



**AUSTRALIAN
RAILWAY HISTORICAL SOCIETY
New South Wales Division**
(ACN 000 538 803)

**ANNUAL REPORT 2010-2011
Notice of Annual General Meeting**

FOR ALL WHO ARE INTERESTED IN RAILWAYS

Notice is given that the 2010-2011 Annual General Meeting of the Australian Railway Historical Society, New South Wales Division, will be held in the Mitchell Room on the 1st floor of the Sydney Mechanics School of Arts, 280 Pitt St, Sydney, at 6.30pm on Wednesday 7 September 2011.

Business:

1. to receive and adopt the Income Statement for the year ended 30 April 2011 and the Balance Sheet at that date.
2. to elect members of the Council for the year 2011-2012.
3. to transact any other business that may be brought forward in accordance with the Society's Constitution.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy (who need not be a member of the Society) to attend and vote in the member's absence. Clause 14 of the Society's Constitution prescribes the form of appointment of a proxy. Such forms may be obtained from the Secretary at the registered office of the Society at 67 Renwick Street, Redfern 2016 and must be lodged with him at that address on or before 31 August 2011.

By order of the Council
Grahame L Thurling
Secretary

Sydney, 10 August 2011

**ANNUAL REPORT
FOR THE YEAR TO 30 APRIL 2011
AUSTRALIAN RAILWAY HISTORICAL SOCIETY
NEW SOUTH WALES DIVISION
ACN 000 538 803
67 Renwick Street Redfern NSW 2016
Newcastle Branch: PO Box 432 New Lambton NSW 2305**

THE SOCIETY

The Australian Railway Historical Society had its beginnings in 1933 with the formation of the Railway Circle of Australasia. Since then it has grown to become one of the largest railway societies in the country. Autonomous Divisions exist in each state and the Australian Capital Territory, and there is a branch of the NSW Division in Newcastle. The Society's main objectives are: to promote the association of persons interested in the history and operations of railways for their mutual benefit and enjoyment; to encourage the study of Australian railways and the compilation and maintenance of authentic records; to maintain an archives collection, to produce books, periodicals, etc., of railway interest (including *Australian Railway History* and *Railway Digest*) and to arrange rail tours and excursions.

Meetings of members and their guests are held monthly in Sydney and Newcastle. These meetings usually feature a talk on a topic of railway interest, often accompanied by a program of films, DVDs or photographic slides.

The ARHS Railway Resource Centre houses the ARHS Archives and is located at 67 Renwick Street, Redfern. The bookshop is located at Rail Heritage Central, on the concourse at Central Railway Station.

OTHER DIVISIONS OF THE AUSTRALIAN RAILWAY HISTORICAL SOCIETY

Australian Capital Territory	PO Box 1615, Queanbeyan, NSW 2620
Victoria	PO Box 748, Williamstown, Vic. 3016
Queensland	PO Box 682, GPO Brisbane, Qld 4001
South Australia	PO Box 16, Melrose Park, SA 5039
Western Australia	PO Box 363, Bassendean, WA 6054
Tasmania	PO Box 162, Sandy Bay, Tas. 7006

AFFILIATIONS

Australian Electric Traction Association
Canadian Railway Historical Association
Irish Railway Record Society
Light Railway Research Society of Australia
Light Rail Transit Association (UK)
Narrow Gauge Railway Society (UK)
National Railway Historical Society (USA)
New South Wales Rail Transport Museum
New Zealand Railway & Locomotive Society
The Rail Motor Society
Railway Correspondence & Travel Society (UK)
Railway Society of Southern Africa
Royal Australian Historical Society
3801 Limited

COUNCIL

The Society is managed by the Council on an honorary basis. Its members during 2010-2011, and their attendances at council meetings, are set out in a table in the attached Directors' Report.

General Manager Ross Verdich also attended council meetings. Spencer Ross has been attending council meetings in the dual role of councillor and representative of the Newcastle Branch.

NEWCASTLE BRANCH

The Newcastle Branch has a committee that organises local activities, including meetings, tours and outings. One member of the committee attends council meetings to ensure co-ordination between the branch and the council.

Committee members are:

Branch Chairman:	Glen Magee
Branch Secretary:	John Barnes
Committee:	Tony Lowther, Ray Power, Spencer Ross and Wal Williams

STAFF

The following people are employed by the Society:

Full Time -

Ross Verdich	General Manager
Bruce Belbin	<i>Railway Digest</i> Editor
David Wynter	Resources Manager and <i>Australian Railway History</i> Editor until October 2010
Bill Phippen	Resources Manager from October 2010
Chris Harding	Bookshop Manager

Part Time -

John Clifton	Webmaster
John Hoyle	<i>Railway Digest</i> Specialist Editor
Shane O'Neil	Editorial Assistant and Bookshop Sales
Ken Williams	RRC Senior Research Officer to November 2010
Richard Whitford	<i>Australian Railway History</i> Editor from October 2010
Ivar Sorrasson	Bookshop Sales Assistant from August 2010

LIFE MEMBERS

Tony Bailey	John Barnes	John Beckhaus	Terence Boardman	Ian Brady
Kenneth Butt	Joseph Davis	George Gettens	John Glastonbury	Alexander Grunbach
Donald Hagarty	Graham Harper	Murray Harper	John Hoyle	Geoffrey Lillico
Glen Magee	Barry Millner	Peter Neve	John Newland	John Oakes
Ray Pickard	Ray Power	Spencer Ross	Dr Stuart Sharp	Colin Short
Dr Robert Taaffe	Grahame Thurling	Eric Walkley		

RRC TRUST

Members of the RRC trust met regularly throughout the year.

The trust members are:

Terence Boardman (Chairman)	Donald Hagarty	Ray Love (NSWRM nominee)
Neville Pollard	Dr Stuart Sharp	John Ward (NSWRM nominee)
Allan Watson (Minute Secretary)	Ken Williams (to October 2010)	David Wynter (to October 2010)

CREDITS & THANKS

The Council would like to acknowledge those listed below for their generous contributions of time and effort made to the Society's various activities during the year.

Harry Anneveld	Bookshop	Bob McKillop	Publications
Fred Appleton	Bookshop	Tony McMiles	Bookshop
Alan Bailey	RRC	Frank McQuade	RRC
Tony Bailey	Bookshop	Tom Marschall	Railway Digest
Bernie Baker	Railway Digest, Publications	Peter Marshall	RRC
Ben Barnes	ARH, Publications, RD, Speaker	Glen Magee	Newcastle Branch Committee
John Barnes	Newcastle Brch Sec./Treasurer	Gordon Meiklejohn	RRC
John Beckhaus	Publications, Railway Digest	Rod Milne	Railway Digest, ARH
Barry Blair	Railway Digest	Warren Miller	Bookshop
Graeme Bolton	RRC	Barry Millner	Membership
Graham Boulton	Bookshop	Kevin Mirah	Bookshop
John Brown	RRC	Kevin Morgan	RRC
Gordon Burr	RRC	Neil Munro	RRC
Colin Butcher	Slide Competition	Peter Neve	Railway Digest, ARH
Ellen Byrne	RRC	Keith Newell	Bookshop
Graham Byrne	RRC	John Newland	Publications
Ken Butt	Tours	Kevin Noonan	RRC
David Campbell	Railway Digest	John Oakes	Publications, Tour Guide
Lesley Cherry	RRC	Dennis Pate	RRC
Peter Clark	Railway Digest	Brad Peadon	Railway Digest
John Clifton	Bookshop	Ray Pickard	Financial, RRC, ARH, Mailing
Bob Daniel	Bookshop	Robert Polak	RRC
Ken Date	Railway Digest	Ray Power	Newcastle Branch Committee
Ian Dixon	RRC	Maria Rangel	RRC
Kevin Dodds	RRC	John Roberts	RRC
Trevor Edmonds	ARH	Sally Ross	RRC
Arthur Ellis	RRC, Tour Guide	Hans Schoevers	RRC
Martin Franklin	RRC	Barbara Schreiner	Bookshop, RRC
Graham Fry	RRC	Peter Sellars	ARH
Bob Gibson	Railway Digest	Peter Stock	RRC
Colin Gilbertson	Bookshop, ARH	Stuart Sharp	RRC, Luncheon Club
Clive Gillam	RRC	Alan Smith	RRC
Phil Griffiths	Slide Competition	Bob Stack	ARH, Railway Digest, Publications
Karl Grunert	RRC	Bob Stewart	Bookshop, RRC
Alex Grunbach	ARH, Publications	Leigh Stokes	RRC
Don Hagarty	RRC	Bob Taaffe	ARH, RRC
Chris Harding	Publications	Myrle Tanner	Bookshop
Bill Harrison	Bookshop	John Temple	Railway Digest
Derek Hobbs	RRC	Michael Thompson	RRC
Gary Hughes	Luncheon Club	Ed Tonks	Speaker, Tour Guide
Michael James	Railway Digest	Len Truscott	RRC
Evan Jasper	Railway Digest	Darren Tulk	ARH, Railway Digest
Jim Jones	RRC	Rudi Viglienzzone	RRC
Bernie le Breton	RRC	John Ward	RRC, Speaker
Rick Lawler	RRC	John Watkins	RRC
Ben Lewis	RRC	Allan Watson	RRC
Geoff Lillico	RRC, ARH, Mailing	Ron White	RRC
Ray Love	RRC, ARH	David Whiteford	ARH, Railway Digest
Maikha Ly	Railway Digest	Jack Withford	RRC
Jim Longworth	ARH	Ken Williams	RRC
Tony Lowther	Newcastle Branch Committee	Wal Williams	Newcastle Branch Committee
Ross McClelland	Railway Digest	Tony Woodland	RRC
Tony McIlwain	RRC		

PRESIDENT'S OVERVIEW

PRESIDENT

I am pleased to be able to report that the Society has gained a young Councillor in the person of Ben Barnes. Ben would be known to many members because of his activities with other rail heritage organisations, his articles in our magazines and his talks at our monthly meetings.

As I have said in a previous report, I (and other Councillors) are concerned with the future of the Council as it is made up of older people (three are over 70 and I join that group later this year!). Whilst all of us use the Internet and emails, we are not creatures of the Internet as are young people today. Ben brings to the Council his skills and knowledge in this area.

Perhaps his joining Council will serve as an example for other younger members to consider coming forward.

We also had the resignation Terry Boardman, a long term Councillor, late in the year. Terry has been a councillor for a total of 23 years over his total membership of 54 years. He has also over recent years convened and chaired the RRC (previously Archives) Trust meetings.

At a recent Office of Rail Heritage seminar, Bill Phippen and I had the opportunity to explain to the rail heritage fraternity the work of the Society, particularly the resources available through the Rail Resource Centre (our Archives operation). I was able to point out that we have spent \$1 million on premises to house the Society's collection and spend over \$100,000 per annum in maintaining the operation.

In addition, of course, we have the substantial contribution of the volunteers that work in the centre. If we had to put a dollar value on their contribution, it would probably be in excess of \$250,000 per annum. All of our expenditure on the Centre has been raised from the Society's 'business' activities, particularly the bookshop but also from *Railway Digest* and tours.

As you will see elsewhere in this Annual Report, we

are not immune to the downturn in bookshop sales and profitability (Angus and Robertson's demise is an example of this). We have to watch the situation carefully if we are to continue to be able to provide the archival services of the Rail Resource Centre.

At the Seminar, Bill pointed out the progress we have made in recent years with making the records we have more accessible. Many records have been scanned (both for conservation and easy access) and are now available on our Intranet (currently some 160GB of data and rising steadily).

We also have 100,000 photographs and slides indexed on our database so that illustrations can be readily located, and we also have about 100,000 photos and slides scanned, again both for conservation and easy access.

However, Bill has discovered, in his rummaging through our collection, that we have another approximately 200,000 images that have not been processed. As they are not indexed, they are effectively not available as we don't know what is on them nor how to locate them.

As the indexing project over the last six years has resulted in the addition of about 50,000 items to our database, it is easy to see the magnitude of the task ahead of us.

Neville Pollard and the RRC Trust are currently working on a revised policy that will see us continue to collect all significant images but which will simplify the task of indexing. Nevertheless, there is a massive job ahead of us.

What I am building up to, of course, is the need for more volunteers to assist with the task. We see it as critical that this work be done soon when there are people around that have the knowledge to be able to do the work. With the massive changes in the railway scene over the past 20 years, in another 20 years people may not be able to recognise what they are seeing on the images.

Can you help? Contact Bill Phippen at the RRC for details.



FINANCE

The net surplus for the year ended 30 April 2011 amounted to \$73,841. This compares with \$119,838 achieved in 2010 – a fall of \$45,997.

The major contributor to this was a fall in sales revenue of 10.5 %. This occurred over the entire range of our publications.

Net tour income of \$26,601 was comparable with prior years.

Tight controls have been maintained over costs which to some extent has offset the fall in revenue.

As a Society which relies heavily on our sales revenue to fund our objectives such as archive, record restoration and other areas of a historical nature we will need to fully cognisant of the changing economic environment.

The Society finances nevertheless are still in a very healthy condition.

The opportunity was taken to revalue the Society's real estate investments - which now total \$2 million.

No transfers to or from reserves were made this year.



RRC TRUST

The Railway Resource Centre Trust met four times during the year as custodians of the resource collection.

With large numbers of photographs bequeathed to the collection over the recent the past it has become necessary to develop a workable policy to effectively deal with them, keeping all worthwhile images available, but reducing the considerable amount of work in indexing and scanning everything. This continues to be a work in progress.

The Trust also wishes to record its sincere thanks to Bill and the volunteers for their sterling service over the past twelve months, both at Renwick St and Alexandria.

Terry Boardman resigned from Chairmanship of the Trust at the April Council meeting; we thank him for his work coordinating this important area of ARHS service. Neville Pollard has been appointed to succeed him.

COMMERCIAL

As the accounts show, the bookshop at Rail Heritage Central has suffered by a tightening in retail sales across the nation.

Although the items on display in the bookshop still show a broad choice of titles in books, magazines and DVDs, we have not been buying in the quantities of previous years, thus controlling excessive sales expense.

International books and DVDs have benefited from continuing favourable exchange rates, and bookshop manager Chris Harding ensures that the best price possible is being obtained.

New Australian rail book releases were not as frequent as in previous years, reflecting guarded optimism on the part of publishers. The Society published several books (refer Publishing Report on Page 8) but these were printed in smaller quantities and for the first time in many years a title was printed in Hong Kong to lower printing costs and to keep the retail price more affordable.

Internet sales continue to be strong through the Society's Shopping Cart facility and the combination of John Clifton (web master) and Grahame Thurling (sales) keep this facility ticking over and up to date.

Although normal trading days are Monday to Saturday, we have again taken the opportunity to trade on selected Sundays coinciding with special events held at Central Station. We were also present at the two major model shows at Broadmeadow and Liverpool. The Society also had a stall at Maitland Steamfest in April with the RRC information and photographic panels themed for the local South Maitland Railways. Local ARHSnsw author Brian R. Andrews conducted a book signing on the Saturday which was quite successful.

Bookshop manager Chris Harding and sales assistant Ivar Sorrasson (who made the transition from volunteer in August 2010) are well-supported by a team of volunteers without whom the bookshop would not function efficiently: Fred Appleton, Harry Anneveld, Graham Boulton, Bill Harrison, Tony McMiles, Warren Miller, Keith Newell, Bob Stewart, Myrle Tanner and a dedicated team of Saturday volunteers. The flexibility of the week-day and Saturday volunteers in assisting while staff are on-leave is to be commended.

Situated in the precinct of the country platforms, the bookshop continues its unofficial role of "Ask the Man in Blue" enquiries.

Chris Harding actively promotes the Society and bookshop in a monthly guest spot on Western Suburbs radio 99.9FM. Chris also posts Society and bookshop news on Twitter.

Long term prospects of a recovery in bookshop sales is unlikely but the Society will pursue alternatives to increase revenue and hold costs in check. Other rail-related items have already been placed on sale in the bookshop.

RAILWAY DIGEST

Despite a challenging retail environment, *Railway Digest* maintained a strong, consistent level of sales throughout the year. Digest's readership is very much a broad church of those with an interest in contemporary railways, and during the past year the content of the magazine reflected this, with a diverse range of articles covering subjects such as the rail industry, operations, rail travel, economics/politics, locomotives & rolling stock and the heritage sector, to name a few.

Our newsagent distributors, Gordon & Gotch, advise *Railway Digest* (and *Australian Railway History*) are respectively the top ranked titles in their category, of the titles they distribute. So comparatively, they are doing quite well!

News is, of course, the magazine's raison d'être, and once again National Affairs editor John Hoyle, aided by his impressive network of contacts, provided a series of interesting and informative News sections.

The new editorial team of Bruce Belbin (Editor) and Shane O'Neil (Assistant Editor and Photo-editor) continued to build on the solid legacy left by outgoing Editor Chris Walters. Fortunately, Chris remained a part of the *Digest* 'family', and during the year, 11 of the 12 issues contained at least one of his contributions.

Darren Tulk maintained his twin roles as a reliable proof-reader and an invaluable copy editor – regularly whipping into shape those well worthwhile but 'journalistically challenged' contributions. In addition, he and John continued to fly the *RD* flag in the sunshine state – an area of steady growth in railway interest, and one of the magazine's strongest markets.

Although now more heavily involved in his role with *Australian Railway History*, Richard Whitford continued to provide valuable assistance, particularly with proofing and research.

In early 2011, *Digest's* rail industry credentials received a boost when Australian Railway Association CEO Bryan Nye agreed to contribute a bi-monthly column to our News pages.

As in previous years, the magazine benefitted from a steady stream of quality contributions from a range of young and not-so-young, ongoing and new, volunteer contributors. Notable among these were Steve Ban, Ben Barnes, James Chuang, Ken Date, John Dunn, Michael James, Phillip Jeeves, Maikha Ly, Ewan McLean, Russell Miles, Trent Nicholson, Bob Schroeder and Alan Shaw, though many others also provided valuable material, and for this we thank all of them most sincerely. Without their support there would be no *Railway Digest*.

John Beckhaus and Peter Clark continued to edit the magazine's well-regarded quarterly 'Rolling Stock news & contracts' section, which in addition to providing a comprehensive listing of recent contracts and deliveries, included some interesting snapshots of recent locomotive, rolling stock and light rail developments.

David Campbell and John Hoyle maintained the high standard of their quarterly 'Signalling and Infrastructure' section, the reputation of which was further enhanced when, during the year, the team added South Australian signalling doyen Graham Vincent to its ranks.

Due to business and other commitments, Brad Peadon was unfortunately unable to continue providing the quarterly 'Loco Express' pages. An updated version of the 'Remember When' section, covering a wide range of railway subjects from the living memory of various contributors, was created to take its place. We thank Brad for his past contributions.

Thanks are due to the Society's Council, management and staff for their ongoing encouragement and assistance, and to the magazine's contributors, volunteers and readers for their ongoing loyalty and support.

AUSTRALIAN RAILWAY HISTORY

The Society's Council remains firmly committed to the continuance of *Australian Railway History* magazine in its present monthly format.

The editorship during the 2010/2011 year was shared, with Richard Whitford taking over full editor responsibilities from David Wynter, upon his resignation from the Society in October.

To accommodate variable article lengths without destroying continuity, *ARH* was published in ten 32-page and two 48-page magazines during the financial year. Articles that could not be easily reduced in size due to significant historical content and research were run over multiple issues. The desired preference is to limit general article length to 6,000 words, with longer articles divided into a maximum of two consecutive issues. The *ARH* editor and Council are investigating alternate methods of publishing long articles—one is to have '*ARH Extras*' on the web site (since implemented).

Newsagent sales over the period remained reasonably healthy, showing some growth, with July, October, December and January all over the 1,700 mark and August topping 1,800 sales—a significant improvement over 2008/2009 where just one issue topped 1,700 sales.

ARH was produced with various articles of Australian interest by new and established authors. There never seems to be any difficulty in the supply of NSW oriented articles—challenge is to procure enough interstate articles to give *ARH* the mix of content deserving of the magazine's title.

A significant article titled 'A Railway War' on the history of the 6th Australian Railway Operating Company in France during World War I was written by Trevor Edmonds for the December 2010 issue.

(*ARH Report continued over page*)

(*ARH Report continued*)

The article received critical acclaim from new and existing readers who were not previously aware of the role of railway in WWI. The published article continues to open up further avenues of information for author Edmonds.

ARH welcomed new authors; Tony Bull, Tim Fischer AC, Darryl Grant, Michael Hort, Sohtaka Kikuchi, Dave McCartney and Chris Sim to the list of published *ARH* authors. We were especially pleased to receive Victorian articles from Chris Banger, Ian Jenkin and Philip Dunn.

OTHER PUBLICATIONS

In the year in review the Publications Committee was able to hold regular meetings over the reporting period May 2010 to April 2011.

A number of books have been published by the Division during the year but again within restrictions due to continuing economic and financial constraints.

It is worth repeating that some manuscripts are under long term active development and are subject to funding and publishing commitments. Some others have been deferred from further progress for the time being for many reasons such as the need for further research or by more pressing commitments to other projects that the author may be involved with.

Briefly the books published and nearly ready for publication are:

After a lot of research the book by Jim Longworth titled *Triking the Length—a Short History of Railway Track Vehicles in NSW: 1855-1984* was published in August 2010. There are no other books on this specialised subject and its publication should fill a niche market on the history of these very interesting vehicles.

Sydney's Electric Trains: A Personal History by Geoff Moss was released in December 2010. The book outlines the authors working career as an electrical engineer and on the technical side of running electric trains on the NSWGR. The book is a very interesting and personal account of the electric trains of Sydney.

A revised and reprinted book in John Oakes series in the Sydney's Forgotten Railways series titled *Sydney's Forgotten Military Railways* was released in February 2011. This is the third reprint of a popular book.

A book titled *Bondi to the Opera House –the trams that linked Sydney* co-authored by Dale Budd and Randall Wilson is due for publication by end-August 2011. It will be a case-bound 96 page book covering the Sydney tram system with most images in colour. It should prove a best seller for both the Division and the co-authors.

Work on a revised edition of *A Guide to Australasian Locomotion 2011* by Chris Walters, Bernie Baker and

Brad Peardon should be completed and the book ready for publication by the end of August 2011. This edition, with a changed in title to reflect the expanded content now includes both New Zealand and Fijian locomotives.

Some books in the Sydney's Forgotten Railway series are in the process of being revised and reprinted for planned release later in 2011.

Again sincere thanks are extended to all members of the Publications Committee, the Division's Railway Resource Centre, divisional members and many others for their generous assistance and contribution to the Division's publications activities. All participation and assistance is gratefully acknowledged.

ARCHIVES RESEARCH SERIES (Digital)

Since 2000 we have been marketing CDs and now DVDs with digital records of material from within our archives. The first was the NSW Track & Signal Diagrams on CD.

During the year we started marketing our ARHS magazines on DVD. This follows the commercial scanning of our entire magazine collection which organised by Bob Taaffe and ably assisted by Andrew Hayne. This compliments other official archival material which has been digitised over the past decade.

We now have available through the bookshop the following on DVD/CD:

ARHS Bulletin from 1937 through to 1999
(six DVDs in the series)

NSW Digest Volumes 1 to 10: 1963 -1973
(further DVDs to come)

Railway Transportation: 1937 - 1974

NSW Railway Budget Vols 1 to 26: 1893 -1917

NSW *The Staff* Volumes 1 to 7: 1924 - 1930

NSW Curve & Gradient Diagrams 1894,1907 & 1932

NSWR General Appendices Pre-1955

NSWR Local Appendices Pre-1955

NSWR Weekly Notices 1889 - 1955
(11 DVDs in the series)

The convenience of having the above digitally available has two main benefits; the magazines are searchable using commercial software and there is no need to store volumes and volumes of hard copy magazines.

The digital magazines, in particular, have proven to be very popular. Purchasers have started to shed their hardcopies and unfortunately the Society can no longer accept these as donations as we have enough copies in the archives.

RAILWAY RESOURCE CENTRE

There have been significant staff changes in the Railway Resource Centre through the year. In early October Manager David Wynter gave notice and long term contributor Ken Williams retired.

Member Bill Phippen was invited to take on the role as a full time position rather than the previous arrangement where the manager also had a considerable time commitment to Australian Railway History. Bill was familiar with the RRC as he had previously done much of the internal building work on both Redfern and Alexandria as a volunteer, and had been a guide on the St James Tunnel Tours.

With full support from the Society's General Manager and Council, significant renovation of the facility was undertaken. Notably the old, threadbare carpet has been replaced. The several gaps reflected now long gone fixtures and the previous locations of walls. The hand-me-down steel shelving which still existed in parts of the archive has been replaced with purposely chosen units.

A by-product of this physical renovation has been that Don Hagarty has been able to break the back of cataloguing the working and public timetables and the related documents.

Qualified librarian Michael Thompson has completed cataloguing the NSW books and will be moving on to the interstate and national books in the New Year.

Previously the man hours available, both paid and voluntary, had allowed little more than a holding-the-line approach, but with a full five days of paid time and an increased volunteer work force, detailed below, many large blocks of donated material which had been left untouched for long periods have been cleared.

In particular, the storage room off the courtyard has been emptied, and boxes under benches, in corners and high shelves opened and processed.

About 100,000 photographs have begun the process of being sorted, catalogued and scanned and rarely accessed material moved to Alexandria to create much needed elbow room. By the end of the year, the photo numbering system which had previously stopped at 115,000 had passed 140,000.

The scanned part of the photo archive grew by 15,000. 30,000 photographs are now available on the search engine as thumbnails, 9000 are about to join them and the scanners already have more than 4000 images scanned for the next block.

Much of the RRC's holding of railway documentation is still paper and some of this is more than 100 years old and deteriorating.

Geoff Lillico continues his massive task of transferring documents, scanned by others (particularly Bob Taaffe) as well as himself, to electronic form accessible on the Society's intranet.

A major effort has been made to digitise the Chief Mechanical Engineer's Circulars and the middle of the new year should see the 60,000 pages of this primary archival source safe and accessible.

A start has also been made with Traffic Circulars and Special Train Notices.

At Alexandria a team lead by Councillor Ian Fathers has made start on sorting the large volume of plans which have dominated the upper floor since the premises were occupied.

Another team at Alexandria is still working steadily through the massive general sorting task. The effort with the plans and the removal of the CME circulars has produced a marked improvement in the orderliness of the place.

Graham Harper has been working on our video collection transferring it to DVD against the day when VHS will no longer be useable.

(RRC Report continued over page)



RAILWAY RESOURCE CENTRE (cont) TOURS

Bill made an appeal for volunteers through the Members' Newsletter, and used his good offices with Volunteering NSW to gain an advertisement in the FIDO column of the Sydney Morning Herald. The net result has been the recruitment of 20 extra volunteers. Many of these new people do not have great railway knowledge, but then many of the tasks are routine and clerical. A notable change in the workforce has been the presence of five women in what had previously been an all male domain.

Donations and bequests of material continue strongly, and the RRC management has tried to ensure that the purposes of the ARHSnsw in general and the RRC in particular are not overwhelmed by the volume of material. There is a limit to the number of back issues of Bulletin which need to be archived.

The reading room continues to be comfortably crowded on most Tuesdays. Saturdays are sometimes quiet, but at other times hectic. Over and above the two members on duty manning the Saturday counter, there are sometimes six volunteers on site doing other work.

Internet requests for research continue to be numerous and challenging. Allowing for the vagaries of recording, the number of research tasks is about the same as previous years. The expectations of enquirers far exceed the information which exists both within the RRC and anywhere. Major tasks through the year were the supply of images to Trainworks at Thirlmere and the support of RailCorp's exhibitions at Rail Heritage Central.

The RRC, together with the ARHS bookshop, mounted exhibitions at the AMRA Liverpool exhibition, the Powerhouse Museum Castle Hill Annexe open day, and Steamfest at Maitland. The RRC continues to have a good relationship with the Office of Rail Heritage and several members from the RRC attended the regular seminars organised by ORH for the heritage groups. Bill Phippen and George Gettens presented the work of the ARHSnsw at one such workshop.

Major tasks for the years ahead will be the full cataloguing of all the images the RRC holds, the completion of the CME circulars, the cataloguing of the non-NSW books, and the scanning of the STNs.

Once a preliminary sort is completed, the plans at Alexandria will have to be documented. This last task could happen much sooner if volunteers able to work at Alexandria could be found.

An area of the RRC which is particularly inaccessible is Compactus 5 housing locomotive manufacturing and operational details, RailCorp procedures and policies, and much else. Plans are in hand to lift the fog from this area.

There is an urgency about the task in that it is felt that if the present generation do not document the history, succeeding generations will not have the detailed knowledge to be able to, but there is also optimism that the job will get done.

This year the Society was involved in the presentation of 15 tours covering a wide variety of destinations and interest. There were two significant tramway anniversaries, the 60 years since closure of the Newcastle tramway system and the 50th Anniversary of Sydney's last tram.

The ARHS Luncheon Club two-day tour to Lithgow was successfully held in September 2010.

The WineLander Tour to Wallan-Garra with the Queensland Division in February 2011 was deferred to August due to major flooding in the region. Again we were involved in joint activities with main line operating organizations, ARHS Queensland Division, The Rail Motor Society, 3801 Ltd, The Sydney Tramway Museum and Rail Transport Museum's Heritage Express together with the use of vintage buses from the Sydney Bus and Truck Museum currently relocating at Leichhardt.

We would also once again like to commend, The Rail Motor Society, its crews and volunteers for the continuing excellent service it provides for our tours.

Our annual June Queens Birthday Long Weekend Tour in the restored Rail Motors 621/721 from the Rail Motor Society at Paterson continues to enjoy regular patrons with several groups travelling for their tenth trip with us. Our special thanks again to these faithful patrons for their continuing support. The tour this year was again extended to 4 days to cover the West, North-West and New England regions with overnight stays in Dubbo, Narrabri and Armidale.

The variety of tours members and their guests have enjoyed taking part in are listed on page 12. Many thanks must go to Society Members and friends for supporting these tours and outings. Thanks also to the Tours Committee, Ken Butt, Bob Daniel, Grahame Thurling, Ross Verdich and others for their attendance at meetings and for assistance in making sure all tours went to plan.

Our thanks also go to Keith Jones, John Oakes and Ed Tonks for their special efforts in acting as our tour guides on their special tours. Also to Stuart Sharp and Gary Hughes for their contributions to the ARHS Luncheon Club Tours especially the 2-day Lithgow tour.

The Committee looks forward to continuing to provide a variety of tours and outings in the coming year.

Suggestions for tours and outings are always welcome from our members.

If any member is interested in joining the Tours Committee, please contact the Tours Officer or any member of the bookshop staff. Your interest will be greatly appreciated.

MEMBERSHIP & ADMINISTRATION

Society membership as at 30 April 2011 totalled 1389 - a little less than the previous year.

The Society's Council has continued to work hard to ensure that members continue to receive good value for their subscriptions. The quality of Australian Railway History has if anything improved over the year thanks to some great article contributions and good editing/design by David Wynter and Richard Whitford.

Barry Millner continues with his role as membership and subscriptions officer using QA4 database software which in computing terms is very ancient. However, it must eventually be superseded as it is not likely to be compatible with 64-bit Windows 7 operating software, which we are gradually phasing in with new computers purchased.

But we have not replaced many PCs in the last year unless they have suffered from out-of-course failures. New software has not been bought unless absolutely necessary.

The Society has 20 computers connected to the Redfern server, including those at the bookshop and Alexandria connected via a VPN link. Warringah IT continues to perform routine maintenance and upgrades to the Society's computer system, as well as new PCs and problem solving.

The Redfern building is generally in good repair but age is starting to take its toll. A severe water leak was undetectable due to the way the original water supply was arranged decades ago. Fortunately, the water gushed away underground and did not cause internal damage but the fix was expensive.

At long last, the 'carpet' in the Rail Resource Centre was replaced by commercial-grade quality carpet tiles in March.

The box gutter in Redfern's saw tooth roof will have to be replaced in the coming year - an expenditure deferred until absolutely necessary due to the expense involved. Provision for its replacement is in the accounts.

Alexandria has been maintenance free apart from a computer upgrade during the year. The volunteers there have looked after the facility and it is gratifying to observe the archival work being done on the mezzanine floor to clear the huge backlog in sorting.

Our Central Railway bookshop is also virtually 'as new'. Our one major problem there is the lighting which is not really of bookshop standard and suffers from continually blowing globes in the track lighting. RailCorp is reviewing this one fault at our insistence. Otherwise our relationship with the other Rail Heritage Central occupiers: The Office of Rail Heritage and the NSWRTM is a mutually beneficial one.

NEWCASTLE

The Newcastle branch continued to enjoy good average attendances at our Entertainment Meetings ; and as has been usual in recent years, the guest speakers were mostly drawn from among our own members and regular visitors.

Members of the Branch again assisted at the Division's display and sales stand at the Our Town Hobbies Exhibition at the Newcastle Jockey Club and at Steamfest at Maitland.

A small group manned a display and sales stand at the Newcastle regional Show in conjunction with the local 'umbrella' organisation: Heritage Hunter.

RAILWAY LUNCHEON CLUB

The Railway Luncheon Club has continued to provide monthly weekday outings for members and their friends. This activity has been a great success with attendances averaging around 35. The convenors and tour leaders, Stuart Sharp and Gary Hughes, continue to provide a variety of places to visit, and during the year (May 2010 to April 2011) these were:

May	Mascot
June	Ingleburn Infrastructure Depot
July	Hamilton
August	Cronulla
September	Lithgow(First two-day tour)
October	Helensburgh
November	Schofields
December	Petersham Training Centre
January	ARHSnsw Redfern
February	Yennora and Liverpool
March	Central
April	Carlingford.

Formed in 2009, the Railway Luncheon Club provides a daytime outing on the third Wednesday of each month to a suitable "railway" venue, followed by lunch at a nearby hotel or club. It provides a daytime opportunity for members and their friends to meet and talk with other members on aspects of railways. Comprehensive field notes are usually provided.

Gary Hughes (Manager: Railway Luncheon Club)



2010-2011 SYDNEY MEMBERS' MEETINGS SPEAKERS

May	Jim Longworth	Railway Infrastructure
June	Ed Tonks	UGL (Goninan) GL Class Locomotive Development
July	Kevin Dodds & John A'Beckett	The PHM's P Class 3265 and Steam Model Collection
August	Geoff Moss	"A Senior Engineer's Adventures with Electrics"
September	Ron Caldwell	Australia's First Railway
October	John Dunn	Overseas Trends in Double-Deck Intercity designs
November	Neville Pollard	European and UK Tour
December	Members Slide & Video Night	
January	George Gettens	DVD presentation
February	Warren Miller	Very Old Train Films
March	John Brown	Reflections of the 1980s as FreightRail's Operations Manager
April	John Ward	NSW Steam Locomotive Images

2010-2011 NEWCASTLE MEMBERS' MEETINGS SPEAKERS

May	Annual Meeting, Election of Officers, Photographic competition and Quiz	
June	Murry Harper & Ross Verdich	NZ 2010 tour presentation
July	Larry Greentree	Alice Springs to Darwin Railway construction.
August	Dave Rowlins	Steam and other motive power in more than 100 countries
September	Graham Black	Snowplough Through Rodgers (Canadian Pacific Railway) video
October	Michael Taylor	Switzerland 2008
November	Max Maughan	Videos
December	Dave Rowlins	Trip to South Africa & New Zealand in early 2010
January		Film - <i>Titfield Thunderbolt</i>
February	Ed Tonks	War memorials in the Newcastle region
March	Michael Taylor	<i>Where Is It</i> quiz and Switzerland slide show.
April	John Ward	Archiving the Collection

2010-2011 TOURS PROGRAM

16 May	Lovedale Long Lunch Tour with 3801 Ltd
11-14 June	West, Nth-West & New England Rail Cruise in 621/721 with The Rail Motor Society
25-26 June	60 Years Since Closure of the Newcastle Tramways (2 Trips)
24-25 July	Looking Again at the Mines & Lines of the Hunter Coalfield with Ed Tonks
8 August	City Rail Hunter in 621/721 with The Rail Motor Society
10-12 September	A Visit to The Dorrigo Steam Railway with Keith Jones
14-15 September	ARHS Luncheon Club Tour of Lithgow
24 October	A Visit to Lake Macquarie Light Rail
21-22 November	621/721 Rail Motors Around The City with The Rail Motor Society
5 December	End of Year Function with the RTM to Bathurst with 4001
22-23 January	Another Summers Day on the South Coast with The RMS in CPH's 1 & 7 (2 Trips)
19 February	Kandos with 3801 Ltd
26 February	50 Years since Sydney's Last Tram Tour & Visit to the Sydney Tramway Museum
9 April 2011	Sydney's Forgotten Industrial Railways Tour with John Oakes

AUSTRALIAN RAILWAY HISTORICAL SOCIETY

New South Wales Division

ACN 000 538 803

DIRECTORS' REPORT

Your Councillors submit this report on the Society for the financial year ended 30 April 2011.

1. The names and details of the Councillors in office during the year and to the date of this report, together with their areas of responsibility, year of original appointment/election and attendance at Council meetings held during the year to 30 April 2011, are:

Benjamin R Barnes. BA MHist., JP. Age 31 years. RailCorp employee. Councillor since April 2011.

Terence P Boardman. FCIT, JP. Age 76 years. Retired railway officer. Councillor since 1999. Previously a Councillor 1970–1972, 1973–1975 and 1990–1997 (Secretary during the latter two periods). Resigned from Council April 2011.

Ian W Fathers. JP, B. Leg. S (Macquarie). Age 65 years. Retired public servant. Councillor since 1999. Previously Councillor 1986 – 1990. Minute Secretary.

George W Gettens. Age 69 years. Retired bank officer. Councillor since 1997. Previously a Councillor and Treasurer 1967–1971 and 1986–1992, Secretary 1997–2001. President since 2009.

Murray C Harper. B.Comm., CPA. Age 71 years. Accountant. Councillor since 1994, Treasurer since 1996.

Francis P McQuade. Age 62 years. Retired boilermaker. Councillor since 2009. Resigned from Council April 2011.

Geoffery H Moss. Age 80 years. Retired NSW railway employee. Councillor since 2009.

Michael J Nicholls. Age 53 years. RailCorp employee. Councillor since September 2008.

Neville J Pollard. JP BA MEd. Dip. Theol. Teach. Cert. Age 65 years, Retired High School Principal. Education Consultant. Councillor since 2007.

Spencer C Ross. C.T.M., FCIT. Age 70 years. Bus consultant. Councillor since 2001. Previously Councillor 1968–1971.

Grahame L Thurling. Age 64 years. Retired bank officer. Councillor since 1996. Secretary since November 2004.

Directors' Meeting Attendance:

		<u>Number Eligible to Attend</u>	<u>Attended</u>
B	Barnes (<i>from Apr. 2011</i>)	1	1
TP	Boardman (<i>until Apr. 2011</i>)	6	6
IW	Fathers	6	6
GW	Gettens	6	6
MC	Harper	6	6
FP	McQuade (<i>until Feb. 2011</i>)	5	4
GH	Moss	6	5
MJ	Nicholls	6	6
NJ	Pollard	6	5
SC	Ross	6	6
GL	Thurling	6	6

(Continued)

AUSTRALIAN RAILWAY HISTORICAL SOCIETY

New South Wales Division

ACN 000 538 803

DIRECTORS' REPORT (Continued)

2. The principal activities of the Society during the financial year were publication of books and magazines recording railway history, the collection of records of interest to railway historians, the operation of a railway bookshop and the operation of railway tours. No significant change in the nature of these activities occurred during the year.

3. The net surplus of the Society for the financial year amounted to \$73,841.

4. No matters or circumstances have arisen since the end of the financial year that significantly affect or may significantly affect the operations of the Society in subsequent years.

5. The Society expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

6. The Society's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

7. The Society has paid premiums to insure each of the Councillors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of a Councillor of the Society, other than conduct involving a willful breach of duty in relation to the Society.

8. No person has applied for leave of the Court to bring proceedings on behalf of the Society or to intervene in any proceedings to which the Society is a party for the purpose of taking responsibility on behalf of the Society for all or part of those proceedings.

The Society was not a party to any such proceedings during the year.

Dated this 10th day of August 2011. Signed in accordance with a resolution of the Council.

GW Gettens

MC Harper

AUSTRALIAN RAILWAY HISTORICAL SOCIETY
NEW SOUTH WALES DIVISION
ACN 000 538 803
INCOME STATEMENT FOR THE YEAR
ENDED 30 APRIL 2011

	<u>Note</u>	<u>2011</u> \$	<u>2010</u> \$
Revenues from Ordinary Activities		1,593,769	1,780,496
Changes in Inventories		15,429	(6,632)
Membership Subscription Revenue		34,311	34,569
Interest Revenue		11,540	2,897
Direct Costs incurred in Receiving Revenues		(885,307)	(986,265)
Employee Expense		(423,562)	(448,502)
Depreciation Expense		(27,315)	(27,038)
Provision for Archive Restoration		0	9,443
Auditors Remuneration		(9,016)	(9,220)
Other Expenses from Ordinary Activities		(236,008)	(229,910)
Surplus from Ordinary Activities before Income Tax	2	73,841	119,838
Income Tax relating to Activities	12	-	-
Surplus from Activities		73,841	119,838

AUSTRALIAN RAILWAY HISTORICAL SOCIETY
NEW SOUTH WALES DIVISION
ACN 000 538 803
BALANCE SHEET AS AT 30 APRIL 2011

	<u>Note</u>	<u>2011</u> \$	<u>2010</u> \$
Assets			
Current Assets			
Cash & Cash Equivalents	3	420,088	316,252
Receivables/Prepayments	4	99,375	113,916
Inventories	5	134,949	150,378
Total Current Assets		654,412	580,546
Investments			
Investment advance to Rail Motor Society	6	15,000	18,000
Property, Plant and Equipment	7	2,019,999	1,891,205
Total Non-Current Assets		2,034,999	1,909,205
Total Assets		2,689,411	2,489,751
Current Liabilities			
Payables	8	208,031	215,144
Income in Advance	9	219,949	227,770
Provisions	10	94,500	94,500
Total Current Liabilities		522,480	537,414
Non Current Liabilities			
Mortgage	11	9,391	9,391
Total Non Current Liabilities		9,391	9,391
Total Liabilities		531,871	546,805
Net Assets		2,157,540	1,942,946
Members' Funds			
Reserves		1,001,639	860,886
Retained Earnings		1,155,901	1,082,060
Total Members Funds		2,157,540	1,942,946

The accompanying notes form part of these financial statements.

AUSTRALIAN RAILWAY HISTORICAL SOCIETY
NEW SOUTH WALES DIVISION
ACN 000 538 803
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 APRIL 2011

	<u>Notes</u>	<u>2011</u> \$	<u>2010</u> \$
Cash Flows from Operating Activities			
Receipts from Customers		1,953,831	2,282,223
Payments to Suppliers and Employees		(1,849,179)	(2,189,188)
Interest Received		11,540	2,897
Net Cash provided by Operating Activities	13	116,192	95,932
Cash Flows from Investing Activities			
Purchases of Plant and Equipment & Property		(15,356)	(29,272)
Repayment of Investment		3,000	3,000
Mortgage Advance/Repayment		0	0
Net Cash used in Investing Activities		(12,356)	(26,272)
Net Increase/(Decrease) in Cash Held		103,836	69,660
Cash at Beginning of Financial Year		316,252	246,592
Cash at End of Financial Year	3	420,088	316,252

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2011

	<u>Retained</u> <u>Profits</u>	<u>Capital</u> <u>Revaluation</u> <u>Reserve</u>	<u>Bequest</u> <u>Reserve</u>	<u>Capital</u> <u>Reserve</u>	<u>Total</u>
	\$	\$	\$	\$	\$
Balance 1 May 2009	962,222	688,622	31,544	140,720	1,823,108
Surplus attributed to Members	119,838				119,838
Balance 30 April 2010	1,082,060	688,622	31,544	140,720	1,942,946
Surplus attributed to Members	73,841	140,753			214,594
Balance 30 April 2011	1,155,901	829,375	31,544	140,720	2,157,540

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2011

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The financial report is a special purpose financial report that has been prepared in accordance with the Corporations Act 2001. The financial report is for the Australian Railway Historical Society New South Wales Division as an individual entity, incorporated and domiciled in Australia.

Basis of Preparation

The report has been prepared in accordance with the requirements of the Corporations Act 2001, and the following applicable Australian Accounting Standards and Australian Accounting Interpretations.

- AASB 101: Presentation of Financial Statements;
- AASB 107: Cash Flow Statements;
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors;
- AASB 110: Events after the Balance Sheet Date;
- AASB 1004: Contributions;
- AASB 1031: Materiality; and
- AASB 1048: Interpretation and Application of Standards.

No other Accounting Standards, Accounting Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

Reporting Basis and Conversions

The financial report has been prepared on an accruals basis and is based on historical costs. It does not take into account changing money values or, except where stated, current valuations of non current assets. Cost is based on the fair values of the consideration given in exchange for assets.

The following is a summary of the material accounting policies adopted by the entity in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Accounting Policies

a. Revenue

- Revenue from the sale of goods is recognised upon the delivery of goods to customers.
- Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.
- All revenue is stated net of the amount of goods and services tax (GST).

b. Inventories

- Inventories are measured at the lower of cost and net realisable value.
- Costs are assigned on first in first out basis and include expenditure incurred in acquiring the inventory and bringing it to its existing condition and location.

c. Property, Plant and Equipment

- Each class of property, plant and equipment is carried at cost or fair values are indicated, less, where applicable, accumulated depreciation and impairment losses.

Property

Freehold land and buildings are shown at their fair value based on periodic, but at least triennial, valuations by external independent valuers, less subsequent depreciation for buildings.

Increases in the carrying amount arising on revaluation of land and buildings are credited to a revaluation reserve in equity. Decreases that offset previous increases of the same class of asset are charged against fair value reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from the revaluation reserve to retained earnings.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including buildings and capitalised lease assets, but excluding freehold land, is depreciated on a straight line basis over the asset's useful life to the economic entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2011

Class of Fixed Asset	Depreciation Rate
Leasehold Improvements	33.3%
Plant and equipment	33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

d. **Impairment of Assets**

At each reporting date, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Income Statement.

Where the future economic benefits of the asset are not primarily dependent upon on the assets ability to generate net cash inflows and when the entity would, if deprived of the asset, replace its remaining future economic benefits, value in use is depreciated replacement cost of an asset.

Where it is not possible to estimate the recoverable amount of a class of asset, the entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

e. **Employee Benefits**

Provision is made for the entity's liability for employee benefits arising from services rendered by employees to Balance Sheet date. Employee benefits expected to be settled within one year together with benefits arising from wages, salaries and annual leave which may be settled after one year, have been measured at the amounts expected to be paid when the liability is settled plus related on costs.

Contributions are made by the entity to an employee superannuation fund and are charged as expenses when incurred.

f. **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

g. **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Cashflow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

h. **Income Tax**

No provision for income tax has been raised, as the entity is exempt from income tax under Division 50 of the Income Tax Assessment Act 1997.

i. **Provisions**

Provisions are recognised when the entity has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

j. **Comparative Figures**

Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

k. **Critical Accounting Estimates and Judgments**

The directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the group.

Key estimates – Impairment

The entity assesses impairment at each reporting date by evaluating conditions specific to the entity that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use or current replacement cost calculations performed in assessing recoverable amounts incorporate a number of key estimates.

The financial report was authorised for issue on 10 August 2011 by the board of directors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2011

Cash flows (used in),/provided by operating activities

NOTE 2: PROFIT

	<u>2011</u>	<u>2010</u>
	\$	\$
After charging the following as an expense:		
Depreciation and Amortisation	27,315	27,038
Remuneration of auditor — audit or review	9,016	9,220

NOTE 3: CASH AND CASH EQUIVALENTS

	<u>2011</u>	<u>2010</u>
	\$	\$
Cash at bank	418,888	315,052
Cash on hand	1,200	1,200
	420,088	316,252

NOTE 4: TRADE AND OTHER RECEIVABLES

	<u>2011</u>	<u>2010</u>
	\$	\$
Trade receivables	88,930	113,916
Prepayments	10,445	0
	99,375	113,916

NOTE 5: INVENTORIES

CURRENT (at cost)

	<u>2011</u>	<u>2010</u>
	\$	\$
Stock – Retail Publications	110,952	113,788
– Society Book Publications	23,997	36,590
	134,949	150,378

NOTE 6: OTHER ASSETS

INVESTMENTS

	<u>2011</u>	<u>2010</u>
	\$	\$
Rail Motor Society – Advance (interest free)	15,000	18,000
	15,000	18,000

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

	<u>2011</u>	<u>2010</u>
	\$	\$
PROPERTY		
Freehold Land and Buildings		
– Redfern – at directors' valuation	1,200,000	1,100,000
– Alexandria – at directors' valuation	800,000	759,247
	2,000,000	1,859,247
Leasehold Improvements		
– Rail Heritage Central Bookshop - at cost	59,678	59,678
Less amortisation	59,678	59,678
	0	0
PLANT AND EQUIPMENT		
Plant and equipment – at cost	127,775	112,419
Less accumulated depreciation	107,776	80,461
Total plant and equipment	19,999	31,958
Total property, plant and equipment	2,019,999	1,891,205

These notes form part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2011

NOTE 8: TRADE AND OTHER PAYABLES

	2011	2010
	\$	\$
CURRENT		
Trade payables	155,361	159,587
Employee benefits	47,670	48,557
Audit Fees	5,000	7,000
	208,031	215,144

NOTE 9: INCOME IN ADVANCE

	2011	2010
	\$	\$
Subscriptions Prepaid	219,949	227,770

NOTE 10: PROVISIONS

	2011	2010
	\$	\$
CURRENT		
Archive Records Restoration	46,500	46,500
Building Maintenance	48,000	48,000
	94,500	94,500

NOTE 11: NON CURRENT LIABILITIES

	2011	2010
	\$	\$
Mortgage Advance ANZ Bank (Secured over property at Alexandria)	9,391	9,391

NOTE 12: INCOME TAX

The Council of the Society is of the opinion that the Society is exempt from income tax under Section 50-10 of the Income Tax Assessment Act 1997. Tax effect accounting has not been adopted.

NOTE 13: CASH FLOW INFORMATION

	2011	2010
	\$	\$
Reconciliation of cash flow from operations with operating surplus after income tax		
Surplus after income tax	73,841	119,838
Non cash flows in profit		
Depreciation and amortisation	27,315	27,038
Changes in assets and liabilities		
(Increase)/Decrease in receivables/prepayments	14,541	25,307
Increase/(Decrease) in subscriptions prepaid	(7,821)	(237)
(Increase)/Decrease in inventories	15,429	(6,632)
(Decrease)/Increase in provisions	0	(9,443)
(Decrease)/increase in trade and other payables	(7,113)	(59,939)
Cash flows (used in),/provided by operating activities	116,192	95,932

NOTE 14: CAPITAL MANAGEMENT

Management control the capital of the entity to ensure that adequate cash flows are generated to fund its services to ensure returns are maximised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2011

NOTE 15: ENTITY DETAILS

The registered office of the company is:

Australian Railway Historical Society New South Wales Division
67 Renwick Street REDFERN NSW 2016

The principal place of business is:

Australian Railway Historical Society New South Wales Division Bookshop
Rail Heritage Central, Sydney Central Station, HAYMARKET NSW 2000

NOTE 16: MEMBERS' GUARANTEE

The entity is incorporated under the Corporations Act 2001 and is a company limited by guarantee. If the company is wound up, the constitution states that each member is required to contribute a maximum of \$20 each towards meeting any outstandings and obligations of the company. At 30 April 2011 the number of members was 1,389.

DIRECTORS' DECLARATION

The directors of the company declare that:

- A. The financial statements and notes, as set out on pages 13 to 22, are in accordance with the Corporations Act 2001:
 - i. comply with Accounting Standards and the Corporations Regulations 2001; and
 - ii. give a true and fair view of the financial position as at 30 April 2011 and of the performance for the year ended on that date of the company.
- B. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

MC Harper (Director)
Dated this 10th day of August 2011

SAMUELSON & GIACCA

PAUL C. SAMUELSON
B.BUS GRAD DIP(COMP) FCPA
JOHN GIACCA
B.BUS FCPA

CERTIFIED PRACTISING ACCOUNTANTS
136 Fitzmaurice Street, Wagga Wagga 2650

P.O. BOX 667
WAGGA WAGGA
PHONE: (02) 6921 4845
FAX: (02) 6921 5643

Independent Auditor's Report

To the members of Australian Railway Historical Society NSW Division

Report on the Financial Report

We have audited the accompanying financial report of Australian railway historical society NSW division, which comprises the balance sheet as at 30 April 2011, and the income statement, statement of changes in equity and cash flow statements for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial year

The directors of the disclosing entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting standards (including the Australian accounting interpretations) and the Corporations act 2001. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conduct our audit in accordance with Australian auditing standards. These auditing standards require that we comply with relevant ethical requirements relation to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

The audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entities preparation and fair presentation of the financial report 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 entities internal control. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

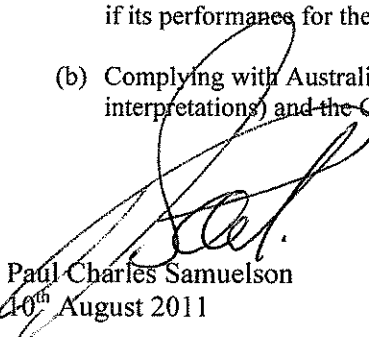
Independence

In conducting our audit, we have complied with the independence requirements of the Corporations act 2001. We confirm that the independence declaration required by the Corporations act 2001, provided to the directors of Australian Railway Historical Society NSW division on 10 August 2011, would be the same terms if provided to the directors as at the date of the auditors report.

Auditors Opinion

In our opinion the financial report of the Australian Railway Historical Society NSW division is in accordance with the Corporations act 2001, including

- (a) Giving a true and fair view of the disclosing entity's financial position as at 30 April 2011 and if its performance for the year ended on that date; and
- (b) Complying with Australian Accounting Standards (including the Australian accounting interpretations) and the Corporation Regulations 2001.

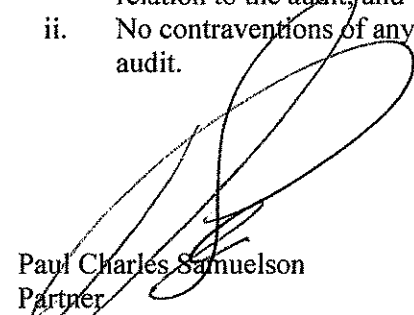

Paul Charles Samuelson
10th August 2011

Auditor's Independence Declaration

To the Board of Directors
Australian Railway Historical Society NSW Division

As auditor for the audit of the Australian Railway Historical Society NSW Division for the year ended 30 April 2011 I declare that to the best of my knowledge and belief, there have been:

- i. No contraventions of the independence requirements of the Corporations Act in relation to the audit; and
- ii. No contraventions of any applicable code of professional conduct in relation to the audit.



Paul Charles Samuelson
Partner
10 August 2011
Wagga Wagga