



Canberra Railway Museum

Capital Region Heritage Rail Limited trading as
ABN 99 625 904 663

Location

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AN OPEN LETTER TO SUPPORTERS OF RAIL HERITAGE IN CANBERRA AND THE CAPITAL REGION

The last 18 months has been difficult with the closure of the Canberra Railway Museum. It is now time to put that behind us and show our support for our Museum.

The directors of Capital Region Heritage Rail have been working closely with the Liquidator of the previous society and are now ready to move to the new era. It will not happen without your support.

This pack includes the detail of the new structure for the Canberra Railway Museum. It includes:

- A start up Business Plan
- A code of conduct for members and volunteers

Copies of both companies' constitution are emailed separately or are available from the Museum.

You will also receive a **membership application** which we hope you will complete and join this exciting restart venture. We cannot do it without you – the success of this venture depends on your volunteer support both to run the Museum and maintain the collection! Payment direct to our bank account is the best option as it keeps costs down.

We look forward to your support

John Cheeseman

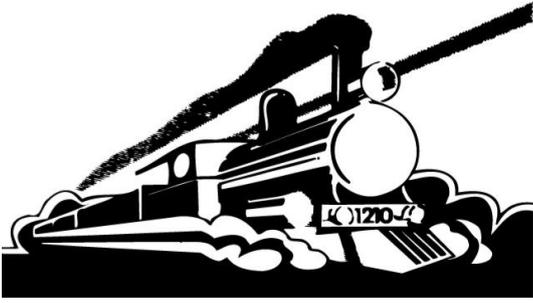
Glenn Bridgart

Richard Robinson

Promoter / Directors

Capital Region Heritage Rail Limited

18 June 2018



*Rebuilding Heritage Rail
in the Capital Region*

A New* Canberra Railway Museum

** under new ownership*

Start Up Business Plan – June 2018

Capital Region Heritage Rail Limited – ACN 625 904 663 ABN 99 625 904 663
ACT Heritage Rail Holdings Limited – ACN 625 904 627 ABN 91 625 904 627

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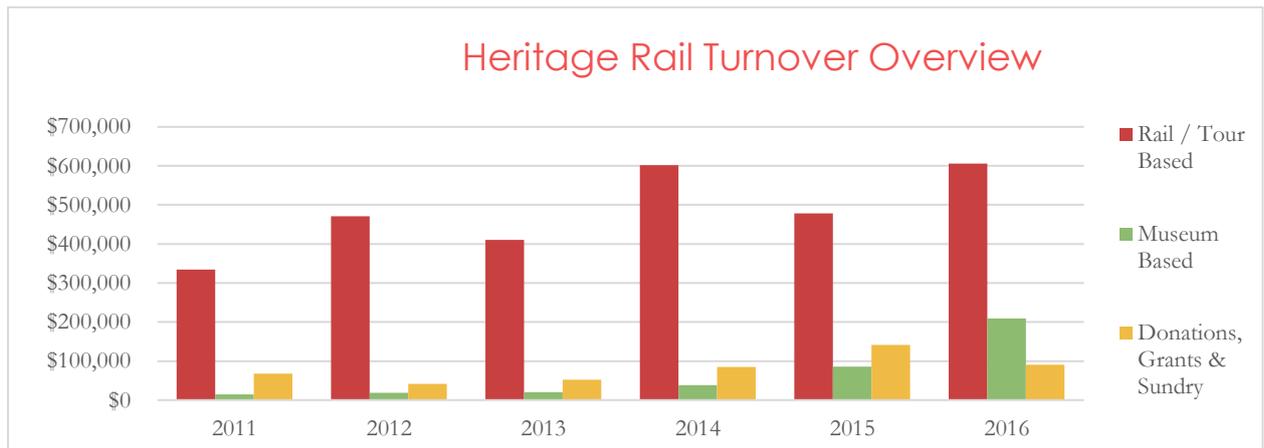
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Executive Summary

Background

The Canberra Railway Museum has been a Canberra public icon for over 30 years, attracting more than 400,000 visitors in that time. *Its failure in 2016 left the ACT without a Rail Heritage presence and saw many valuable historic items sold.* The public of Canberra and Environs deserve better!

This plan introduces a new ownership regime, committed to resurrecting the Museum and restoring a Rail Heritage presence for the people of Canberra and the Capital region by building on the underlying core business strengths.



Mission Statement

Our Mission is to protect the valuable Heritage Rail Assets in our care whilst refocusing the Canberra Railway Museum activities towards its core purpose for the benefit of the Canberra / Capital region and its people.

Objectives

- Establish a sound base for the future Governance of the organisation, consistent with contemporary business and regulatory practice.
- Protect and Improve the assets in our care consistent with applicable heritage / regulatory requirements and our future needs.
- Develop a considered public interpretive display and rail-based tour program focusing on the educational and heritage values of our exhibits.
- Provide a safe and rewarding environment in which to grow volunteer involvement and commitment.
- Increase and improve awareness of the Canberra Railway Museum by decision makers and the general public in our target area.
- Establish strategic alliances with kindred groups and businesses important to our future.

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Keys to Success

- A core roster of significant heritage rail assets, including an operational steam locomotive capable of delivering both a Museum based (static) and Operational based (train rides) experience to the people of Canberra and the Capital region.
- A publicly accessible Museum site and depot.
- A committed and experienced volunteer base together with the ability to draw on specialised heritage rail experts from across the industry.
- A committed, experienced and diverse management team focused on the needs of the people of the Capital region

Description of Business

From its established base in Kingston ACT, the Canberra Railway Museum provides Canberra's only Heritage Rail experience. Through the effective use of the existing rail infrastructure the Museum will focus on delivering heritage rail journeys through the scenic Molonglo Gorge to other Capital region destinations.

Company Ownership/Legal Entity

The Canberra Railway Museum is in the hands of a Not for Profit Membership based company known as ***Capital Region Heritage Rail Limited***. The Heritage Rail based assets are held by a separate Not for Profit Membership based but asset focused company known as ***ACT Heritage Rail Holdings Limited***. Both companies share a common Membership while having independent boards to ensure a sufficiently arms-length relationship is maintained which recognises the differing responsibilities of the companies. Use of the assets will be regulated through commercially based "Use and Maintain" agreements.

Location

A Rail Museum needs a rail environment and access to the commercial rail network.

The current Kingston location fulfils those essential needs, and being based on the original Commonwealth Railway land is of significant heritage value to the people of Canberra. The importance of this aspect was recognised by the ACT Heritage Council when on 1 June 2017 it decided to register the City Railway Remnants in Kingston on the ACT Heritage Register.

The Kingston site has been progressively developed since 1985 to meet the specialised needs of a rail heritage public museum, primarily by the effort of volunteers supplemented with financial assistance from initially the Commonwealth Government, and more recently the ACT Government. In November 2007 the ACT Legislative Assembly formally recognised the importance of rail heritage to the ACT and the significant contribution made by the Canberra Railway Museum.¹

¹ *Hansard record Legislative Assembly for the ACT: 2007 Week 11 Hansard (14 November) at Page 3374*
A New* Canberra Railway Museum – June 2018

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Design / Fit out

The Canberra Railway Museum complex houses:

- Depot facilities for Steam and Diesel Locomotives, Rail Motors and Carriages.
- Extensive Rail Permanent Way and associated equipment.
- Restoration facilities for the Heritage Fleet collection.
- A Heritage and Museum display centre containing a collection of over 200 artefacts.
- Train marshalling and servicing facilities for Heritage Tour Trains.
- Meeting and Social facilities for Museum volunteers and kindred organizations.

Major specialised rail facilities include:

- An inspection / servicing pit for steam locomotives
- A locomotive water column.
- A 75 m passenger platform.
- Two storage sheds providing over 350 metres of “on rail” covered storage.
- A roll on / roll off ramp
- A top of rail hardstand area.
- Carriage watering and servicing facilities.

Proposed Hours of Operation

Public opening hours will be 10 am to 3 pm Wednesday, Saturday and Sunday with other days by appointment.

Products and Services

Public offerings will be based in two main streams:

- Museum based visitations. This has proven to be popular with the target market showing three-fold growth in the last 5 years. We will add to this specific Museum based events (such as Thomas the Tank days, Heritage Festival events). Similar events were introduced in 2015 & 2016 with spectacular results clearly demonstrating the strength of demand for such events. They will provide a one-day family event that is not available presently in Canberra and introduce the broader community to the Museum.
- Localised tour trains. These have been the staple of the Museum over recent years, with strong demand continuing for carefully designed and targeted products. These will specifically target several local demographics including Families, Social Clubs, Over 55s and retirement groups. Charter opportunities will also be pursued where viable.

To support these Heritage Rail activities, the Museum is well placed to offer selective rail based storage solutions, on a fee for service basis, to other Rail operators / owners by utilising siding space freed up following the forced downsizing of the rail vehicle fleet. Presently, demand for usable siding storage space is at a premium across the rail industry. This will provide a cash flow to support our public museum offerings.

Our Management

Will be fundamentally volunteer based, reflecting past strengths in the Heritage Rail environment in the Region.

Providing governance oversight is an experienced board comprising of a mix of professionals from financial, military, public service, and education backgrounds, as well as private industry both large and small.

The constitutions of both companies have been designed to reflect the latest professional advice in the areas of Not for Profit governance and have specific inclusions to ensure an appropriate spread of expertise and independence going forward.

Financial Management

It will be vital to avoid the problems of the past. Essentially the Museum will operate on a cash basis with little or no reliance on Accounts Receivable. Project work will be subject to a strict project planning regime requiring project management to identify all resource issues including project financing before commencement. There will be a responsibility to live within the project budget. Discretionary expenditure will be controlled at Board level against budgets.

Importantly, Donations, Sponsorships and Grants will need to be a vital income source. This will be managed via a separate “gift fund” in terms of ACNC requirements with specific reporting and acquittal processes followed.

Start-Up/Acquisition Summary

Various legal and accounting set up costs have been met by donations from supporters and plans are in place to progressively build working capital to around \$150,000. More contributions from outside sources will be essential.

Our People

An enthusiastic and committed volunteer workforce has been the backbone of the Museum for many years. Volunteers from the Canberra Railway Museum have been recognised by Volunteering ACT for their outstanding volunteer service to the ACT and wider Capital region community. This has suffered during the upheaval of recent years, and a priority now is to rebuild our volunteer workforce right across the spectrum of age and experience.

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In past times:

- many younger members gained valuable life and technical skills as Museum volunteers and went on to rewarding careers in the broader rail industry;
- many local professional people found new and rewarding community service activities across the broad range of Museum roles, often very different from their day job;
- a valuable recreational activity was provided for the retired community, irrespective of their career background.

We aspire to regain our rightful place as a volunteer experience of choice amongst people who support our objectives and the heritage values of the region. We have an uncompromising commitment to the Workplace Health and Safety of our volunteers.

Our Community

The Canberra Railway Museum at Kingston was developed on a greenfield site in the 1980 by a dedicated group of local volunteers with the blessing and support of the Commonwealth Railways and numerous Canberra contractors and clubs. The Museum has always had a close affinity to the ACT and broader Capital region, although in more recent years some began to question this allegiance. We intend to realign the Museum clearly to the Capital region.

Opening the Museum to the public, running events for the local public, and highlighting the rail heritage of the region are just some of the plans we have to reconnect with the Capital region.

There can be little doubt the failure of the Museum under its previous management has deprived the local community of a valuable resource. It is inexcusable that no dedicated Rail Heritage Museum now exists in the Nation's Capital. Many smaller local communities – Cooma, Bombala, Yass, Goulburn, etc – all maintain a Rail Heritage Museum, in the main run by dedicated volunteers – but clearly supported by the local government, community groups, business, media and of course the public. We believe that the communities of the Capital region, Canberra, Queanbeyan and Bungendore, will do the same.

But for this to become a reality we need to refocus the Canberra Railway Museum to support and serve these communities. This is one of our key strategies going forward.

Our Assets

Over the difficult “Liquidation” period, the Directors and other key people have been working quietly with the skilled Deloitte Canberra restructure team to ensure that a selection of appropriate Assets were retained for a viable restart of the Canberra Railway Museum. Of course, the needs of the creditors of the failed entity were paramount and lead to some difficult decision, but we are now in a position to move forward with confidence in the collection. To be able to retain almost 40 rail vehicles (including an operational steam locomotive) and nearly 200 small railway artefacts clearly provides a viable collection into the future.

Paramount is our desire to avoid a repeat of the disastrous sell off that followed the failure of the previous business model. Considerable time has been taken and expert advice obtained to ensure we have the best possible structure to protect the Heritage Assets from business risks in the future. This has resulted in an independent company – ACT Heritage Rail Holdings Limited – being established to hold the valuable rail heritage assets. ACT HRH will have an independent board who will not be running a business but will be focused on safeguarding the rail heritage assets in its care. Members rights are also enshrined in the constitution to limit ACT HRH directors power to deal with these Assets.

Our Commitment to Conservation

We take Rail Heritage seriously. It is why we exist. Amongst our assets are examples of Rail objects large and small with a direct association to the Capital region. For example, the 100 year old side door compartment car HCX 632 (circa 1912) spent many years ferrying passengers on the mid morning Canberra – Goulburn service.

The Museum has also long been home to the icon Steam Locomotive 1210 (although owned by the ACT Government), a heritage listed locomotive built in 1878 with an unrivalled connection to the Nations Capital in that it hauled the first train into Canberra in May 1914.

Under our revised management structure, we are fully focused on ensuring all income is utilised for Rail Heritage purposes. We will not be using Canberra Railway Museum income to support commercial freight activities or to purchase / hire locomotives for use on such adventures.

We will continue our support and co-operation with likeminded heritage organisations and work to conserve what is left of our Rail Heritage.

Our Market

The Canberra Railway Museum brand remains well respected within the public domain. The closure of the Museum generated significant sympathy both locally and within the broader region. It is planned to capitalise on this support through an appropriate media and on line presence.

The restoration and on-going research activities are in themselves a valuable marketing tool to build the Museum's overall reputation and public presence. It can drive the recruitment and expansion of volunteer resources and the building of affiliations, not only with similar Heritage Rail groups but with a broader range of kindred groups and clubs, such as Men's Shed, Car clubs, etc.

Market Analysis

The market for Heritage Rail activities remains strong in Canberra and the Museum has been fortunate to retain within its volunteer ranks a good depth of knowledge and understanding of its critical market segments. A series of grassroots workshops amongst supporters last year has provided valuable input as to the Museum's strategic planning process.

Competition

The Canberra Railway Museum is the only Rail Heritage organisation in the ACT. A number of smaller Museums operate in the broader Capital region. We will continue to work co-operatively with these local museums, as the Museum did in the past.

Our major direct competitor is the NSW Rail Museum at Thirlmere near Picton. We plan to apply for Associate membership with them and to grow the currently excellent working relationship into the future. We believe our two organisations can work together for the overall benefit of the Rail Heritage fraternity.

We are not blind to the fact that we compete for the leisure dollar and will be working closely with ACT Tourism and the Capital Region Joint Organisation to promote and participate in the CBR regional brand

Our supporters demonstrated, through a series of in house workshop in 2017 a very clear desire to actively compete in the Capital Region

Appendix

All monetary amounts and Asset descriptors are expressed on a consolidated “Museum” basis. Individual entity budgets and Asset registers will be developed.

Start-Up Expenses

Business Licenses, Stamp Duty	3,000
Incorporation Expenses	11,500
IT Costs	600
Bank Account	60
Site Remediation	1,000
Interior Modifications	0
Insurance	8,500
Stationery/Business Cards/Post	250
Brochures	250
Pre-Opening Advertising/ Website	2,000
Opening Inventory	0
TOTAL STARTUP EXPENSES	27,160

Start Up Funding Available

Received to date on account Legals	8,278
Further Pledged on account Legals	2,772
Estimate Membership Income	10,000
Estimate Donations	20,000
TOTAL STARTUP REVENUE	41,050

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Profit and Loss Budget Estimates

	Year 1 Budget	Year 2 Estimate
Income:		
Start Up Capital	10,000	0
Membership fees	10,000	14,000
Donation	20,000	25,000
Museum Entry		30,000
Museum Events		10,000
Souvenirs Sales		3,000
Facility Hire	5,000	5,000
Heritage Project Work	8,000	0
Storage Fees	6,000	10,000
Grants		15,000
Total Income	59,000	112,000
Expenses:		
Legal/Accounting	17,500	8,000
Advertising	1,400	2,500
Insurances.	8,500	8,500
Event Cost	0	7,500
Utilities	10,000	10,000
Site Expenses	8,000	15,000
Communication/IT	4,000	4,000
Permits/Licenses/Duties	3,000	2,000
Repairs & Maintenance	0	10,000
Depreciation	5,000	10,000
Misc.	200	500
Total Expenses	57,600	78,000
NET PROFIT/LOSS	1,400	34,000

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Indicative Consolidated Balance Sheet at Start - Up

Assets		Liabilities	
Current Assets:		Current Liabilities:	
Cash at Bank:	618	Accounts Payable	0
Accounts Receivable	0	Loans from Members	0
Inventory	75,800		
Fixed Assets:			
Buildings	500,000		
Other Improvements	50,000		
Plant & Equipment	225,000		
Furniture, Office Eq	15,000		
Heritage Rail Assets	800,000		
Rail Artefacts	150,000		
TOTAL ASSETS:	1,816,418	TOTAL LIABILITIES:	0

Table of Anticipated Significant Heritage Items at Start Up (on a consolidated basis)

Rail based Assets

Item	Description	Condition	Note
Locomotives			
3016	Steam Loco	Operable	
CPH27	Rail motor	Operable	
CPH37	Rail motor	Operable	
2413	Steam Loco	Display - Junee	
CPH2	Rail motor	Display - Junee	
1210	Steam Loco	Restoration	1
Passenger Carriages			
FS2140	Sitting Car	Operable	
FS2082	Sitting Car	Operable	
FS2021	Sitting Car	Operable	
FS2023	Sitting Car	Restoration	
BVS2166	Dance Car	Operable	
HN 2189	Guards / Sitting Car	Operable	
RFN1739	Bar / Sitting Car	Operable	
SCN1740	Sitting Car	Operable	
TDS2247	Sitting Car	Operable	
RMS2360	Dining Car	Operable	
DAM2333	Sleeper	Stored	2

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LAN2351	Sleeper	Operable	2
SFS2277	Sitting Car	Stored	
MAL1888	Sleeper	Display	
MCE540	Sitting Car	Restoration	
AL1040	Sleeper	Restoration	
BJ897	Guards / Sitting Car	Display	
BVJ1457	Bar / Sitting Car	Display	
HCX632	Guards / Sitting Car	Display	
Power Vans			
PHA2393	Power Van	Operable	
PHG12720	Power Van	Operable	
PHN2381	Power Van	Operable	
Freight			
LHY1613	Guards / Parcel	Stored	
NDXF2718	Open Wagon	Stored	
L1179	Bogie Water Gin	Stored	
NHWF773	Ballast Wagon	Maintenance	
JLX33820	Steel Box Wagon	Storage Van	
NTAF7079	Water Tanker	Operable	
KP787	Parcel Van	Storage Van	
BAS624	Ballast Wagon	Display - Cooma	
MRC25752	Box Car	Display - Bombala	
NTAF7120	Petrol Tanker	Display - Bombala	
NHWF679	Ballast Wagon	Display - Bombala	
Track Vehicles			
BX036	Ballast regulator	Display - Cooma	
BX057	Ballast regulator	Display - Cooma	
FTT221	Trolley with spray tank	Maintenance	
FTT220 and 223	Trolley	Maintenance	
Notes:			
<ol style="list-style-type: none"> 1. Owned by ACT Government 2. Owned by V/Line 			
This table is based on the known position as at 8 June 2018, but as all assets are still under control of the liquidator may be subject to further adjustment by the liquidator.			

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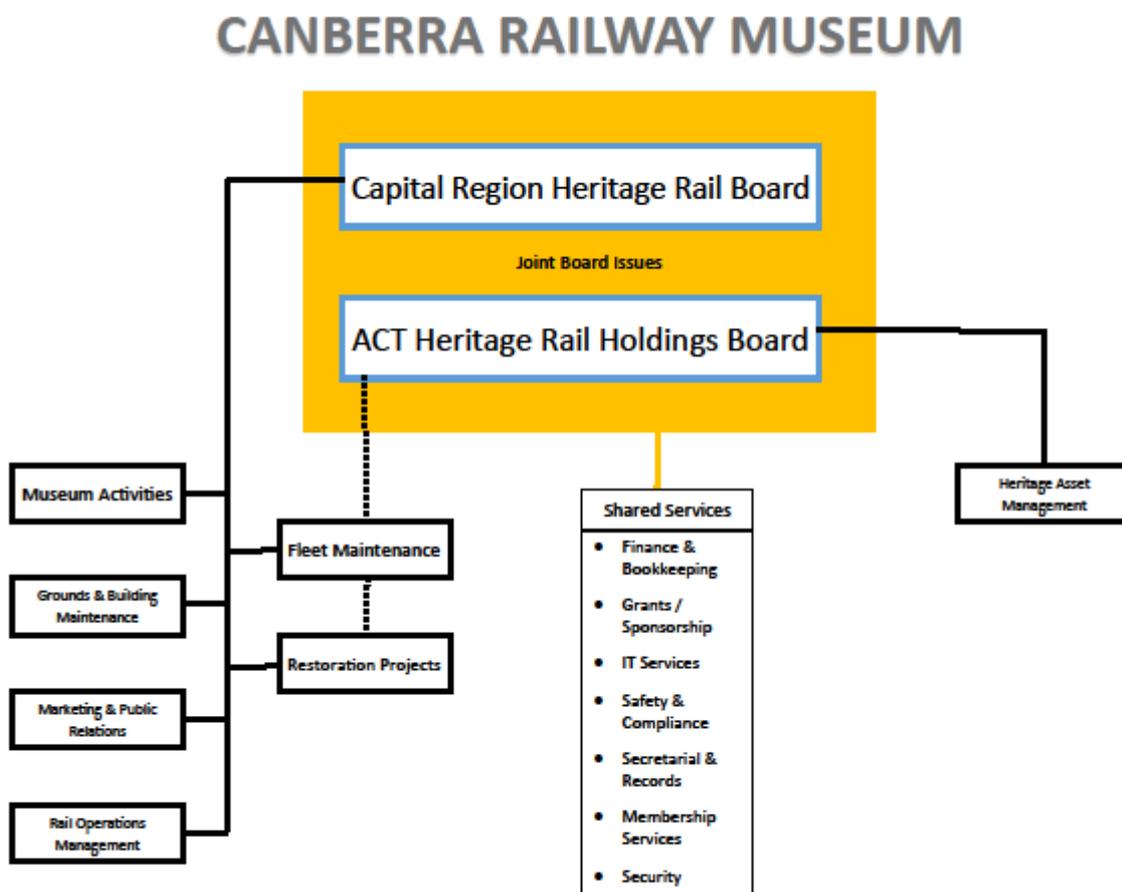
Display Artefacts (Visitor Centre and public yard area)

Have been fully itemised and photographed in a Catalogue and consist of a diverse range of item ranging from railway lamps, ticket printing machines, “staff” instruments, locomotive engineman’s kit, photos, plans, pocket watches, through to large hand carts, railway trikes, large signals, luggage scales and many more. In total almost 200 items have been identified.

Of particular significance to the Capital region is the Heritage Counter that was deeded to the Museum from Goulburn station as well as a significant narration and display outlining Canberra’s early construction railways.

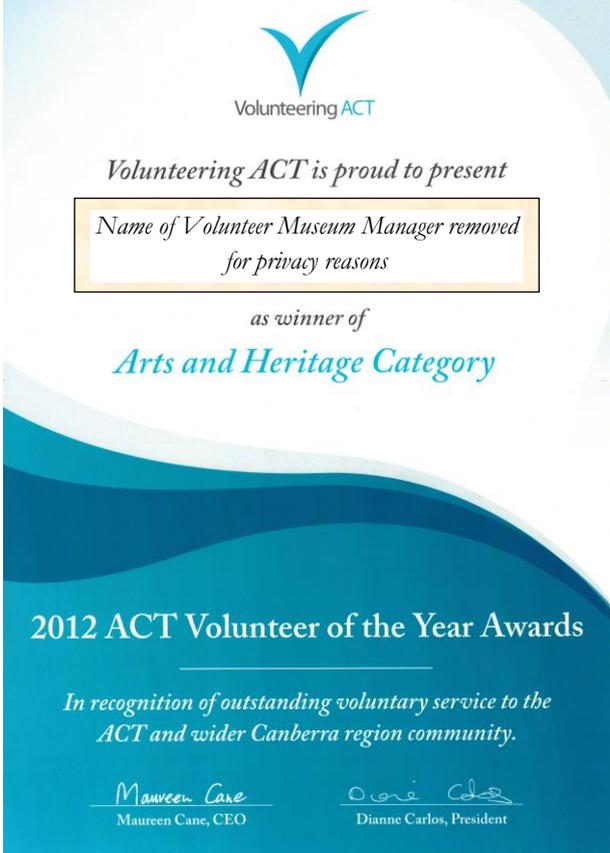
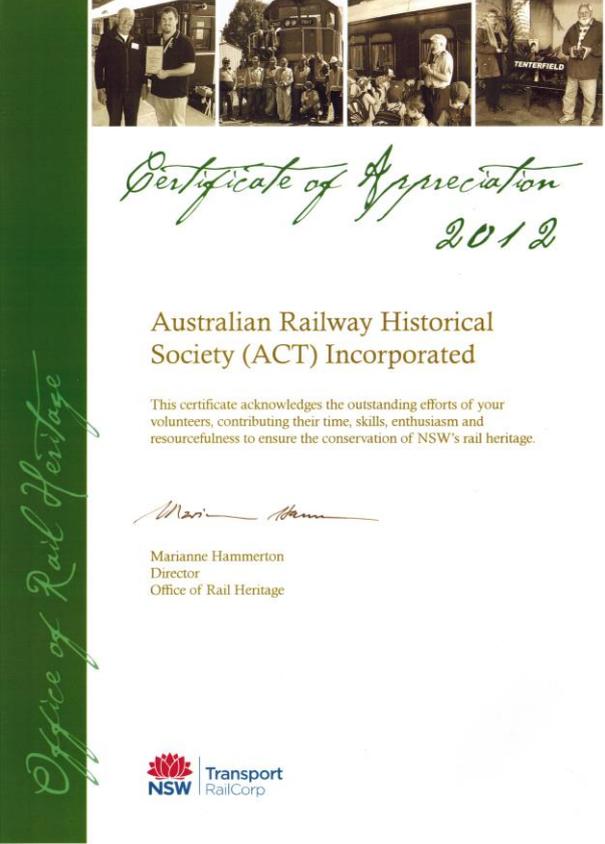
Our Operating Structure

The Indicative Structure of the Canberra Railway Museum is shown below. This is subject to agreement by both Boards and will change as the operation develops.



Aspirational Achievements

We have a proud history, which we aspire to regain!



Certificate of Appreciation
2012

Australian Railway Historical Society (ACT) Incorporated

This certificate acknowledges the outstanding efforts of your volunteers, contributing their time, skills, enthusiasm and resourcefulness to ensure the conservation of NSW's rail heritage.

Marianne Hammerton
Marianne Hammerton
Director
Office of Rail Heritage

NSW Transport RailCorp

Volunteering ACT

Volunteering ACT is proud to present

Name of Volunteer Museum Manager removed for privacy reasons

as winner of

Arts and Heritage Category

2012 ACT Volunteer of the Year Awards

In recognition of outstanding voluntary service to the ACT and wider Canberra region community.

Maureen Cane
Maureen Cane, CEO

Dianne Carlos
Dianne Carlos, President

Office of Rail Heritage

CANBERRA RAILWAY MUSEUM **(Capital Region Heritage Rail Limited trading as)**

CODE OF CONDUCT for MANAGEMENT and VOLUNTEERS

The Canberra Railway Museum values and respects its volunteers. This Code of Conduct for Management and Volunteers is designed to reflect that commitment and is based on the recommendations of Volunteering ACT. It should be read in conjunction with the Objects, Constitution and By-laws of Capital Region Heritage Rail Limited and ACT Heritage Rail Holdings Limited.

MANAGEMENT

CODE OF CONDUCT FOR MANAGEMENT

To promote the aims, objectives and policies of the Museum and maximise the quality of volunteers' experience, the Museum Management will:

- Offer volunteers opportunities to participate in activities appropriate to their skills, experience and aspirations
- Provide volunteers with clear orientation, duty statements and support for their role.
- Co-ordinate support when needed for volunteers to participate in activities.
- Implement procedures to ensure volunteer safety and well-being.
- Reimburse approved out-of-pocket expenses in accordance with Museum policy
- Recognise volunteers as valued team members, with opportunities to participate in Museum decisions which affect them
- Provide mechanisms to acknowledge the value of contributions made by volunteers
- Treat all members of the Museum and the public politely and with respect.

Volunteers have a right to be provided with:

- Information on policies and procedures of the Museum
- Orientation, duty statements, support and education as necessary
- Suitable assignments
- Clear task orientation and induction.
- Information about communication lines within the Museum
- Adequate counselling and grievance procedures
- Appropriate insurance cover
- Appropriate workplace health and safety protection
- Reimbursement of approved out-of-pocket expenses in accordance with Museum policy
- Appropriate work area and equipment
- Support, supervision, feedback and review
- The opportunity to contribute to decision making processes within the Museum
- Appropriate forms of recognition for work done and contributions made.

VOLUNTEERS

CODE OF CONDUCT FOR VOLUNTEERS

To promote the aims, objectives and policies of the Museum and maximise the quality of my experience as a volunteer I will: ·

- Seek volunteering opportunities appropriate to my skills, interests and aspirations
- Read and indicate acceptance of any policies relevant to tasks undertaken
- Inform relevant members immediately if unable to undertake volunteer activities previously agreed to
- Be committed to the stated aims, objectives, policies and bylaws of the Museum
- Be prepared to undertake training for those tasks which require it
- Carry out all work that I agree to do responsibly and ethically
- Speak out about any concerns that might affect my work relationships or performance of volunteer work
- Conduct myself as a valued team member with the right to contribute to decisions, which affect my work
- Value and support other team members
- Treat all members of the Museum and members of the public politely and with respect

RESPONSIBILITIES OF VOLUNTEERS

Volunteers have a responsibility to:

- Make informed decisions to work as a volunteer with the Museum
- Undertake work orientation and induction as required
- Work on tasks suitable to their skills and experience
- Inform a relevant member of the Museum if unable to perform volunteer tasks previously agreed to
- Behave in an ethical manner
- Keep Museum matters confidential and abide by the Museum's social media policy
- Use appropriate internal information channels when needing information, support, back-up, supervision or review
- Be aware of the limits of their role within the Museum
- Be aware of their duty of care and workplace health and safety policies and practices relevant to tasks
- Act as a member of the team
- Commit to making an effective contribution to the aims of the Museum.
- Take due care and diligence when utilising or working with Museum assets.