the Act. The Act allows the public a right of access to documents held by PBR.

Request for information under FOI must be made in writing and addressed to:

Freedom of Information Officer
Puffing Billy Railway
1 Old Monbulk Road
Belgrave VIC 3160
Email: Company.secretary@pbr.org.au

Alternatively, FOI requests can also be lodged online at www.foi.vic.gov.au.

Requests under FOI must be accompanied by a $33.60 application fee as at 1 July 2025. Further charges for the supply of documents in relation to FOI requests are made in accordance with the *Freedom of Information Act 1982* and the *Freedom of Information (Access Charges) Regulations 2004.*

During 2024-2025, PBR received no requests for information under the *Freedom of Information Act 1982.*

PUBLIC INTEREST DISCLOSURE ACT 2012

PBR complies with the *Public Interest Disclosure Act 2012* , which encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

Disclosures of improper conduct or detrimental action by PBR or any of its employees and/or officers can be made to:

The Public Interest Disclosure Officer
Puffing Billy Railway
1 Old Monbulk Road
Belgrave VIC 3160
Email: Company.secretary@pbr.org.au

Alternatively, disclosures can be made directly to:

Independent Broad-Based Anti-Corruption Commission (IBAC):
Level 1, North Tower, 459 Collins Street
Melbourne Victoria 3000
ibac.vic.gov.au

During 2024-2025 there were no disclosures made to PBR.

GIFTS, BENEFITS, AND HOSPITALITY POLICY.

PBR is committed to assisting Workplace Participants identify and resolve ethical issues and build and maintain a sound ethical culture. Offers of gifts, benefits, and hospitality made to PBR Workplace Participants are managed in accordance with the PBR Gifts, Benefits, and Hospitality Policy and recorded in the Gift Register.

During 2024-2025, there were no declarable offers of gifts.

LOCAL JOBS FIRST ACT 2003

The Local Jobs First Policy, under the *Local Jobs First Act 2003*, helps to develop local industries, create jobs and boost economic activity across Victoria and applies to all government agency projects valued at $3 million or more in metropolitan Melbourne, or $1 million or more for projects in regional Victoria.

During 2024-2025, PBR had no procurement activity requiring implementation of the Local Jobs First Policy.

CARERS RECOGNITION ACT 2012

PBR is committed to recognising the role of carers in the organisation and takes practical measures to comply with the *Carers Recognition Act 2012*. PBR Workplace Participant policies comply with the statement of principles in the Act.

DISABILITY ACT 2006

PBR is committed to providing a positive experience for all workplace participants and visitors. The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.

PBR is working toward reducing barriers to access goods, services, and facilities, reducing barriers to obtaining and maintaining employment, promoting inclusion and participation in community, and achieving tangible changes in attitudes and practices that discriminate against people with a disability.

BUILDING ACT 1993

PBR complies with the building and maintenance provisions of the *Building Act 1993*. All works carried out during the year were in accordance with the Act and relevant building regulations.

During the 2024-2025 year:

- New construction and upgrades to existing buildings have been managed in consultation with architects, draftsmen, structural engineers and building surveyors to ensure compliance with all building standards.
- Building permits were issued for building works as required.
- No occupancy permits were issued.
- Inspection, reporting and scheduling of maintenance on existing buildings has been managed in accordance with the PBR Programmed & Reactive Maintenance Program.
- No emergency orders and building orders were issued.
- No buildings were subject to building code upgrades.

COMPETITIVE NEUTRALITY POLICY

Competitive neutrality requires Victorian Government businesses to ensure that where services compete, or potentially compete with the private sector, any advantage arising solely from their government ownership be removed if it is not in the public interest.

PBR fulfils its requirements regarding competitive neutrality reporting as required under the Competition Principles Agreement and Competition and Infrastructure Reform Agreement.

RAIL SAFETY NATIONAL LAW APPLICATION ACT 2013

The Office of the National Rail Safety Regulator (ONRSR) independently administers the Rail Safety National Law and performs the functions and responsibilities, and exercises the powers conferred upon it by that law on behalf of all state, territory, and federal Ministers for Transport and Infrastructure.

ONRSR has responsibility for regulatory oversight of rail safety in every Australian state and territory and promotes and improves national rail safety to ensure the safety of the community.

PBR complies with Rail Safety National Regulations.

GENDER EQUALITY ACT 2020

The *Gender Equality Act 2020* is Victoria's first piece of legislation specifically designed to address gender inequalities within the workplace. This Act requires that defined entities develop a Gender Equality Action Plan to help address this issue.

PBR has embraced the opportunity to publicly articulate our commitment to and outline how we will contribute to the improvement in the status of women in the workplace and provide a fair and just workplace free of discrimination with a three-year Gender Equality Action Plan 2022-2025.

THE PUFFING BILLY RAILWAY BOARD FINANCIAL MANAGEMENT COMPLIANCE ATTESTATION STATEMENT

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

This report is made by a resolution of the Board dated 30 October 2025, and signed on behalf of the Board by:

Tim North OAM KC
Chair
Puffing Billy Railway Board
Belgrave

30 October 2025

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

30 October 2025

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2025

DECLARATION IN THE FINANCIAL STATEMENTS

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

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, cash flow statement, statement of changes in equity and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2025 and financial position of Puffing Billy Railway Board at 30 June 2025.

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

We authorise the attached financial statements for issue on 30 October 2025.

Tim North OAM KC
Chair
Puffing Billy Railway Board
Belgrave

30 October 2025

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

30 October 2025

Sarah Stickland
Acting Group Manager Business Services (CFO)
Puffing Billy Railway Board
Belgrave

30 October 2025


NEXT TRAIN DEPARTS AT...
FOR

Independent Auditor's Report

VAGO
Victorian Auditor-General's Office

To the Board of the Puffing Billy Railway Board

Opinion	I have audited the financial report of the Puffing Billy Railway Board (the authority) which comprises the: • balance sheet as at 30 June 2025 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including material accounting policy information • declaration in the financial statements. In my opinion, the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2025 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Australian Accounting Standards - Simplified Disclosures.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975.* My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the financial report	The Board of the authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards - Simplified Disclosures and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

Auditor's responsibilities for the audit of the financial report	As required by the *Audit Act 1994,* my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also: • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board • conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the authority to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
11 November 2025

Paul Martin
as delegate for the Auditor-General of Victoria

HOW THIS REPORT IS STRUCTURED

Puffing Billy Railway Board (PBRB) has presented its audited general-purpose financial statements for the financial year ended 30 June 2025 in the following structure to provide users with the information about the entity's stewardship of resources entrusted to it.

FINANCIAL STATEMENTS

Comprehensive operating statement

Balance sheet

Cash flow statement

Statement in changes in equity

NOTES TO THE FINANCIAL STATEMENTS

1. ABOUT THIS REPORT

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

2. FUNDING DELIVERY OF OUR SERVICES

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

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

2.2 Income from transactions

3. THE COST OF DELIVERING SERVICES

3.1 Expenses incurred in delivering services

3.2 Supplies and services

3.3 Administrative expenses

3.4 Other expenses

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

4.1 Total property, plant and equipment

5. OTHER ASSETS AND LIABILITIES

5.1 Receivables

5.2 Payables

5.3 Inventories

6. HOW WE FINANCED OUR OPERATIONS

6.1 Cash flow information and balances

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

7.1 Financial instrument specific disclosures

7.2 Contingent assets and contingent liabilities

7.3 Fair value determination

8. OTHER DISCLOSURES

8.1 Responsible persons

8.2 Remuneration of executives

8.3 Related parties

8.4 Remuneration of auditors

8.5 Subsequent events

9. GLOSSARY OF TECHNICAL TERMS

COMPREHENSIVE OPERATING STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025	2024
REVENUE AND INCOME FROM TRANSACTIONS		**$**	**$**
Revenue from Fares, Shops and External Contracts	2.2.1	24,385,097	22,183,667
Volunteer Labour Services Donated	2.2.2	3,342,082	3,314,376
Grants Received	2.2.3	212,676	80,413
Interest Received		445,806	417,607
Other Income		506,636	304,797
TOTAL REVENUE AND INCOME FROM TRANSACTIONS	**2**	**28,892,297**	**26,300,860**
EXPENSES FROM TRANSACTIONS			
Employee Benefits Expense	3.1.1	11,638,366	11,088,081
Volunteer Labour Service Cost	3.2	3,342,082	3,314,376
Depreciation Expense	4.1.1	3,930,840	3,496,712
Supplies and Services	3.2	5,942,712	5,253,501
Advertising and Promotion	3.1	164,843	149,541
Insurance Costs	3.1	672,830	507,609
Administration Expense	3.3	1,482,604	1,151,518
Electricity and Gas	3.1	272,804	266,877
Other Expenses	3.4	2,245,242	1,985,421
TOTAL EXPENSES FROM TRANSACTIONS		**29,692,323**	**27,213,636**
NET RESULTS FROM TRANSACTIONS (NET OPERATING BALANCE)		**(800,026)**	**(912,776)**
OTHER ECONOMIC FLOWS – INCLUDED IN NET RESULT			
Net Gain/(Loss) on non-financial assets		3,990	-
NET RESULT		**(796,036)**	**(912,776)**
OTHER ECONOMIC FLOWS – OTHER COMPREHENSIVE INCOME			
Changes in physical asset revaluation surplus		-	4,855,058
COMPREHENSIVE RESULTS FOR THE YEAR		**(796,036)**	**3,942,282**

The accompanying notes form part of these financial statements

BALANCE SHEET

AS AT 30 JUNE 2025

	NOTES	2025	2024
FINANCIAL ASSETS		**$**	**$**
Cash and Cash Equivalents	6.1	13,093,859	11,588,991
Receivables	5.1	1,227,965	683,478
TOTAL FINANCIAL ASSETS		**14,321,824**	**12,272,469**
NON-FINANCIAL ASSETS			
Prepayments		692,764	582,528
Inventories	5.3	395,484	350,151
Property, Plant and Equipment	4.1	104,692,020	106,732,123
TOTAL NON-FINANCIAL ASSETS		**105,780,268**	**107,484,802**
TOTAL ASSETS		**120,102,092**	**119,757,271**
LIABILITIES			
Payables	5.2	2,744,917	2,310,506
Provisions	3.1.2	1,364,402	1,254,363
Contract Liabilities	5.2.1	2,896,639	2,300,232
TOTAL LIABILITIES		**7,005,958**	**5,865,101**
NET ASSETS		**113,096,134**	**113,892,170**
EQUITY			
Contributed Capital	8.1	31,861,115	31,861,115
Physical Asset Revaluation Surplus		74,548,799	74,548,799
Accumulated Surplus		6,686,220	7,482,256
TOTAL EQUITY		**113,096,134**	**113,892,170**

The accompanying notes form part of these financial statements

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2025	2024
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		24,797,313	21,133,340
Payments to suppliers and employees		(22,030,520)	(18,146,424)
Interest Received		445,806	417,607
Other Grants		359,022	80,413
NET CASH FLOWS FROM OPERATING ACTIVITIES		**3,571,621**	**3,484,936**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of Property, Plant and Equipment		(2,089,479)	(1,349,383)
Proceeds from disposal of Plant and Equipment		22,727	-
NET CASH FLOWS USED IN INVESTING ACTIVITIES		**(2,066,752)**	**(1,349,383)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Contributed Capital		-	-
NET CASH USED IN FINANCING ACTIVITIES		**-**	**-**
Net Increase/(Decrease) in Cash and Cash Equivalents		1,504,868	2,135,554
Cash and Cash Equivalents at the Beginning of the Year		11,588,991	9,453,437
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	**6.1**	**13,093,859**	**11,588,991**

The accompanying notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2025

	Physical Asset Revaluation Surplus	Accumulated Surplus	Contributed Capital	Total
	$	$	$	$
Balance as at 30 June 2023	**69,693,741**	**8,395,033**	**31,861,115**	**109,949,889**
Net Result for the year ended 30 June 2024		(912,776)	-	(912,776)
Other comprehensive income for the year	4,855,058	-	-	4,855,058
Balance as at 30 June 2024	**74,548,799**	**7,482,256**	**31,861,115**	**113,892,170**
Net Result for the year ended 30 June 2025	-	(796,036)	-	(796,036)
Other comprehensive income for the year	-	-	-	-
Balance as at 30 June 2025	**74,548,799**	**6,686,220**	**31,861,115**	**113,096,134**

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

1. ABOUT THIS REPORT

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

REPORTING ENTITY

These financial statements cover PBRB as an individual reporting entity.

Its principal address is:

Puffing Billy Railway Board
1 Old Monbulk Road
Belgrave VIC 3160

BASIS OF PREPARATION

These financial statements are Tier 2 general purpose financial statements prepared in accordance with AASB 1060 *General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and Financial Reporting Direction 101 Application of Tiers of Australian Accounting Standards (FRD 101).

PBRB is a Tier 2 entity in accordance with FRD 101. These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards – Simplified Disclosures. PBRB's prior year financial statements were general purpose financial statements prepared in accordance with Australian Accounting Standards (Tier 1). As PBRB is not a 'significant entity' as defined in FRD 101, it was required to change from Tier 1 to Tier 2 reporting effective from 1 July 2024.

These financial statements are in Australian dollars, and the historical cost convention is used unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The accrual basis of accounting has been applied in preparing these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

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

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where the amounts affected by those judgements are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in applying AAS that have significant effects on the financial statements and estimates are disclosed in the following notes:

- Property, Plant and Equipment (refer Note 4.1)
- Fair Value Determination of Financial Assets and Liabilities (refer Note 7.3)
- Fair Value Determination of Non-Financial Physical Assets (refer Note 7.3.1)
- Employee Benefits in the Balance Sheet (refer Note 3.1.2)

These financial statements cover PBRB as an individual reporting entity and include all the controlled activities of PBRB. There is no entity consolidated into PBRB.

COMPLIANCE INFORMATION

These general-purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* and applicable Australian Accounting Standards (AAS's), which include Interpretations, issued by the Australian Accounting Standards Board (AASB).

Where appropriate, those AAS's paragraphs applicable to not-for-profit entities have been applied. Accounting policies selected and applied in these financial statements ensure that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

2. FUNDING DELIVERY OF OUR SERVICES

INTRODUCTION

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

STRUCTURE

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

2.2 Income from transactions

NOTE 2.1 SUMMARY OF REVENUE AND INCOME THAT FUNDS THE DELIVERY OF OUR SERVICES

	NOTES	2025	2024
		$	$
Train Fares	2.2.1	18,249,899	17,488,448
Sale of Goods	2.2.1	5,708,741	4,611,997
Other Income – External Contracts	2.2.1	426,457	83,222
Total Fares, Shops and External Contracts		**24,385,097**	**22,183,667**
Volunteer Labour Services Donated	2.2.2	3,342,082	3,314,376
Total Volunteer Labour Services Donated		**3,342,082**	**3,314,376**
Grants	2.2.3	212,676	80,413
Interest Received		445,806	417,607
Other Income		506,636	304,797
Total Other Income		**1,165,118**	**802,817**
Total Revenue and Income from Transactions		**28,892,297**	**26,300,860**

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

NOTE 2.2 INCOME FROM TRANSACTIONS

NOTE 2.2.1 REVENUE FROM FARES, SHOPS AND EXTERNAL CONTRACTS

	2025	2024
	$	**$**
Train Fares	18,249,899	17,488,448
Sale of Goods	5,708,741	4,611,997
Other Income – External Contracts	426,457	83,222
Total Fares, Shops and External Contracts	**24,385,097**	**22,183,667**

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

Revenue is measured based on the consideration specified in the contract with the customer. PBRB recognises revenue when it transfers control of a good or service to the customer, i.e., when, or as, the performance obligations for the sale of goods and services to the customer are satisfied.

Customers obtain control of the supplies and consumables at a point in time when the goods are received by the customer at the retail outlet. Revenue from the sale of goods are recognised when the goods have been accepted by the customer at PBRB's retail outlet.

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

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

NOTE 2.2.2 VOLUNTARY LABOUR SERVICES DONATED

	2025	2024
	$	**$**
Volunteer Labour Services Donated	3,342,082	3,314,376

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

NOTE 2.2.3 GRANTS

	2025	2024
Revenue and income from grants	**$**	**$**
Specific purpose grants	212,676	80,413
Total Grant Revenue and Grant Income	**212,676**	**80,413**

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

When both of these conditions are satisfied, PBRB:

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

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

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

3. THE COST OF DELIVERING SERVICES

INTRODUCTION

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

STRUCTURE

3.1 Expenses incurred in delivering services

3.2 Supplies and services

3.3 Administrative expenses

3.4 Other operating expenses

NOTE 3.1 EXPENSES INCURRED IN DELIVERING SERVICES

	NOTES	2025	2024
		$	$
Employee Benefits Expense	3.1.1	11,638,366	11,088,081
Volunteer Labour service Cost	3.2	3,342,082	3,314,376
Supplies and Services	3.2	5,942,712	5,253,501
Advertising and Promotion		164,843	149,541
Insurance Costs		672,830	507,609
Administrative Expenses	3.3	1,482,604	1,151,518
Electricity and Gas		272,804	266,877
Other Expenses	3.4	2,245,242	1,985,421
Total Expenses Incurred in the Delivery of Services		**25,761,483**	**23,716,924**

NOTE 3.1.1 EMPLOYEE BENEFITS IN THE COMPREHENSIVE OPERATING STATEMENT

	2025	2024
	$	$
Defined contribution superannuation expense	1,112,643	1,108,941
Termination benefits	274,168	-
Salaries and wages, annual leave and long service leave	10,251,555	9,979,140
Total Employee Benefits in the Comprehensive Operating Statement	**11,638,366**	**11,088,081**

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

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when PBRB is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without the possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

NOTE 3.1.2 EMPLOYEE BENEFITS IN THE BALANCE SHEET

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date and recorded as an expense during the period the services are delivered.

	2025	2024
	$	$
CURRENT PROVISIONS		
Annual Leave	702,253	616,351
Long Service Leave	206,043	132,362
Provisions for on-costs	226,121	177,262
TOTAL CURRENT PROVISIONS FOR EMPLOYEE BENEFITS	**1,134,417**	**925,975**
NON-CURRENT PROVISIONS		
Employee benefits	190,193	274,485
On-Costs	39,792	53,903
TOTAL NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS	**229,985**	**328,388**
TOTAL PROVISIONS FOR EMPLOYEE BENEFITS	**1,364,402**	**1,254,363**

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

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

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

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

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

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

The components of this current LSL liability are measured at:

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

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

NOTE 3.2 SUPPLIES AND SERVICES

	2025	2024
	$	$
Supplies:		
Cost of Goods Sold	1,944,218	1,712,551
Commissions and Discounts	2,128,299	1,650,934
Coal and Light Up Wood	300,490	241,845
Catering Supplies	33,799	67,761
Cost of External Contracts	352,720	335,952
Repairs, Maintenance, and Consumables	1,183,186	1,244,458
Total Supplies	**5,942,712**	**5,253,501**
Services:		
Volunteer Labour Services Cost	3,342,082	3,314,376
Total Supplies and Services	**9,284,794**	**8,567,877**

AASB 1058 Income of Not-for-Profit Entities requires the contribution of volunteers to be valued and reflected in the Comprehensive Operating Statement. The volunteer contribution in 2024/2025 has been valued at $3,342,082 (2023/2024: $3,314,376).

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

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

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

NOTE 3.3 ADMINISTRATIVE EXPENSES

	2025	2024
	$	$
Printing and Stationery	96,556	99,050
Telephone and Postage	152,023	127,751
Information Technology	314,656	286,569
Consultants	54,854	15,083
Bank Charges	157,539	179,870
Audit Fees (excluding VAGO)	63,433	62,850
Booking System Fees	101,247	86,969
Staff Amenities	38,480	33,454
Other Administrative Expenses	503,813	259,922
Total Administrative Expenses	**1,482,604**	**1,151,518**

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

NOTE 3.4 OTHER EXPENSES

	2025	2024
	$	$
Auditors Remuneration	35,600	34,300
Payroll Tax	522,609	494,275
Special Events	479,989	371,958
Train Operations Expenses	143,420	131,591
Rates, Taxes and Levies	75,791	79,578
Training and Education	82,432	77,818
Licence/Royalty	99,261	189,427
Rubbish Removal	145,070	160,900
Travel Expenses	44,977	54,049
Other Operating Expenses	616,093	391,526
Total Other Operating Expenses	**2,245,242**	**1,985,422**

Other operating expenses generally represent the day to day running costs incurred in normal operations.

4. KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

INTRODUCTION

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

STRUCTURE

4.1 Property, plant and equipment

Significant judgement: Classification of investments as 'key assets'

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

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

NOTE 4.1 TOTAL PROPERTY, PLANT AND EQUIPMENT

ASSETS AT FAIR VALUE	Gross Carrying Amount		Accumulated Depreciation		Net Carrying Amount	
	2025	2024	2025	2024	2025	2024
Land	20,591,806	20,591,806	-	-	20,591,806	20,591,806
Buildings and Structures	46,789,180	45,604,070	(2,341,028)	(376,760)	44,448,152	45,227,311
Locomotives and Rolling Stock	25,480,143	25,402,838	(3,806,216)	(2,788,026)	21,673,927	22,614,812
Motor Vehicles	851,776	840,889	(736,130)	(740,547)	115,646	100,341
Office Furniture and Equipment	709,631	564,423	(476,334)	(419,868)	233,297	144,555
Plant and Equipment	6,406,166	6,005,311	(2,545,114)	(2,315,314)	3,861,052	3,689,997
Permanent Way	14,734,000	14,734,000	(2,186,080)	(1,639,560)	12,547,920	13,094,440
Assets Under Construction at Cost	1,220,220	1,088,861	-	-	1,220,220	1,088,861
Total Assets at Fair Value	**116,782,922**	**114,832,198**	**(12,090,902)**	**(8,280,075)**	**104,692,020**	**106,552,122**

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

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

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

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

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

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

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

REVALUATION

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

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

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

An independent valuation of PBRB's property, plant and equipment was performed by the VGV on 30 June 2021. The valuation, which complies with Australian Valuation Standards, was determined by reference to the amount for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction.

There was a managerial Fair Value adjustment to Buildings as at 30 June 2024.

As an independent valuation was not undertaken on 30 June 2025, a managerial assessment was performed at 30 June 2025, which indicated an overall:

- increase in fair value of land of 1%
- increase in fair value of buildings of 5%
- increase in fair value of permanent way of 4.5%

As the cumulative movement is less than 10% for each asset class since the last revaluation, a managerial revaluation adjustment was not required as at 30 June 2025.

NOTE 4.1.1 DEPRECIATION

	2025	2024
	$	$
Buildings and Structures	1,964,268	1,611,697
Locomotives and Rolling Stock	1,018,190	1,016,115
Motor Vehicles	30,532	19,677
Office Furniture and Equipment	56,466	21,339
Plant and Equipment	314,864	281,364
Permanent Way	546,520	546,520
Total Depreciation	**3,930,840**	**3,496,712**

All property, plant and equipment and other non-financial physical assets that have finite useful lives are depreciated. Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. The exception to this rule includes items under assets held for sale, cultural assets and land.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjustments made where appropriate.

Typical estimated useful lives for the different assets' classes for current and prior years are included below:

ASSET CLASS	USEFUL LIFE
Buildings and Structures	5 – 50 years
Locomotives and Rolling Stock	28 years
Motor Vehicles	5 – 16 years
Office Furniture and Equipment	4 – 10 years
Plant and Equipment	1 – 100 years
Permanent Way	15 -100 years

Indefinite Life Assets: Land, cultural/heritage assets and earthworks, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

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

	LAND	BUILDINGS AND STRUCTURES	LOCOMOTIVES AND ROLLING STOCK	MOTOR VEHICLES	OFFICE FURNITURE AND EQUIPMENT	PLANT AND EQUIPMENT	PERMANENT WAY	CAPITAL WORKS IN PROGRESS	TOTAL
Net carrying amount as at 30 June 2023	**19,901,600**	**41,468,845**	**23,630,927**	**43,894**	**23,120**	**3,724,218**	**13,640,960**	**1,410,829**	**103,844,393**
Revaluation	-	4,855,058	-	-	-	-	-	-	4,855,058
Additions	46,098	22,807	-	76,126	50,574	24,961	-	-	220,566
In / (Out) of WIP	644,109	492,297	-	-	92,200	222,181	-	(321,968)	1,128,819
Depreciation Expense	-	(1,611,697)	(1,016,115)	(19,677)	(21,339)	(281,364)	(546,520)	-	(3,496,712)
Net carrying amount as at 30 June 2024	**20,591,806**	**45,227,311**	**22,614,812**	**100,341**	**144,555**	**3,689,997**	**13,094,440**	**1,088,861**	**106,552,123**
Additions	-	26,128	7,320	45,836	90,491	200,246	-	1,719,453	2,089,474
Disposals	-	-	-	-	-	(18,737)	-	-	(18,737)
In / (Out) of WIP	-	1,158,981	69,985	-	54,717	304,411	-	(1,588,094)	-
Depreciation Expense	-	(1,964,268)	(1,018,190)	(30,532)	(56,466)	(314,864)	(546,520)	-	(3,930,840)
Net carrying amount as at 30 June 2025	**20,591,806**	**44,448,151**	**21,673,927**	**115,646**	**233,297**	**3,861,052**	**12,547,920**	**1,220,220**	**104,692,020**

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

5. OTHER ASSETS AND LIABILITIES

INTRODUCTION

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

STRUCTURE

5.1 Receivables

5.2 Payables

5.3 Inventories

NOTE 5.1 RECEIVABLES

	2025	2024
	$	$
Current Contractual Receivables		
Trade Debtors	1,213,500	678,973
Allowance for impairment losses of contractual receivables	(7,098)	(7,098)
Other Receivables	21,563	11,602
Total Receivables	**1,227,965**	**683,478**

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

NOTE 5.2 PAYABLES

	2025	2024
	$	$
Current Contractual Payables		
Trade Creditors	1,590,208	1,034,810
Sundry Creditors and Accrued Expenses	1,154,709	1,275,696
Total Payables	**2,744,917**	**2,310,506**

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

NOTE 5.2.1 CONTRACT LIABILITIES

	2025	2024
	$	$
Contract Liabilities		
Passenger bookings in advance	2,644,811	2,202,737
Revenue received in advance	105,482	97,495
Grants received in advance	146,346	-
Total Contract Liabilities	**2,896,639**	**2,300,232**

PBRB's passenger bookings in advance relate to unearned income, which is income in advance, received but related to a service in a future period.

Grant consideration was received from Department of Jobs, Skills, Industry and Regions to support the precinct planning of the Belgrave Station. Grant income is recognised progressively as the development of the precinct plan advances.

NOTE 5.2.2 RECONCILIATION OF CONTRACT LIABILITIES

	2025	2024
	$	$
Opening Balance	**2,300,232**	**1,577,750**
Add: Payments received for performance obligations yet to be completed during the period	2,896,639	2,300,232
Less: Revenue recognised in the reporting period for the completion of a performance obligation	2,300,232	1,577,750
Total Contract Liabilities	**2,896,639**	**2,300,232**

NOTE 5.3 INVENTORIES

	2025	2024
	$	$
Current Inventories		
Finished goods held for resale, at cost	292,359	284,975
Unfinished goods, at cost	81,386	63,559
Coal, at cost	21,739	1,617
Total Current Inventories	**395,484**	**350,151**

Inventories include goods held either for sale, or for distribution at zero nominal cost, or for consumption in the ordinary course of business operations.

In 2025, inventories of $2,244,708 (2024: $1,954,396) were recognised as an expense during the year and included in 'supplies and services' (see note 3.2).

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value.

Cost includes an appropriate portion of fixed and variable overhead expenses. Cost is assigned to high value, low volume inventory items on a specific identification of cost basis. Cost for all other inventory is measured on the basis of weighted average cost.

Where inventories are acquired at no cost or nominal considerations are valued at current replacement cost at the date of acquisition.

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

6. HOW WE FINANCED OUR OPERATIONS

INTRODUCTION

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

STRUCTURE

6.1 Cash flow information and balances

NOTE 6.1 CASH FLOW INFORMATION AND BALANCES

Cash and deposits including cash equivalents, comprise cash on hand and cash at bank. PBRB's bank accounts are held in the Central Banking System (CBS) under the *Standing Directions 2018.*

	2025	2024
	$	$
Reconciliation of Cash and Cash Equivalents		
Cash on hand	52,467	48,548
Cash at bank	13,041,392	11,540,443
Balance as per cash flow statement	**13,093,859**	**11,588,991**

7. FINANCIAL INSTRUMENTS, CONTINGENCIES AND VALUATION JUDGEMENTS

INTRODUCTION

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

STRUCTURE

7.1 Financial instrument specific disclosures

7.2 Contingent assets and contingent liabilities

7.3 Fair value determination

NOTE 7.1 FINANCIAL INSTRUMENT SPECIFIC DISCLOSURES

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

Categories of financial assets:

Financial assets at amortised cost

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

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

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

PBRB recognises the following assets in this category:

cash and term deposits;

receivables

Derecognition of financial assets:

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

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

Where PBRB has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of PBRB's continuing involvement in the asset.

Categories of financial liabilities:

Financial liabilities at amortised cost

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

PBRB recognises the following liabilities in this category:

- payables

Derecognition of financial liabilities:

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

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

NOTE 7.2 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST, receivable or payable, respectively.

CONTINGENT ASSETS

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

There are no contingent assets for 2025 (2024 no contingent assets)

CONTINGENT LIABILITIES

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

Contingent liabilities are also classified as either quantifiable or non-quantifiable.

	2025	2024
	$	$
Quantifiable contingent liabilities		
Legal proceedings	50,000	-
Total	**50,000**	**-**

Notes:

Claims for damages were lodged during the year against PBRB.

PUFFING BILLY RAILWAY BOARD

NOTE 7.3 FAIR VALUE DETERMINATION

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

The following assets are carried at fair value:

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

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

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

FAIR VALUE HIERARCHY

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

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

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

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

HOW THIS SECTION IS STRUCTURED

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

- Valuation techniques
- Details of significant assumptions used in the fair valuation determination

NOTE 7.3.1 FAIR VALUE DETERMINATION OF NON-FINANCIAL PHYSICAL ASSETS

Valuation techniques and significant assumptions of non-financial physical assets measured at fair value

AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* amended AASB 13 *Fair Value Measurement* by adding Appendix F *Australian implementation guidance for not-for-profit public sector entities.* Appendix F explains and illustrates the application of the principles in AASB 13 on developing unobservable inputs and the application of the cost approach. These clarifications are mandatorily applicable annual reporting periods beginning on or after 1 January 2024. FRD 103 permits Victorian public sector entities to apply Appendix F of AASB 13 in their next scheduled formal asset revaluation or interim revaluation process (whichever is earlier).

The last scheduled full independent valuation of all PBRB's non-financial physical assets was performed by VGV in 2021. Annual fair value assessment for 30 June 2025 using VGV indices does not identify material changes in value. In accordance with FRD 103, PBRB will reflect Appendix F in its next scheduled formal revaluation in 2026 or interim revaluation process (whichever is earlier). All annual fair value assessments thereafter will continue compliance with Appendix F.

For all assets measured at fair value, PBRB considers the current use is the highest and best use.

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

Plant and Equipment is held at fair value. When plant and equipment is specialised in its use, such that it is rarely sold other then as part of a going concern, fair value is determined using the current replacement cost method. There were no changes in valuation techniques throughout the period to 30 June 2025. These assets are classified as Level 3 under the replacement cost approach.

Vehicles are valued using the current replacement cost method. PBRB acquires new vehicles and at times disposes of them before the end of their economic life. These assets are classified as Level 3 under the replacement cost approach.

Heritage assets and permanent way are valued using the Level 3 current replacement cost method. This cost generally represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. However, for some heritage and iconic assets, the cost may be the reproduction cost rather than the replacement cost if those assets' service potential could only be replaced by reproducing them with the same materials.

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

NOTE 7.3.2 DESCRIPTION OF SIGNIFICANT UNOBSERVABLE INPUTS TO LEVEL 3 VALUATIONS

	VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS	RANGE
Locomotives and Rolling Stock	Current replacement cost	Heritage restrictions	Impact of heritage restrictions is considered but not quantified
	Current replacement cost	Remaining useful life of locomotives and rolling stock	25 years
Motor Vehicles	Current replacement cost	Cost per unit Useful life of the motor vehicle	$13,686-$109,062 5 to 60 years
Office Furniture & Equipment	Current replacement cost	Cost per unit Useful life of the office furniture & equipment	$112-$98,903 4 to 32 years
Plant & Equipment	Current replacement cost	Cost per unit Useful life of the plant, equipment and museum exhibits	$226-$138,042 1 to 76 years
Permanent Way	Current replacement cost	Cost per unit Useful life of the railway track and earthworks	$11,000-$1,967,000 15 to 100 years

Significant unobservable inputs have remained unchanged since June 2021.

8. OTHER DISCLOSURES

INTRODUCTION

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

Structure

8.1	Responsible persons
8.2	Remuneration of executives
8.3	Related parties
8.4	Remuneration of auditors
8.5	Subsequent events

NOTE 8.1 RESPONSIBLE PERSONS

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

	Period
Portfolio Minister	
Minister Steve Dimopoulos MP, Minister for Tourism, Sport and Major Events.	01/07/2024 to 30/06/2025
Governing Board	
T.North OAM KC	01/07/2024 to 30/06/2025
D.Smith	01/07/2024 to 30/06/2025
B.Clingin	01/07/2024 to 30/06/2025
A.Jamieson	01/07/2024 to 30/06/2025
T.Sargant	01/07/2024 to 30/06/2025
G.Lim	01/07/2024 to 30/06/2025
J.De Keivit	01/07/2024 to 30/06/2025
T.Budge	10/09/2024 to 30/06/2025
Accountable Officer	
P.Abbott (Chief Executive Officer)	01/07/2024 to 05/08/2024
S.Straub (Chief Executive Officer)	06/08/2024 to 30/06/2025

Remuneration

Remuneration received or receivable by the Accountable Officer in connection with the management of PBRB during the reporting period was in the range: $440,000 - $449,999 (2024: $380,000 - $389,999). Remuneration in 2025 includes termination payments.

NOTE 8.2 REMUNERATION OF EXECUTIVES

The number of executive officers, other than the Ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full time equivalent executive officers over the reporting period.

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

Several factors affected total remuneration payable to executives over the year. A number of employment contracts were completed and renegotiated and a number of senior executive members resigned in the past year.

REMUNERATION OF EXECUTIVE OFFICERS	TOTAL REMUNERATION	
	2025	2024
	$	$
Total Remuneration	715,556	1,189,338
Total Number of Executives	10	12
Total Annualised Employee Equivalents	9.55	10.08

Annualised employee equivalent is based on the time fraction worked over the reporting period for 2024-25.

NOTE 8.3 RELATED PARTIES

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

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

Key Management Personnel

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

Position Title	KMP	FROM	TO
Board Chair	T.North OAM KC	01/07/2024	30/06/2025
Board Member	D.Smith	01/07/2024	30/06/2025
Board Member	B.Clingin	01/07/2024	30/06/2025
Board Member	A.Jamieson	01/07/2024	30/06/2025
Board Member	T.Sargent	01/07/2024	30/06/2025
Board Member	G.Lim	01/07/2024	30/06/2025
Board Member	J.De Keivit	01/07/2024	30/06/2025
Board Member	T.Budge	10/09/2024	30/06/2025
Chief Executive Officer	P.Abbott	01/07/2024	05/08/2024
Chief Executive Officer	S.Straub	06/08/2024	30/06/2024
Group Manager Business Services	S.Straub	01/07/2024	05/08/2024
Group Manager Visitor Experience	N.Giurgiu	01/07/2023	30/06/2025
Acting Group Manager Business Services	S.Stickland	06/11/2024	30/06/2025

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

COMPENSATION OF KMPS

	2025	2024
	$	$
Total Remuneration	1,163,569	1,571,617

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

SIGNIFICANT TRANSACTIONS WITH GOVERNMENT RELATED ENTITIES

Income received from related parties:

- Department of Education – Steaming STEM Grant $64,673 (2024: $31,625)
- Department of Justice & Community Safety – Cool Volunteers Grant $28,145 (2024: $28,145)
- Department of Jobs, Skills, Industry & Regions – Enabling Tourism Fund $117,075

Payments to related parties:

- Department of Jobs, Skills, Industry & Regions – Efficiency Savings $385,000 (2024: $193,000)

NOTE 8.4 REMUNERATION OF AUDITORS

	2025	2024
Victorian Auditor-General's Office	**$**	**$**
Audit of the Financial Statements	35,600	34,300
Total Remuneration of Auditors	**35,600**	**34,300**

NOTE 8.5 SUBSEQUENT EVENTS

PBRB is not aware of any other events occurring after 30 June 2025, up to the date when the financial statements were authorised for issue, that may have a material effect on the financial statements or its going concern.

DISCLOSURE INDEX

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

COMPLIANCE ATTESTATION AND DECLARATION

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

LEGISLATION

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