

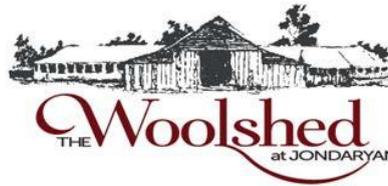


# THE Woolshed

at JONDARYAN

## Operating Model Option Analysis

Report | July 2022



This Jondaryan Woolshed Operating Model Option Analysis report was prepared by TRC Tourism.

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**ACKNOWLEDGEMENT**

We acknowledge the Indigenous peoples of the lands, waters and communities we work together with. We pay our respects to their cultures; and to their Elders – past, present and emerging.

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# Executive Summary

This project recognises the importance of the Jondaryan Woolshed for the local community, and the active involvement and significant role of volunteer groups who have made substantial contributions to the site.

In developing the recommendations for the future direction of the Woolshed, TRC Tourism conducted extensive community consultation to ensure that the views of these groups are accurately captured and represented.

The site has four distinct parts which together have the potential to continue the Woolshed's role as a focus for the community while providing facilities and experiences that will be attractive for visitors to the region.

Management arrangements for other similar facilities have been reviewed to determine what are the key factors for success. These have been used to assess a range of management options.



A comparative financial analysis has also been prepared to look at the financial implication of the options on Council, and on the success of the Woolshed as a community and tourism resource. A regional economic impact assessment has also been prepared and this shows a positive return on investment by Council to underpin the success of site operations and assets irrespective of the management model chosen.

While the analysis recognises several management models have been unsuccessful in the past, it recommends an **independent not for profit charitable entity** as the model with the most factors which have the potential to contribute to success.



# Introduction

Toowoomba Regional Council wants to better understand and activate the Jondaryan Woolshed to achieve the greatest benefits for the local community. This report investigates and analyses potential operating models and recommends a final model that best aligns with the value proposition of Jondaryan Woolshed.

## The Site

Jondaryan is a small rural township of approximately 385 people located in the Darling Downs region, Queensland. Jondaryan is situated 140 kilometres west of Brisbane and midway between the larger populations of Toowoomba and Dalby.

A major feature in the Jondaryan landscape and community, and a critical reminder of the region's pastoral history, the Jondaryan Woolshed (the Woolshed) was originally built as part of a significant grazing station in the early 1840's.

In the 1970s, a portion of the station was sectioned off and gifted to the Jondaryan community, marking the beginning of the site's purpose as a historical museum, heritage site, meeting place and tourism venue – as well as the longest continuously operating shearing shed in Australia.

Today the Woolshed is operated and managed by the Toowoomba Regional Council, with a site manager overseeing the site, and a large cohort of volunteers. It has a range of accommodation options including cabins and a caravan park and is a popular place for events and functions.

The site is currently closed to the public.

The site includes a substantial number of historical buildings from the surrounding areas that have been moved onto the premises, as well as buildings erected for storage, display pavilions, yards and machinery sheds.

Over the years, the Woolshed has hosted a large number of events and festivals, including the nine day Australian Heritage Festival (last held in 2012), Sunday brunches, the Draught Horse Expo and numerous other community events run by the St Anne's Church Guild, the local school and private weddings.

Volunteers have contributed significantly to the enduring survival of the Woolshed and its unique and important nature as a shared and treasured community asset. Various volunteer groups have operated at the site since it was handed to the Jondaryan community. Volunteer groups include the Friends of Jondaryan Woolshed, the Jondaryan Model Engineers and Live Steamers, the Machinery Area Volunteers, the Windmill Group and the general volunteers who contribute to the Damper Hut and facilities maintenance, amongst other activities.

While the Jondaryan Woolshed has experienced a variety of different owners and operating models over its long history, it has remained an important destination and the heart of the regional community.

The commitment to protect and preserve the history and integrity of the Woolshed for future generations has been unwavering.

This project is the next step in securing the future of this unique country icon.

## Heritage Listing

The Jondaryan Woolshed is classified as a heritage site of State significance.<sup>1</sup> The site was officially recognised on the state heritage register in 1992 for its historical importance as a mid-19th century example of Pastoral activities and manufacturing. The Woolshed is rare as a large and early woolshed believed to be one of the earliest surviving woolsheds in Queensland.

The strong association of the local community with the place contributes to its significance.

The Queensland Heritage Strategy recognises that ‘heritage places strengthen our communities. They are reference points that are testimony to a community’s story—and help distinguish its character.’<sup>2</sup>

The Heritage Strategy also recognises the opportunity and need to identify, develop and promote tourism and education experiences at heritage locations as part of the state’s cultural tourism offering.<sup>3</sup> Significant economic and social opportunities exist, particularly in regional locations, for those who conserve and manage heritage sites with adequate business and interpretation planning.



## Visitation

Until its closure in March 2020, the Woolshed drew visitors seeking to immerse themselves in the history of the wool industry, explore the Station Village and the historic buildings including a schoolhouse, homestead, blacksmith shop, Bank of NSW building, and the collection of machinery and related artifacts, many of which still function.

As well as these historical attractions, visitors could see animals at the animal nursery, visit the Woolshed Café, or enjoy traditional damper and billy tea at the Damper Hut.

The woolshed also operated as a events venue for weddings, functions and festivals, and on-site accommodation was available in the form of a caravan park, cabins, the Shearer’s Quarters and campsites.



<sup>1</sup> Queensland Heritage Register, Queensland Government

<sup>2</sup> The Queensland Heritage Strategy 2015-2025

<sup>3</sup> The Queensland Heritage Strategy 2015-2025

# Site History and Management Arrangements

Jondaryan Woolshed has long been a focus for the local community hosting community events during the Jondaryan Station days, through community ownership and to the present day.

## Brief History

### The Early Days

- The Jondaryan Woolshed was built in 1859-60, replacing a smaller woolshed built on the Jondaryan pastoral station, established in the early 1840s.
- 1946 Jondaryan Station was broken up at the conclusion of the Second World War.



### A Community Asset

- In 1972 the owners of the property gifted the Woolshed to the local community.
- 1970s and 1980s saw the establishment of the museum collection and the relocation of heritage buildings to the site.
- Active volunteering for management of the site and conduct of events including an iconic nine day Heritage festival.
- 1990s saw an expansion of activities, site open seven days.

### Jondaryan Council Management

- 2002 the site was transferred to the ownership of the Jondaryan Shire Council.
- Friends of the Woolshed formed in 2003.
- In 2008, local Council amalgamations form Toowoomba Regional Council.

### Toowoomba Regional Council

- A Council owned company (Jondaryan Woolshed Pty Ltd) was established to manage the site in 2010.
- On the request of the company, Council was asked to take over management in July 2021.
- The site is currently closed to visitors. A strong cohort of volunteers still engage with the collection and site.

### Future

- The site is highly valued within the local and regional communities that are naturally protective of and interested in the future of the Woolshed.
- Council are seeking new management arrangements.



## Management

Since being gifted to the community in the 1970s, the Woolshed has been through several management iterations. The following is based on information gleaned from Friends, former Board members and other individuals involved with the site.

The **Jondaryan Woolshed Historical Museum and Park Association** was formed in October 1976 to formalise the community management that was established when the Woolshed was offered, along with the surrounding 12 acres, to the community in 1972. The first constitution was based on that of the Sovereign Hill Museums Association. The Jondaryan Association went into administration in 2002 because of financial difficulties and was formally deregistered as a company in 2009.

This was a period during which the Woolshed was established as a tourist destination with the caravan park, machinery collection, and other buildings being relocated to the site. An annual Heritage Festival was started during this period and anecdotally this was initially a great success being conducted over nine days, with shearing, machinery and livestock displays.

The Heritage Festival was considered a success because it brought the community together with many former residents returning to participate and volunteer. Anecdotal advice is that 13,000 people attended the Festival in 1996. Reportedly the Festival made a profit which was used to subsidise other activities on the site, and off-site fundraising was also successful.

While this was a period of expansion and activity there was apparently a lack of control over the activities of the various volunteer groups, problems with security leading to loss of some valuable items, and a lack of focus on health and safety and the maintenance of assets.

In 1988 the Association purchased 100 acres of land across the creek with the idea that share farming could support the museum and other activities at the Woolshed. This was not successful and created financial difficulties.

Other festivals and events were introduced and while these were well attended they proved more expensive to operate. Participation in festivals at the site progressively declined, in part due to competition from festivals elsewhere, until none of the activities were profitable. Events were stopped in 2007.

Anecdotally there were too many Board members and the Board's focus on operational matters meant strategic issues were not addressed. The Board was made up of whomever was interested and there were no skills based appointments.

In 2002 the **Jondaryan Shire Council** took over management of the site and installed a site manager. In 2003 they established the **Friends of Jondaryan Woolshed Incorporated** which still operates today.

Initially the Friends were made up of former Board members and some of these are still involved.

This period has been characterised as a time of stagnation at the Woolshed with a number of business plans prepared but no investment in the site or significant action.

Despite this there are reports of significant spending on repairs and interpretation of the Woolshed at this time.

The site was operated with one full time staff member and part time catering and tour staff. To reduce costs the site was closed on Mondays and Tuesdays, and then for the month of February.

With amalgamations in 2008, Jondaryan Shire became part of the **Toowoomba Regional Council** and the Woolshed became the responsibility of the new Council.

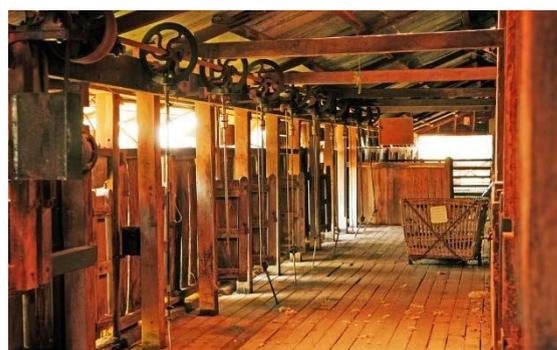
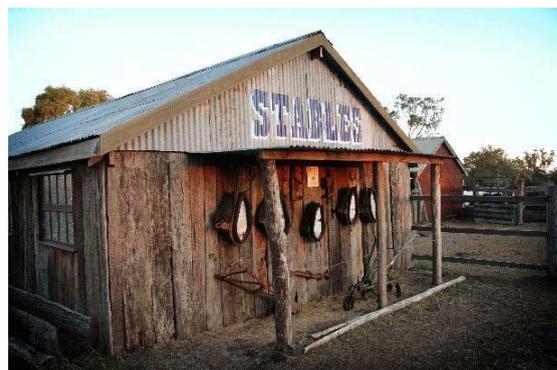
In 2010 Council established a new company, **Jondaryan Woolshed Pty Ltd**, to operate the site. This is a Council owned and controlled entity.

During this period the site was open most days and had a manager and 16 staff. Most Council funding was spent on the staff.

This Company has had several iterations including a period where the Board included senior Council staff who were appointed to address governance and to ensure adequate reporting to Council.

A new skills-based Board was appointed in 2018 however most of these subsequently resigned because of the health and safety, and asset maintenance risks facing the site and a perceived lack of support to address these issues by Council. Three Board members have remained. Council is now seeking voluntary deregistration of this entity.

Since 2020 Council has taken over direct management of the site and appointed a Site Manager.



# Site Constraints and Opportunities

The site can be thought of as four parts as shown in the image below:



## The Museum

This area to the northeast of the site contains 15 sheds and other structures that hold the museum collection including a steam driven sawmill and the windmill collection.

The area includes the Jondaryan Railway Station and a short loop of mini-rail track. No locomotives are currently operating at the site.

Some sheds are partially open or have mesh walls so the static displays inside are visible when the sheds are not open.

The area is flat and easily accessed along gravel roads.

There are numerous safety issues associated with the collection. These include issues for staff and volunteers working on the collection as well as for visitors accessing the site, especially when machinery is operating.

The use and display of heritage machinery is addressed in the National Heritage Machinery Association Safety Guidelines and the Association also provides advice and insurance cover for members.

Other asset related compliance and safety issues for the site as a whole have been addressed in a report to Council by real estate services firm Cushman and Wakefield<sup>4</sup>

While general site and visitor safety issues need to be addressed, they are not an absolute constraint on making the place a “living” museum of operating machinery.

The key issue with the Museum is that there is no clear goal or purpose for the collection and therefore no coherent narrative to communicate to visitors or students at the site. Queensland Museums could assist the Woolshed in developing a clear collection strategy and in curating and conserving the collection.

Once this is done the collection should be reorganised so that a shed near the main visitor hub at the Bank of NSW building can be made available for themed exhibitions. These exhibitions would rotate annually or perhaps at six-monthly intervals displaying a cross section of the collection to facilitate and enhance the telling of stories of early pastoral life and the development of agricultural industries in the region and Australia more broadly.

## The Village

The central part of the site along Darr Road includes around 20 buildings and other structures, most of which were relocated to the site from places generally within the area of the original Jondaryan Station.

The most prominent of these is the two storey Bank of NSW building, relocated from Oakey. This is the main visitor arrival point at the site and was the visitor centre prior to the sites closure in 2020.

The other buildings are aligned along a “street” however the activation of the area appears to have been done on an individual building basis, with school groups taken to the old schoolhouse, and dances and other activities at the community hall.

The Bank is accessed from the main entry gate via a sealed parking area and roundabout. Fencing is designed to prevent visitor access without passing through the building itself. While this arrangement is good for controlling access the fencing is unattractive and detracts from the “village street” of relocated heritage buildings. This precinct needs activation to be successful as a visitor attraction.

If the Bank is to remain as the main visitor hub and office it needs considerable renovation.

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<sup>4</sup> Cushman & Wakefield, Jondaryan Woolshed Condition Assessment, Sept 2021

## The Woolshed

This precinct includes the historic woolshed, attached café, chapel and function space as well as the gardens linking these facilities. This is the main venue for weddings, community and corporate events.

The café has a good commercial kitchen and is well linked to the main function space in the Woolshed and there is a good amenities block nearby.

The area is well presented and equipped for functions and events focussed on the historic woolshed.

It shares a separate access off Darr Road with the caravan park.

## Caravan Park

Adjacent to the Woolshed at the southwest of the site is the caravan park. It has around 60 powered sites and more than 100 unpowered sites, including attractive locations along Oakey Creek.

Facilities include an amenities blocks with hot showers, two heritage shearers quarters with basic rooms, and two cottages providing accommodation. There is also an historic camp kitchen which is in poor condition and needs upgrading or replacement.

Most of the powered sites are available as drive through sites; these are popular for larger caravans and fifth wheelers.



## Site Potential

There are asset maintenance matters that need to be addressed and an asset strategy is required once strategic plans for the collection and tourism product development is undertaken.

The Woolshed and Caravan Park have good commercial potential and can easily be marketed to complement each other.

The Woolshed has been a popular venue for weddings and this market could be readily restarted, although with typical long lead times for these functions it may be six to twelve months before they fill the weekend calendar at the site.

Other functions and events using the Woolshed and caravan park should be able to return an operating profit.

Linking the café with catering for functions would underpin the business and give secure and profitable returns to offset the uncertain trade from walk-in customers. Have regular opening hours, even if they are limited to weekends, would give the certainty required for potential customers to make the trip out to the Woolshed knowing there is a food and beverage offer available.

The location of the caravan park adjacent to the Museum and Village gives the destination an attractive point of difference even when those facilities are closed to the general public. Allowing guests to walk around the site to view the buildings and the collection and providing app based or static interpretation would provide an activity and point of interest for caravan park visitors at any time of year.

The Museum and Village are a greater challenge for creating an enjoyable visitor experience. While a passive viewing and interpretation of these areas is possible this is unlikely to justify an entry charge.

Value added experiences such as themed and curated displays of selected items from the collection and guided tours would enhance a visit and could attract a charge. Having a food and beverage and retail offer on site would further enhance this level of experience. Greater activation including operating machinery displays and Village events and heritage themed presentations and exhibitions would be of interest to a wide range of people and could generate significant visitation to the site. These types of initiatives would require significant investment in planning, promotions and marketing, site establishment, employment and management of volunteers.

This higher level of activation could be focussed on a single annual event such as the nine day Heritage Festival which traditionally occurred in early spring. Timing this in school holidays would maximise its potential. This would provide a focus for volunteer activity and re-establish Jondaryan Woolshed as a must visit site.

Planning and coordinating such a large annual event would require at least one full time position working year round, plus a small team during the months leading up to and through the event; in addition to a large volunteer workforce.

The site has great potential for school activities linked to the curriculum at both primary and secondary levels. Management would need to develop resources and identify how excursions at the site meet curriculum requirements. There is also potential for trade skills training classes to be conducted at the site.

# Visitation to the Region

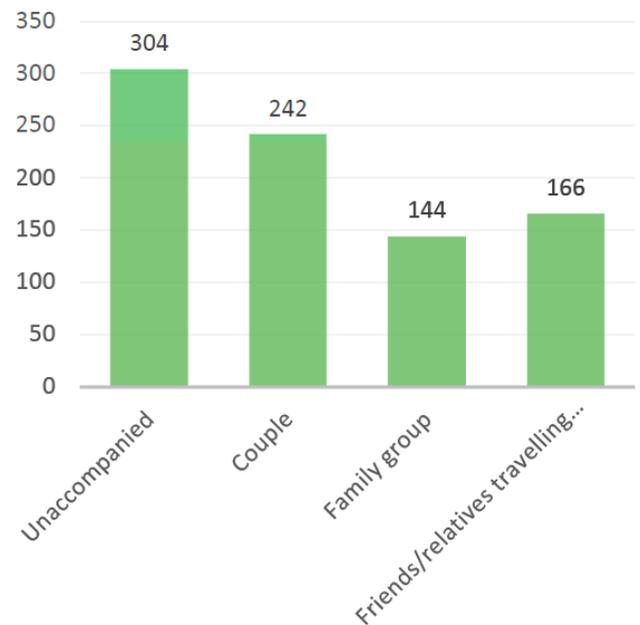
This section summarises existing visitation to the region and discusses the potential of heritage and other specialised tourism activities relevant to Jondaryan Woolshed.

## Visitation

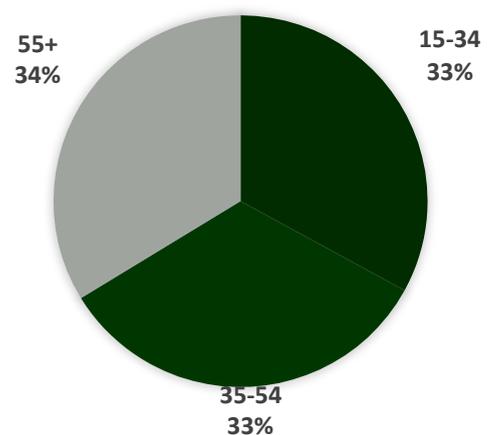
Because TRA data averages over a four year period we have accessed pre-Covid data from 2019 to provide a more realistic picture of visitation to the region.

Region	Toowoomba LGA (YE 2019) <sup>5</sup>	Southern Country Queensland (YE 2019) <sup>6</sup>	Southern Country Queensland (YE 2021) <sup>7</sup>
Domestic Overnight Visitors	928,000	2.2 million	2.1 million
Average Length of Stay	2 nights	2.7 nights	3 nights
Average spend per night	\$156	\$137	\$126
Total nights	2.2 million	5.9 million	6.2 million
Reason for travel (Visitor numbers)	Holiday: 204,000 Visiting friends and relatives: 454,000 Business: 187,000 Other: 85,000	Holiday: 642,000 Visiting friends and relatives: 898,000 Business: 522,000	Holiday: 734,000 Visiting friends and relatives: 770,000 Business: 421,000

**Figure 1.** Toowoomba LGA Travel party - Domestic Overnight Visitors (000)



**Figure 2.** Toowoomba LGA Age group - Domestic Overnight Visitors



<sup>5</sup> Toowoomba LGA, 2019 TRA Visitor Data

<sup>6</sup> Tourism and Events Queensland, *Southern Queensland Country Regional Snapshot: Year Ending December 2019*.

<sup>7</sup> Tourism and Events Queensland, *Southern Queensland Country Regional Snapshot: Year Ending December 2021*.

## Accommodation Analysis

An analysis of the visitor accommodation in the Jondaryan area has been conducted to understand local supply.

Accommodation provider	Accommodation type	Location	Room/site numbers
Kellys Motel Oakey	Motel	Oakey	11
Oakey Motor Inn	Motel	Oakey	16
Park House Motor Inn	Motel	Oakey	8
Oakridge Motel Tourist Park	Motel/Camping/Caravan	Oakey	Unknown / Large Number of Sites
Oakey Motel	Motel	Oakey	Approx 20
Glen Iris Cottage	Airbnb – self-contained	Kings Siding	1
Original Biddeston School	Airbnb – self contained	Linthorpe	1
Kiambram Country Cottages	Bed and Breakfast	Glecoe	3
Bowenville Reserve	Free camping/caravan	Bowenville	30 sites

## Occupancy data

Conditions in Queensland's accommodation sector have improved compared to twelve months ago as restrictions on interstate (December 2021) and international (February 2022) travel has eased. Southern Queensland Country has reported stronger or steady levels of Occupancy, ADR (Average Daily Rate) and Revenue per Available Room compared to February 2019.<sup>8</sup>

## Drive Tourism

Tourism and Events Queensland publicise several self-drive routes throughout the state, a number of which pass directly through Jondaryan township and represent a market opportunity for the Woolshed.

*The Warrego Way* (1578 kilometres, Brisbane to Birdsville) and *The Adventure Way* (1,100 kilometres, Brisbane to Innamincka) both include the Woolshed as a key destination and stopover location on their route itineraries.

Drive tourists want clean amenities and good services in an attractive and interesting setting. Experiencing the heritage and stories of Jondaryan Woolshed would enhance their stay at the site.



<sup>8</sup> Queensland Tourism and Events, Queensland Accommodation Report February 2022

<sup>9</sup> Successful Tourism at Heritage Places 1999, Australian Heritage Commission.

## Heritage Tourism

Heritage sites help visitors to understand Australia's past, the landscape, and the characteristics that make Australia what it is today. Tourism and heritage places have the potential to coexist very successfully and deliver real benefits for the local community and visitors alike, particularly where:

- The importance of the heritage place is recognised
- The heritage site is looked after
- A mutually beneficial partnership is developed
- Heritage issues are incorporated in business planning
- There is an investment made in people and place
- A high-quality visitor experience is provided
- Indigenous rights and obligations are respected.<sup>9</sup>

## Domestic Heritage Tourism Market

Arts and culture visitors represent a significant domestic market in Australia. In 2019, Australians took almost 15 million day trips to participate in arts and cultural activities, spending \$1.9 billion. Within this category of traveller, the most popular activities undertaken were attending museums and art galleries (51%) and history and heritage sites (39%).

## International Heritage and Regional Tourism Market

More than 8.5 million international tourists came to Australia in the year to March 2019 of which over 4.5 million (53%) engaged with culture, heritage and the arts while here. The two main activities - *Visit history/heritage buildings, sites or monuments* and *Visit museums or art galleries* – accounted for 60 per cent of the cultural activities undertaken in the year to March 2019.<sup>10</sup>

<sup>10</sup> Harnessing one of Australia's Fastest-Growing Tourism Segments

This is a significant and growing market, however, it is unlikely that the Jondaryan Woolshed will attract a significant number of international visitors as we know that these markets predominantly visit cities, and where they do travel to regional areas, these tend to be centred around cities and major regional hotspots, such as the Great Barrier Reef and Uluru.<sup>11</sup>

The international visitors most likely to visit regional Australia are family road trippers, and traditional market Gen Y and Z on their first trip to Australia. For international markets, visiting regional destinations is most likely to be driven by a desire to spend time with friends and relatives, as well as an interest in nature-based and outdoor activities and the desire to tick off the bucket list items.

### Heritage Tourism in the Toowoomba Region

Toowoomba and Southern Country Queensland has a rich history and a strong offering of heritage attractions. Museums, historical villages and heritage centres in the region include:

- Cobb+Co Museum, Toowoomba
- Chinchilla Historical Museum
- Crows Nest Museum and Historical Village
- Laidley Pioneer Village and Museum
- Miles Historical Village Museum
- Pioneer Park Museum
- Transport and Main Roads Heritage Centre
- Pittsworth Pioneer Historical Village
- Milmerran Museum
- Highfields Pioneer Village.

The Toowoomba Heritage Self-Drive Tours take in historical landmarks and iconic locations in Toowoomba city itself, however, the Woolshed is outside the physical scope of these drive tours.

The Southern Queensland Country tourism marketing website includes Jondaryan as a listed town, with the Woolshed only briefly mentioned as an associated historical destination.

Heritage focussed visitors are seeking genuine and realistic insights into our history and past way of life and enjoy experiences that actively bring these stories to life rather than just static displays and information.

### Dark Sky Tourism

Destinations away from cities and towns have the potential to attract people interested in astronomy and the night sky.

Locations with significant facilities such as the Woolshed could host special interest groups for multi-night activities. While night sky interpretation would also enhance regular visits by caravanners or those attending events and functions.

Facilities design needs to carefully consider light spill and the “big sky” potential in the flat lands of the site.

Many of these enthusiasts are avid photographers who enjoy the juxtaposition of astronomical phenomena with heritage buildings and features.



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<sup>11</sup> Understanding Visitor Regional Dispersal in Australia 2019, Austrade Deloitte.

## Opportunities at Jondaryan Woolshed

The Woolshed has the potential to attract tourists undertaking driving holidays as well as those with a special interest in heritage and the night sky. Marketing and promoting the Woolshed in coordination with other heritage and dark sky destinations will be important in achieving and maintaining visitation.

There is also potential to attract coach tours to the site and this can be facilitated by providing good parking and coach driver facilities and promoting hosted experiences at the site along with food and beverage.

Creating enhanced experiences at the site has the potential to attract day visits from adjacent towns. There is also potential to attract overnight visitors to Jondaryan as a destination for functions and events as well as those who are passing through the region.

These activities have the potential to capture both additional length of stay and spend in the region.

Visiting friends and relatives is the main purpose for more than a third of visitors to the region. This means it is important that locals are aware of and have enjoyed experiences at the Woolshed so they encourage their visiting friends and relatives to also visit the site.

Department of Education, Queensland Museums, and Southern Queensland Country Tourism can all provide advice and support to assist site management develop and promote new products and experiences at the site.



# Stakeholder Discussions

A wide range of stakeholders has been consulted including:

- Volunteers and Friends of Jondaryan Woolshed
- Former Board and Committee members
- Local community members
- Government and tourism representatives
- Councillors, Council management and staff.

A list of stakeholders we talked with is at Appendix A.



From these we gained a picture of the history of the place and its governance at various times and heard a range of views about the success or otherwise of the various management models operating at different times.

While these discussions were focussed on the current task of considering management options we also heard numerous observations and ideas about the constraints and opportunities of the place and these will benefit considerations for a future Business Plan for Jondaryan Woolshed.

It is clear from these discussions that the Jondaryan Woolshed is of great significance to the local community as a community resource and venue that has been in use not only for the 50 years under public ownership but also before that when it was privately owned. The Woolshed has long been a place to gather, celebrate and present their community through festivals and events.

The Woolshed is the focus of many years of volunteer investment, probably amounting to many thousands of person years given to the place. This underpins its community significance. Volunteers have been involved in all aspects of the site's establishment and operation, including the relocation of buildings on to the site, establishing the museum collection, maintenance activities, tours and visitor focussed activities, food preparation, events and grounds maintenance.

Comments and feedback have noted that while there has been periods of growth and success on the site, its governance has been problematic at times. Members of the original Association Board noted there was a focus on detail rather than on strategy and that this led to a lack of planning for the future. This Board was made up of enthusiastic individuals with the time to be involved and at one point included 13 members and this impacted on its ability to operate effectively. While this Board had a range of skills they were not necessarily sufficient to cover the range of considerations required to successfully manage the site.



The decision to purchase additional lands for a share farming operation was seen in hindsight as a mistake. This involved a loan and servicing this debt eventually led to the Association being insolvent and going into receivership.

Despite these shortcomings the Association oversaw what most considered as the most successful period of the Woolshed over the 20 year period from the mid 1970s.



While the feedback recognised both Councils had invested financially, and the site continued to be perceived by community members as successful many felt there has been little interest and commitment by Councils with the site generally viewed as a liability.

There are strong feelings and attachment to the Woolshed and many people spoke fondly of their involvement and memories of being involved, or just visiting the site as school children, and for family and community events.

Comments also spoke about the lack of clear strategy and direction, minimal site maintenance and negligible management of volunteer groups.



Some stakeholders felt strongly that the site should be run independently of Council to allow it to be managed flexibly and respond to changes in the market, as well as being an attractive entity to receive donations and galvanise volunteer effort.

Most discussions reflected great enthusiasm for the future of the Woolshed and a strong belief in its ongoing relevance as a community focus and as a place to experience the pastoral history of the region.

Most stakeholders are aware of the significance of the ongoing volunteer involvement in the site and the significant resource these individuals comprise. Volunteers we spoke with are keen to maintain their involvement and work to attract new volunteers at the site. They recognise the importance of the Friends in coordinating and representing the interests of volunteers with management.

Current site management is viewed positively by most people we spoke with.



## Case Studies

Australia is home to a wide range of cultural and historical institutions that tell the story of Australia's heritage. These institutions vary in size and scale, in purpose, in subject matter and in their governance and management arrangements.

We have selected case studies to explore the governance and management arrangements of places considered successful destinations at a range of scales and ownership arrangements.

These case studies demonstrate that all sites, regardless of size, location and visitor numbers, rely on additional financial support beyond revenues from operating activities such as entry fees, retail sales, food and beverage sales, tour products etc. For sites managed directly by local government this additional support comes from direct budget expenditure, and for sites managed by independent charitable organisations from grants and donations.

These additional financial supports are necessary to underpin the cost of operations in providing non-commercial and community service aspects of the products and experiences (such as school activities and community events) as well as asset maintenance of the facility and associated heritage items and buildings.

Successful case study sites have strong governance and strategic planning frameworks. Many boards have a clear skills-based makeup with these either being incorporated into the entity's constitution or being implemented as a policy in board terms, turnover and the selection of directors.

Recognising the appropriate range of skills required to ensure the board has an adequate range of competency and experience is associated with success. In particular having corporate networks appears to be especially important for entities relying on corporate and philanthropic donations.

Successful case studies also have a clarity of purpose expressed through a clear vision and statement of organisational purpose expressed in a constitution as well as appropriate strategic and operational plans which allow management to make day to day decisions in a well-considered manner.

These are summarised below with further detail set out in Appendix B.

### **Qantas Founders Museum**

The Qantas Founders Museum tells the story of Qantas from the early days in Outback Queensland to present day. Displays present the founding figures of Qantas, life in Outback Queensland in the 1920s and the advancement and impact of aviation in Australia and the world.

Qantas Founders Museum is in Longreach, a rural centre with a population of 2,970 people and birthplace of the iconic Qantas Airline.

The museum is a registered charity, but not entitled to receive tax deductible gifts.

The Trustee to the Qantas Foundation Memorial Trust, trading as the Qantas Foundation Memorial (QFM), is the parent company of Qantas Founders Museum with the purpose to “To preserve the history and innovatively present the story of Qantas and its Founders.” The Museum is governed by a ten person Board and has 7 FTE Staff<sup>12</sup>.

#### **Financial details**

The museum receives an annual donation from Qantas Airways Ltd but operates independently.

Revenue From Ticket Sales and Tours: \$1,731,563

Revenue from Grants/Sponsorships: \$7,487,190

Donations: \$58,524

Expenses: \$2,617,339

Profit: \$7,321,182<sup>13</sup>

Total Visitors: 50,000<sup>14</sup>

Average Revenue per Visitor: \$34.60 per person

### **Stockman’s Hall of Fame and Outback Heritage Centre**

The Australian Stockman’s Hall of Fame and Outback Heritage Centre is Australia’s premier outback heritage institution, which opened in 1988 in Longreach, Queensland.

The Centre is operated without ongoing government assistance, and operations and maintenance are funded through admissions, sales of souvenirs, catering, membership subscriptions, sponsorships and donations. The Centre features the Stockman’s Life live show, cinema, café, museum galleries and retail shop.

The museum is endorsed as a Deductible Gift Recipient (DGR) and charity and operated as a public company, limited by guarantee. The Board must have no less than seven, but not more than ten directors. The staffing numbers are undisclosed but estimated at 20 FTE.

#### **Financial Details**

Revenue From Ticket Sales: \$1,227,043

Grants Recognised as Income: \$10,835,554

Donations: \$35,395

Job Keeper Subsidy: \$238,843

Cashflow Boost Subsidy: \$100,000

Other Income: \$16,825

Expenses: \$3,018,115

Profit: \$9,435,545<sup>15</sup>

Average Revenue per Visitor: \$27

Total Visitors: 45,000<sup>16</sup>

<sup>12</sup> Qantas Foundation Memorial Annual Information Statement 2020

<sup>13</sup> Qantas Foundation Memorial Consolidated Financial Statements 2020

<sup>14</sup> INQLD Article “Fears that Qantas Museum in Longreach may not reopen”

<sup>15</sup> ASHOF Financial Statement 2021

<sup>16</sup> pers comm, Qld Country Tourism

## The Australian Age of Dinosaurs Museum

The Australian Age of Dinosaurs (AAOD) museum hosts the world's largest collection of Australia's largest dinosaur fossils, and is located in Winton, Queensland, a township of just under 1,000 people. The museum was established in 2002 and moved to its current location in 2009. The vision for the museum is a world-class natural history museum for all Australians.

The Museum's main income is from tour ticket sales, the Shop and Café, the Journals and memberships, donations, sponsorship, the Prep-A-Dino and Dig-A-Dino programs, and the Museum also applies for grants towards capital project costs.

The AAOD is a Company Limited by Guarantee and its membership is Australia-wide.<sup>17</sup> AAOD is a registered Income Tax Exempt Charity (ITEC) and Deductible Gift Recipient (DGR). The Museum has approximately 31 staff and the Board is limited to ten directors, preferably with half local to the region, and half from other areas of Australia. The directors do not receive any remuneration in their capacity as directors of the company.<sup>18</sup>

### Financial Details

Revenue From Ticket Sales 2020:  
\$1,225,251

Grants: \$4,609,418

Donations: \$106,539

Expenses: \$1,859,249

Profit: \$4,733,425<sup>19</sup>

Average Revenue per Visitor: \$33 per person

Total Visitors: 36,962 to the Museum

## Waltzing Matilda Centre

The Waltzing Matilda Centre is operated by the Winton Shire Council and is located in Winton (population 1,000). The centre tells the story of Waltzing Matilda and the history of the region through exhibitions and art galleries, and also boasts a popular café.

The Waltzing Matilda Centre incorporates a light and sound show, and also incorporates the Qantilda Pioneer Place Museum, which celebrates the achievements and lifestyle of Winton's pioneers. Also housed in the complex is the Outback Regional Gallery, which has an attractive program of competitions, individual and touring exhibitions.

The centre is endorsed as a Deductible Gift Recipient and charity.

*Number of Staff: 1 Fulltime, 2 casual, 1 trainee*

The Board of the Waltzing Matilda Centre has two functions: the management of the trust fund associated with the Centre, and to provide advice to the Winton Shire Council to maximise benefits to the community. In 2021, the Board of Directors consisted of ten members.

### Financial Details

Waltzing Matilda Centre in 2021<sup>20</sup>

Revenue From Ticket Sales: Undisclosed

Grants: \$125,000

Donations: \$33,487

Expense: \$145,757

Profit: \$12,800

Total Visitors: 26,400



<sup>17</sup> Australian Age of Dinosaurs Museum 2020 Annual Report

<sup>18</sup> Australian Age of Dinosaurs Museum Annual Report 2020

<sup>19</sup> Australian Age of Dinosaurs Museum Annual Report 2020

<sup>20</sup> Waltzing Matilda Centre Statement of Financial Position 2021

### **Beaconsfield Mine and Heritage Centre**

The Beaconsfield Mine and Heritage Centre is in Beaconsfield, Tasmania which has a population of 1,300 people. The museum is a major destination for northern Tasmania, containing interactive experiences and a collection of over 10,000 artefacts that allow visitors to enjoy and appreciate the history of Beaconsfield and the Tamar Valley.

The centre is a local government entity and is not endorsed as a Deductible Gift Recipient (DGR) or as a charity.

The Centre is managed by the Heritage Centre Coordinator employed by West Tamar Council. The Centre is operated by one full time staff member and six part-time staff, with approximately 30 volunteers to assist with maintenance, tours, bookings and queries.

The West Tamar Council provides financial support for the Museum, as well as being financially responsible for maintenance.

#### **Financial Details**

In 2021, the average spend per person on merchandise was \$6.63 for a total of \$173,672.

Revenue from door sales achieved \$265,843.

Average revenue per visitor = \$16.70.

Visitor numbers 2020/2021: 26,194



### **Miles Historical Village Museum**

The Miles Historical Village Museum is a replica of a Queensland rural pioneer settlement. It was opened to the public as a museum in 1971, and currently consists of 34 buildings of which 15 are genuine original structures, 10 are replicas and 9 are purpose built. The museum collection includes an original streetscape, a war museum, lapidary display, shell collection, steam trains, and an exhibition on the Great Artesian Basin. The Museum is co-located with a visitor information centre operated by the Western Downs Regional Council.

Miles is located 3.5 hours inland of Brisbane and offers visitors two free camp sites.

The Museum is endorsed as a Deductible Gift Recipient (DGR) and charity, operated and governed by the Miles & District Historical Society, a not-for-profit, community run organisation. The Museum receives some funding from the Western Downs Regional Council but is otherwise independent from the Council. The Miles & District Historical Society is governed by a committee, and there is no board.

The Museum employs 6 casual staff (2 FTE) and has an estimated number of 70 volunteers.

#### **Financial Details**

Revenue From providing goods or services: \$154,980

Other Revenue (donations): \$17,989

Government Grants: \$72,420

Other Income: \$1,588

Total Income: \$246,976

Expenses: \$326,934

Operating Profit: (\$79,957)

Visitors: 15,000-20,000.<sup>21</sup>

<sup>21</sup> Conversation with Western Downs Regional Council  
6/06/2022

## Sovereign Hill

Sovereign Hill is a museum presenting the story of Ballarat as a goldrush boomtown. Covering 15 hectares of a former gold mining site, Sovereign Hill's Outdoor Museum brings the gold rushes to life through a living township with diggings, underground mines, costumed characters, coach rides and 1850s shops, trades, schools and dwellings.

The Purpose of the museum is 'connecting people through our history to adapt for a better future.'<sup>22</sup>

Sovereign Hill is in Ballarat in Victoria which has a population of 101,588 people.

Sovereign Hill is a major destination in the region. The Outdoor Museum enjoys international renown as a living museum featuring rare trades, working machinery and exhibits, costumed interpreters and visitor participation.

The centre is endorsed as a Deductible Gift Recipient (DGR) and charity. Sovereign Hill is a not-for-profit, community-based, cultural tourism organisation administered by The Sovereign Hill Museums Association. The Association is controlled by a Board, which is elected by members of the Association, and serves in a voluntary capacity.

The Board monitors Sovereign Hill's progress against the goals and objectives set out in the Corporate Strategic Plan and reports to Members at the Annual General Meeting of the Association. They also assist the CEO with the task of capital fundraising to underpin the Association's long-term financial viability

The estimated number of volunteers stands at 145, with 190 FTE staff.<sup>23</sup>

## Financial Details

Revenue From Ticket Sales: \$5,447,088

Sale of Goods: \$4,249,119

Rents and Commission: \$178,958

Other Revenue (donations and accommodation): \$2,792,424

Interest and dividends received: \$279,535

Government Grants: \$10,894,173

Other Income: \$28,772

Employee Benefits Expense: \$ 12,414,571

Depreciation: \$5,886,638

Cost of Sales: \$1,100,353

Other Expenses: \$692,218

Operating Profit: (\$1,497,161)

Total Visitors: 450,000

Average Revenue per Visitor: \$21.50 per person<sup>24</sup>



<sup>22</sup> The Sovereign Hill Museums Association Limited Annual Report 2020-21

<sup>23</sup> Sovereign Hill Annual Information Statement 2021

<sup>24</sup> The Sovereign Hill Museums Association Limited Annual Report 2020-21

The Council owned businesses of the Empire Theatre and Toowoomba Surat Basin Enterprises were also reviewed.

## Empire Theatre

The Theatre was identified as a successful operation by many of the people we spoke with.

There is a large volunteer workforce, active Friends group and the Empire Theatres Foundation, and these underpin the success of the place by providing front of house and ushering services and through fundraising as a tax deductible gift recipient.

Council owns the Theatre and is responsible for all asset maintenance. There is a 10 year asset strategy for the complex. Some contributions to asset enhancements come from fundraising by the Friends and the Foundation.

The Empire Theatres Pty Ltd is a Council owned and controlled entity. It manages the complex to a strategic plan and reports quarterly on key performance indicators.

Council also provides operational funding for community service obligations such as schools and community events however all other activities are conducted on a full commercial basis.

We understand that support for this facility is generally supported by Council and the broader community.

## Toowoomba Surat Basin Enterprises

While TSBE does not manage and operate a facility its structure and reporting arrangements provide a successful example of a Council owned and controlled entity.

It has a volunteer skills based Board that also includes the Mayor and CEO as ex-officio members.

Each year there is a turnover of about one third of the Board, and In considering new members the Board develops a skills matrix and targets recruitment to ensure a balance of skills across the Board.

There is a strategic plan that is reviewed every two years. The Board meets every two months and reports to Council against defined performance indicators on a quarterly basis. There is an annual audit and annual reporting.

There are subcommittees covering the main areas of the organisation's activities including finance, health, food and agriculture and energy.

# Potential Management Models

In considering the case studies of similar types of heritage, tourism and community facilities and tourist attractions, as well as the unique circumstances of the Jondaryan Woolshed in its local and historical context, a number of key factors for success have been identified.

## Key Factors for Success

These can be summarised as independence, governance, and resourcing.

### Independence

Successful organisations need flexibility to be able to respond quickly to changes in the market and other external factors which affect the attitude of community, decision making by visitors, and other externalities which can impact on the number of visitors and the potential yield per visitor.

Management needs certainty about organisational priorities and the ability plan beyond annual budget cycles, preferably free of the conflicting demands and priorities inherent in being part of a larger organisation.

Entities need to be able to enter into partnerships and be reliable long-term partners who can honour commitments (financial and other) and make and meet guarantees of service delivery. These arrangements are essential when entering into agreements such as joint ticketing of heritage experiences across the region, agreements with tour and coach companies who take bookings several years in advance, and national and international wholesalers with long lead times for developing their products.

Entities need to be able to enter into wages and salary agreements with their staff which while meeting State and National award requirements are appropriate to their circumstances. This is especially relevant for not for profit and charitable entities.

Independent entities need to be able to access grants and donations to cover the shortfall between operating revenues and their total expenditure commitments in operating recreational and tourism services, maintaining heritage values and providing educational and community benefits.

Some potential donors are resistant to gifting money to government entities.

To secure these philanthropic contributions, entities ideally need to be eligible for charitable status and as a tax-deductible gift recipient.

While many heritage and other State and Australian government grants are available to local government, there are a larger range of grants available to independent entities.

### Governance

An independent entity responsible for Jondaryan Woolshed would need skills at the Board level to include directors with a background, networks and experience in business, tourism and heritage. Directors need to operate at a strategic level.

Local community representation is also essential to ensure decision making takes into account local needs and expectations. The makeup of a Board would also need to recognise the significant and essential contribution of the Friends and volunteers in the operation and presentation of the site.

Governance and management of the site needs to support the Friends and volunteer input to the success of the site and include a volunteer coordinator resource (or team) to support, coordinate and facilitate the volunteer effort.

A clear vision and statement of purpose for the place is fundamental to success and this needs to be enshrined into the constitution and strategic planning for the Woolshed. Specifically, a collection and curation strategy, a visitor experience and interpretation plan, a site spatial master plan and an asset strategy need to be developed and incorporated into an all-encompassing business plan that sets out the staging and financial plan for the place.

Governance must also include clear measures of success defined as key performance indicators and incorporating a monitoring and reporting framework for regulators and the owners, whether they be Council, shareholders, members, volunteers or other donors or contributors.

Reporting is particularly important for entities relying on voluntary contributions whether by time or money.

## Resourcing

Organisations need reliable and ongoing funding to underpin asset maintenance and community services.

Currently Council owns the asset and has liability for its maintenance backlog, compliance with statutory requirements and ongoing asset management. The compliance backlog has been documented in a recent report and estimated at a minimum of \$5.3m<sup>25</sup>, however Council analysis of that report has concluded the liability is probably closer to \$7m. Further asset maintenance and upgrades will be required to meet the needs of future uses.

Given the site's heritage status it may have a negative market value and transfer of these responsibilities to another entity may entail a payment by Council to divest itself of these liabilities.

Support will be required to rationalise the purpose and management of the museum collection and heritage assets and for marketing

and promotion of the destination in its regional context.

Irrespective of future management arrangements the site is eligible for support from Southern Queensland Country Tourism and Queensland Museums for support advice and expertise for marketing, promotions and curation and management of the collection. Some of these services will come at a price which will be either capital or ongoing operational costs.

## Potential Management Arrangements

The case studies demonstrate a range of management arrangements, and these include:

### Council direct management

At these sites local government directly manages the site as part of their core operations. Staff are Council employees. Generally only visitor services roles fully employed within the facility are counted against the facility. These "attraction" services generally occur in combination with more general visitor information functions. Functions such as cleaning, asset maintenance and other operations and administrative support are integrated into mainstream Council budgets.

These sites are generally considered revenue centres based on income from entry fees, retail sales and other operational revenues without considering the full commercial costs required to facilitate these.

In these examples it is difficult to separate the performance of these sites independently of general Council finances.

In the case of Jondaryan Woolshed there are some areas of the operation (such as venue management and the caravan park) that have the potential to be profitable, however management of the site overall will rely on asset

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<sup>25</sup> Cushman & Wakefield, Jondaryan Woolshed Condition Assessment, Sept 2021

management and community service being supported by Council.

### **Council owned but independent entity**

The Empire Theatre is an example of this where Council retains ownership of, and responsibility for, the asset and the entity operates the asset.

This has the benefit for Council of maintaining a level of control and visibility over its expenditure as the owner of the entity. The degree of success will be related to the clarity of purpose, quality of board appointments and funding and other agreements between the entity and Council.

Under this arrangement a separate entity would need to be established as a not for profit eligible to be a tax deductible gift recipient to be eligible for donations and to be a focus of volunteer effort. This could be a reconstitution of the existing Friends entity.

### **Independent community entity**

Many of the case studies are independent not for profit companies with charitable and tax deductible gift recipient status.

The transfer of the Woolshed from Council to an independent entity may be complicated by the need to also recognise the liability that is being transferred from Council to the entity. While parts of the existing operations have the potential to be profitable there is an asset liability which would impact on the starting position of the new entity. If this is not supported Council would risk the new entity failing and the site being again returned to Council management.

If Council made a significant payment to support the establishment of a new entity it would need to ensure these funds were spent as intended and therefore would retain an interest in the management of the site until this allocation was acquitted.

An independent entity has all the advantages of its status but would need to ensure the clarity of purpose and quality of board appointments

required for success under other management arrangements.

### **Independent commercial entity**

This would involve the sale or transfer of the site to an existing or new for-profit entity.

This transfer at a zero or negative value would potentially be controversial and subject to restrictions of Queensland Government asset disposal processes.

This model would have many of the benefits of an independent and flexible and focussed governance but may have limitations in its ability to raise grants and donations to support its non-commercial operations.

While there are potential profit centres associated with the site it is unlikely a fully commercial entity would subsidise the museum or village components of the operation. This would not support the community vision for the site.

For this reason, this option has not been further investigated.



## Assessment of Potential Management Arrangements

The site has been managed under two scenarios to date including a not for profit community entity and a Council owned entity. While both management arrangements have been perceived as failing in the past, these failures have not necessarily been a function of the governance arrangement as other factors have influenced success.

Council management	Council owned entity	Community entity
<b>Flexibility and responsiveness in decision making</b>		
X Management decisions will be subject to Council delegations and approval processes.	✓ Board and CEO should be able to make most decisions independently with asset and significant issues requiring Council approvals.	✓ ✓ Board and CEO able to make all decisions in the interest of the company.
<b>Eligibility for tax deductible donations</b>		
X Council not eligible as a charity	✓ Council controlled entity not eligible, however an associated entity (such as Friends) may be.	✓ ✓ Full eligibility as a not for profit charity
<b>Eligibility for heritage and other grants</b>		
✓ Eligible for local government grants	✓ ✓ Eligible for local government and other grant programs	✓ ✓ Eligible for most grant programs
<b>Able to form commercial partnerships</b>		
X Possible but difficult, on-site leases and contracts possible, more difficult to enter into marketing and promotional agreements	✓ Possible with some limitations	✓ ✓ Full flexibility to enter into third party agreements both on and off site
<b>Optimal employment conditions and awards</b>		
X Council award for all employees	✓ ✓ Flexible subject to Qld and National Employment Standards	✓ ✓ Flexible subject to Qld and National Employment Standards
<b>Skills based Board including business, tourism, and heritage expertise</b>		
X No Board to develop and monitor strategy and standards, relies on senior management interest and involvement	✓ ✓ Potential for specialised and focussed Board to oversight operations	✓ ✓ Potential for specialised and focussed Board to oversight operations
<b>Clear business plan, collection strategy, master plan and asset strategy</b>		
✓ Able to develop strategic plans but these are subject to broader Council policies and plans	✓ ✓ Able to develop strategic plans but these are subject to Council agreement	✓ ✓ Able to develop strategic plans which form the main focus for the entity

Council management	Council owned entity	Community entity
<b>Management and support for Friends and volunteers</b>		
✓ Able to support and respond but limited by Council policies and budgets	✓ ✓ Able to support and respond	✓ ✓ Able to support and respond, accountable to Friends and volunteers as members
<b>KPIs, monitoring and reporting to owners, members and volunteers.</b>		
✓ Covered by existing Council performance management arrangements	✓ ✓ Obligation to report to Council as the Company owner	✓ ✓ Obligation to report to members, including Friends and volunteers, as well as corporate and charity regulators
<b>Ongoing support to underpin assets and community service</b>		
✓ Subject to budget constraints Council will need to maintain its asset	✓ Subject to budget constraints Council will need to maintain its asset	✗ No guarantee of asset maintenance allocation from government, but could be eligible for grants
<b>Marketing, promotions and curation support</b>		
✓ Can be integrated with Council promotions and eligible for Qld Museums and SQCT support	✓ ✓ Can be integrated with Council promotions and eligible for Qld Museums and SQCT support	✓ ✓ eligible for Qld Museums and SQCT support
<b>Financial cost to Council</b>		
✗ Council responsible for all costs of owning, managing and operating the site	✓ Council responsible for all costs of owning the site, may also provide CSO subsidy	✓ Council has no responsibility for costs, although could provide support as to other community organisations
<b>Risk to Council</b>		
✗ Council takes full risk for site management and operations and financial performance	✗ As business owner Council takes full risk for site management and operations and financial performance	✓ ✓ Council has no risk for site management, operations and financial performance but has reputational risk if site fails again.

# Financial and Economic Analysis

To inform decision making around management options for the site we have undertaken a financial and economic analysis.

These have been prepared in the absence of a documented visitor experience strategy or spatial master plan.

The analysis is based on assumptions about a theoretical staffing structure required to operate the site, cost of site operations, visitor numbers and potential revenues. While these are based on historic performance and industry standards this does not constitute a business plan for the Woolshed.

The analysis assumes a gradual growth in visitor numbers from pre-Covid levels however does not consider any staging of the introduction of facilities, services and staff.

Staging would be dependent on an integrated business plan and this could likely reduce the quantum of losses in early years.

The financial analysis does not consider the existing asset maintenance backlog or ongoing asset upgrades and maintenance. It also does not consider the financing of such works.

The financial analysis is at Appendix C and economic analysis at Appendix D.

## Assumptions

These are based on the documentation available to us including financial statements (FYE 2019 and 2021), profit and loss reports (FYE 2018 and 2019), visitor demographic reports (2019, 2020 and 2022) as well as Tourism Research Australia data about visitation to the Toowoomba Regional Council area.

Staffing is based on operational requirements as identified through the consultation process and

for similar operations elsewhere. This includes 8.5 FTE for site management and museum operations, 1.5 FTE for caravan park, and 4 FTE for café operations plus additional casuals for events and functions.

Initial visitor numbers are based on historic pre-Covid site attendance. A future target of 20,000 visitors was developed based on visitation to the Toowoomba LGA and expectations about the percentage of those visitors who could be diverted to visit the Woolshed. This is based on 1% of domestic leisure visitors and 3% of international travellers visiting the site.

Revenue and operational cost assumptions are based on historic financial data and industry standards. These include an average of \$20 spend for Museum visitors and \$62 per booking for the caravan park based on historic figures. The assumptions of \$25 spend in the café and \$120 per head for event catering are based on industry standards.

Operational expenditure estimates are based on historic data. No allowance is made for asset related expenditure.

The analysis also assumes an ongoing operational subsidy of \$900,000 pa consistent with the Council grant over recent years for the direct management and Council owned company options.

## Financial analysis

The analysis is divided into consideration of three business units: the Museum, the Café and functions facility, and the Caravan Park.

The Museum business unit is assumed to include site management, visitor and events management, volunteer coordination and museum curation of both the machinery collection and the historic village.

The café and catering for functions are considered together because this is the only

scenario likely to create a viable food and beverage operation at the site.

Either or both the café and catering, and caravan park operations, could be leased as a commercial opportunity.

The analysis considers three operating models – direct Council management, management by a Council owned company, and management by an independent not for profit entity.

The main difference between these models is wages and salaries. Based on information available to us the direct Council management option would have a slightly larger wages component because of the more generous employment conditions compared with award wages.

It is likely this difference would be greater than indicated in the analysis if optional superannuation benefits available to Council staff are factored in.

### Economic analysis

The economic analysis uses the information from the financial analysis to determine the impact of direct and indirect expenditure arising from visitation to the Woolshed.

The analysis also calculates jobs and regional income generated as a result of the Woolshed operations.



## Results

The analysis shows that visitation of around 20,000 per annum would be required before the site would be operationally viable.

Until this visitation level is reached, the site would operate at a deficit without Council subsidy.

The accumulated deficit over the first seven years of operations would be around \$2.1m.

The comparison of the potential operating models shows little difference in financial performance between the options.

The economic benefits modelling for year one shows there would be \$1.35m in visitor expenditure in the region, 22.5 jobs generated and \$1.55m in regional income generated by the Woolshed operations.

In year ten this would increase to \$3.59m in visitor spending, 32.5 jobs generated and \$2.33m in regional income.

Over the 10 years of the analysis there would be \$20.26m of regional income generated by the operation.

This provides an attractive return on the operational subsidy (\$2.1m) and has a positive return even if the asset liability of \$7m is included.

Irrespective of the model chosen, investing in the future of the Jondaryan Woolshed would create a positive economic benefit for the local community.

# Conclusions and Recommendation

Jondaryan Woolshed has been managed under three management models since being gifted to the community. These include an independent not for profit company, a Council controlled entity, and the current direct management by Council.

Our review of the management of similar heritage and educational attractions across Australia shows they are operated under a similar range of management models to those attempted at the Woolshed. Many of these sites are considered to be successful even though they don't make an operational profit, i.e. that they rely on grants and donations, and volunteer contributions to their operations, to run as a solvent entity.

We are not aware of any heritage attractions managed by a fully commercial entity in Australia or New Zealand. The required vision and obligations to shareholders of a commercial entity are unlikely to be compatible with the expectations of the local community, Friends and volunteers.

Arguably the issue that led to the failure of the original Jondaryan Woolshed Historical Museum and Park Association was the decision to go into debt to purchase the adjacent lands. The combined with a reported lack of forward planning for the attraction led to decreasing visitor numbers and inability to trade solvent.

The termination of the period of management by the Council controlled entity is more complex, but fundamentally appears to have arisen from different perceptions of the role and purpose of the Woolshed by Councillors, the Board, and the Friends, volunteers and other stakeholders at the site.

The current direct management by Council is considered a success by many stakeholders. It remains to be seen whether this will get the necessary support and attention from senior management, and the investment required for success, and how well this model can adapt to full operations once the site re-opens to the public.

## Recommended model

The assessment of potential management arrangements documented in this report is necessarily a qualitative assessment based on the key factors for success identified in our stakeholder discussions and case study analysis.

The analysis points to a **fully independent not for profit charitable entity** as being the model that has the most factors which have the potential to contribute to success.

This model:

- Would provide for focussed and flexible management of the site
- Provide a strong voice for Friends and volunteers as members of the entity
- Encourage corporate, government and volunteer support for the place.

## Implementation questions

Key questions involved in achieving this model would be:

- *Can Council transfer the asset with zero return?* How does Council “dispose” of the Jondaryan Woolshed asset in a way that is consistent with Government asset disposal guidelines and processes without burdening the new entity with an unmanageable opening debt?
- *Can Council transfer the existing asset liability?* How does Council recognise the existing statutory, structural, maintenance backlog and compliance issues at the site in transferring the asset to the new entity?
- *Can Council underpin operations to support establishment?* How does Council support the new entity with the assistance it will need to get established and build visitation to eventually be self sustaining?
- *Should Council have an ongoing role?* Is representation on the Board of the new entity adequate or appropriate to protect Council’s interests and reputation and provide expert support?

Depending on their valuation, the sale of any surplus lands at Jondaryan Woolshed may offset some of the initial financial issues identified above.

## Strategic planning

Achieving clarity about role and purpose of the Woolshed as a community and visitor asset is critical for success irrespective of the model eventually adopted and therefore there needs to be an investment in the strategic planning for Jondaryan Woolshed.

This would include revisiting the “working” vision for the site with all stakeholders, developing a curation and collection strategy for the Museum and Village components, and defining the tourism product and experiences at the Woolshed.

This strategic work would then inform a spatial plan for the site based on the way visitors will experience the place and the operational requirements of the site. The work would also inform an asset strategy to determine what assets are needed (and which are no longer needed) and when they are required to be operational.

All of this work would then inform a Business Plan which could be the basis for seeking investment and funding from business, donors and government and demonstrating a return on that investment and benefits to the regional economy and community.

### Strategic questions:

**What is the role of Jondaryan Woolshed in the regional community?**

**What does “success” mean for the Woolshed?**

**What are we collecting and why? What stories do we want to tell?**

**Why would visitors come to the Woolshed and what will they enjoy and learn while they are here?**

**What do we need on the site to tell these stories and deliver these experiences?**

**What assets do we need and when will we need them?**

**How much will it cost to develop and operate and when do we need to stage each initiative?**

**What are the benefits to the regional community and economy?**

# Next Steps

The following actions are required to implement the recommendations of this report:

1. Develop constitution of the independent management entity
2. Seek a valuation of the surplus land including consideration of any land swap and land needs for future uses at the site, including short term holding of sheep and horses associated with events
3. Determine and implement any funding agreements, transfers, leases, licences or other tenure and regulatory arrangements required to implement the preferred model
4. Develop a collection strategy – scope and purpose of the Museum and Village, in consultation with volunteers and Friends
5. Develop the tourism product and experience strategy, identifying the target markets and staging
6. Based on the above strategies develop a Master Plan showing the spatial planning for the site and staging of developments
7. Develop an Asset Strategy to support the strategies and master plan– maintenance, creation and decommissioning of assets
8. Business Plan – based on the identified investment and staging program and the management and operations strategy developed in the above documentation, undertake a financial and economic analysis to support grant applications and facilitate other investments in the site.



TRC Tourism are available to assist deliver these implementation steps.

## APPENDIX A – LIST OF STAKEHOLDERS CONTACTED

Former Board members Jondaryan Woolshed

Friends of Jondaryan Woolshed

CEO Stockyard Kerwee Feedlot

CEO Southern Queensland Country Tourism

Toowoomba Surat Basin Enterprise TSBE

Nick Geraghty

QLD Museums

Jondaryan State School P+C

Queensland Education

St Anne's Church

General Manager Environment & Community Services, Toowoomba Regional Council

Manager Property Services, Toowoomba Regional Council

Principal Tourism & Events, Toowoomba Regional Council

Principal Strategy and Business Operations, Toowoomba Regional Council

Project Manager, Toowoomba Regional Council

Principal Facilities Management Jondaryan Woolshed

## APPENDIX B – CASE STUDIES



### Qantas Founders Museum

The Qantas Founders Museum tells the story of Qantas from the early days in Outback Queensland to present day. Displays present the founding figures of Qantas, life in Outback Queensland in the 1920s and the advancement and impact of aviation in Australia and the world.

The purpose of the museum is to 'enthrall and inspire all with the vision, determination and deeds of the Qantas Founders and those who have followed.'

Qantas Founders Museum is located in Longreach, a rural centre with a population of 2,970 people and birthplace of the iconic Qantas Airline. In 1988, a meeting of Western Queensland communities established Qantas Foundation Memorial Ltd (QFM) and formed a trust in recognition of the enormous service Q.A.N.T.A.S. had given to the people of the Outback. These efforts culminated in June 1996, with the opening by the Governor General of Australia of the \$1.3m Stage 1 of Qantas Founders Museum in the (now National Heritage Listed) Qantas Hangar at Longreach.

It receives annual visitation of 50,000 people who can expect to visit a world-class museum and cultural display, telling the story of the founding of Qantas through interpretive displays, interactive exhibits, replica aircraft and an impressive collection of genuine artefacts.

The collection incorporates several iconic Qantas Historic Aircraft as well as guided tours of the Airpark and the new Luminescent Longreach night experience, a night time light and sound

experience with a Boeing 747 utilised as the projection cavass in which to tell the 100 year story of Qantas.

The museum is a registered charity, but not entitled to receive tax deductible gifts.

### Ownership and Management

The Trustee to the Qantas Foundation Memorial Trust, trading as the Qantas Foundation Memorial (QFM), is the parent company of Qantas Founders Museum with the purpose to "To preserve the history and innovatively present the story of Qantas and its Founders."

*Number of FTE Staff: 27<sup>26</sup>*

### The objectives of the Company are<sup>27</sup>:

1. To become and to act as the trustee of a trust fund to be established under the terms of the Deed of Settlement dated the 9th day of March 1990 referred to in the original Memorandum and Articles of Association of the company and registered therewith;
2. To accept office as trustee and to act as trustee of an to administer any trust fund established for the purposes detailed in the Deed of Settlement referred to in 2 (a) above and in particular of the trust fund set up by that Deed;
3. To establish funding services for the development maintenance and management of The Qantas Foundation Memorial Trust;
4. To seek co-ordinated and co-operative support from the general public, from business houses and from all levels of government and relevant government instrumentalities in the establishment of the Qantas Foundation Memorial Trust;
5. To foster awareness of the foundation and development of the Qantas Foundation Memorial Trust; and
6. To provide support and assistance to the Qantas Foundation Memorial Trust wherever and whenever necessary.

<sup>26</sup> Qantas Foundation Memorial Annual Information Statement 2020

<sup>27</sup> Constitution of Qantas Foundation Memorial Ltd

7. That the Company is prohibited from seeking authority of any kind from any Commonwealth or State Regulatory Authority which would allow it to fly for any reason whatsoever, any aircraft in its possession or under its control as a consequence of Clause 2(f) of this Constitution.

### Board Arrangements

The Board shall consist of not more than ten persons including the Executive (the Chairman, the Deputy Chairman and the Company Treasurer).

Persons appointed to the Board shall be one of:

- a. two representatives as may be appointed by Qantas Airways Ltd and
- b. one representative as may be appointed by the Board of QFM for a period not surpassing a General Meeting and
- c. the remainder elected as herein provided.

Notable appointments to the board include the following;

- The Chair is Kalair McArthur, Bachelor of Science; Graduate Certificate in Business Management, previous EO of Regional Development Australia, Fitzroy and Central West, Member of AICD.
- John Vincent, Deputy Chair, BE(AERO) FRAeS GAICD, Aeronautical Engineer with Qantas, Adjunct Professor with School of Aviation at UNSW, past president of Royal Aeronautical Society Australian Division
- Allan Moore, Treasurer, CPA working at Qantas to 32 Years including Strategic Planning Director
- Emma Gaunt, Bachelor of Commerce, Degree in Tourism Management and Public Relations, Arts and Partnerships Manager Qantas
- Janette Davie AM, MAICD, General Manager North America for Qantas, General Manager Sales and Key Relationships Pinpoint Travel, Independent Consultant Regional Tourism

<sup>28</sup> Qantas Foundation Memorial Consolidated Financial Statements 2020

- Don Hill, Career Pilot, A380 First Office for Qantas

### Revenue

The museum receives an annual donation from Qantas Airways Ltd but operates independently.

Revenue From Ticket Sales and Tours: \$1,731,563

Revenue from Grants/Sponsorships: \$7,487,190

Donations: \$58,524

Expenses: \$2,617,339

Profit: \$7,321,182<sup>28</sup>

Total Visitors: 50,000<sup>29</sup>

Average Revenue per Visitor: \$34.60 per person



<sup>29</sup> INQLD Article "Fears that Qantas Museum in Longreach may not reopen"



## Stockman's Hall of Fame and Outback Heritage Centre

The Australian Stockman's Hall of Fame and Outback Heritage Centre is Australia's premier outback heritage institution, which opened in 1988 in Longreach, QLD (population 2,970).

The Centre is operated without ongoing government assistance, and operations and maintenance are funded through admissions, sales of souvenirs, catering, membership subscriptions, sponsorships and donations. The Centre features the Stockman's Life live show, cinema, café, museum galleries and retail shop.

The historical origins of the Stockmans Hall of Fame began in 1974 when Hugh Sawrey dreamt of creating a grand tribute to the unsung heroes of remote Australia, a vision shared by R.M. Williams, among others. After a massive fundraising effort by this group the township of Longreach was selected and a national competition to design the building was held, culminating in the opening of the museum in 1988 by Her Majesty Queen Elizabeth II.

The museum is endorsed as a Deductible Gift Recipient (DGR) and charity.

### Ownership and Management

The Australian Stockman's Hall of Fame and Outback Heritage Centre is operated as a public company, limited by guarantee. The company is not-for-profit, with the primary objectives to honour and pay tribute to the pioneers who built and developed the Australian Outback. The company is governed by a constitution most recently updated in 2021.

*FTE Staff: Undisclosed but estimated at 20 FTE*

### The objectives for the Company are<sup>30</sup>:

- a) to establish a public museum and public art gallery for the purpose of honouring and paying tribute to the pioneers who built and developed the Australian outback which shall be open and accessible to all members of the public during usual and reasonable business hours;
- b) to promote all forms of art including literature, music, performing arts, visual arts, craft, design, film, video, television, radio, community arts, Aboriginal arts and movable cultural heritage connected with the Australian outback and Australia's rural heritage;
- c) to acquire and maintain a collection of outback art in particular the oils water colours and bronzes of recognised artists in the field;
- d) to assemble and exhibit a collection of outback relics antiques artefacts and memorabilia;
- e) to build and develop a research library for Australian outback literature and manuscripts;
- f) to purchase, construct, lease (including on building lease) or in exchange, hire or otherwise acquire for the purposes of a public museum and public art gallery, any real, immovable, personal or movable property and in particular any lands, buildings, furniture and household effects, utensils, books, newspapers, periodicals, fittings, apparatuses, appliances, conveniences and accommodation and as far as the law applicable may from time to time allow to sell demise let (including on building lease) exchange mortgage grant easements or dispose of the same PROVIDED THAT in case the company shall take or hold any property which may be subject to any trusts the Company shall only deal with the same

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<sup>30</sup> ASHOF Replacement Constitution

- in such manner as is allowed by law having regard to such trusts;
- g) to erect, maintain, improve and alter any buildings for the purpose of a public museum and public art gallery;
  - h) to draw make accept endorse and execute promissory notes bills of exchange cheques and other negotiable instruments;
  - i) to borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by mortgage or by the issue of debentures or debenture stock perpetual or otherwise charged upon all or any of the property of the company both present and future and to purchase redeem or pay off such securities;
  - j) to subscribe to or become a member of any other club association or organisation whether incorporated or not whose objects are altogether or in part similar to those of the company PROVIDED THAT the Company shall not subscribe to or support with its funds any club association or organisation which does not prohibit the distribution of its income and property among its members to an extent at least as great as that imposed on the Company under or by virtue of this constitution;
  - k) to invest and deal with the moneys of the company not immediately required in any securities authorised by law for the investment of trust funds;
  - l) to hire and employ professional and other employees and to pay to them and to other persons in return for services rendered to the company such fees salaries dues wages gratuities and bonuses as may be thought fit;
  - m) to pay all costs and expenses incidental to or in connection with the formation of the Company whether of a preliminary nature or otherwise;
  - n) to undertake and execute any trust which may seem to the Company conducive to any of its objects;
  - o) to establish and support and to aid in the establishment and support of any other associations formed for all or any of the objects of this Company and which shall prohibit the distribution of their income and property among their members to an extent at least as great as is imposed on the company under or by virtue of this document;
  - p) to amalgamate with any companies institutions societies or associations under the provisions of ITAA 97 having objects substantially similar to those of this company and which shall prohibit the distribution of their income and property among their members to an extent at least as great as is imposed on the company under or by virtue of this document;
  - q) to purchase or otherwise acquire and undertake all or any part of the property assets liabilities and engagements of any one or more of the companies institutions societies or associations with which this company is authorised to amalgamate PROVIDED THAT in case the company shall take or hold any property which may be subject to any trusts the company shall only deal with the same in such manner as is allowed by law having regard to such trusts;
  - r) to act as trustee of any trusts and/or funds to promote the objects of the Company;
  - s) to support and promote the charitable aims and objectives of similar organisations or charities, or private not for profit organisations which have been created with Objects similar to the Company as considered appropriate by the directors of the Company;
  - t) to attract and encourage and acquire gifts, bequests and all forms of deferred

gifts to enable the fulfilment of these Objects; and

- u) do all things necessary to promote the objects of the Company contained in rules 3.1(a) to 3.1(t) above.

### Board Arrangements

The Board must have no less than seven, but not more than ten directors. As of December 2020, the Board was comprised of nine directors, including a Chairman, Deputy Chairman and Treasurer. The Directors are not paid remuneration, however they are reimbursed for all expenses properly incurred in attending or in connection with their attendance at any meetings.

The current Chairman is David Brook OAM who is also the Chairman of OBE Beef Pty Ltd, an Australian Organic Beef export company, and former Mayor and Councillor of the Diamantina Shire Council.

Company Secretary and CEO is Lloyd Jonathon Mills. Lloyd has 25 years' experience in Tourism and Tourism Development alongside management experience in the corporate sector. Lloyd holds a Masters degree in International Tourism Management through Southern Cross University and has held senior roles in Tourism Development, Marketing and Business Management.

The remaining board members bring notable qualifications and experience in tourism, management and rural and regional Australia including:

- Peter Harvie was previously Director Mazda Foundation, Commando Welfare Trust, Australian National Maritime Museum, and Australian International Cultural Foundation. Peter is currently the Chairman of CHE Proximity.
- Hon Bruce SCOTT has had a Parliamentary career spanning 26 years, Director of the Royal Flying Doctor Service Queensland. Since 2016 he has been Co-Chairman of the Telstra Regional Advisory Council Queensland.

- Peter Hughes has gained a unique mix of experience having worked hands-on on northern cattle stations, held numerous positions in the cattle industry, was both a director of Stanbroke Pastoral Company and AA Company and was the founding Chairman of Tipalea Rural Partners Pty Ltd.
- John Menzies AM led the team that created, constructed and operated Sea World and the Sea World Resort Hotel, Warner Bros Movie World, Wet & Wild Water Park, Paradise Country and the Australian Outback Spectacular. John is a former Director of Tourism Gold Coast, Tourism Queensland, and Screen Queensland.

### Revenue

Revenue From Ticket Sales: \$1,227,043

Grants Recognised as Income: \$10,835,554

Donations: \$35,395

Job Keeper Subsidy: \$238,843

Cashflow Boost Subsidy: \$100,000

Other Income: \$16,825

Expenses: \$3,018,115

Profit: \$9,435,545<sup>31</sup>

Average Revenue per Visitor: \$27

Total Visitors: 45,000<sup>32</sup>



<sup>31</sup> ASHOF Financial Statement 2021

<sup>32</sup> pers comm, Qld Country Tourism



## The Australian Age of Dinosaurs Museum

The Australian Age of Dinosaurs (AAOD) museum hosts the world's largest collection of Australia's largest dinosaur fossils, and is located in Winton, Queensland, a township of just under 1,000 people. The museum was established in 2002 and moved to its current location in 2009. The vision for the museum is a world-class natural history museum for all Australians.

The Museum's main income is from tour ticket sales, the Shop and Café, the Journals and memberships, donations, sponsorship, the Prep-A-Dino and Dig-A-Dino programs, and the Museum also applies for grants towards capital project costs.

The working dinosaur museum has the most productive Fossil Preparation Laboratory in the Southern Hemisphere. It is located on 1,800 hectares of spectacular mesa plateau with vast scenery, wildlife and walking trails including five outdoor galleries featuring life-sized bronze dinosaurs.

The museum is endorsed as a Deductible Gift Recipient and charity.

### Ownership and Management<sup>33</sup>

The AAOD is a Company Limited by Guarantee and its membership is Australia-wide. AAOD was registered on 16 June 2008 following the restructure of Australian Age of Dinosaurs Incorporated (AAODI) which was wound up on 31 October 2008. AAOD is a registered Income

Tax Exempt Charity (ITEC) and Deductible Gift Recipient (DGR).

*Number of FTE Staff*<sup>34</sup>: 31

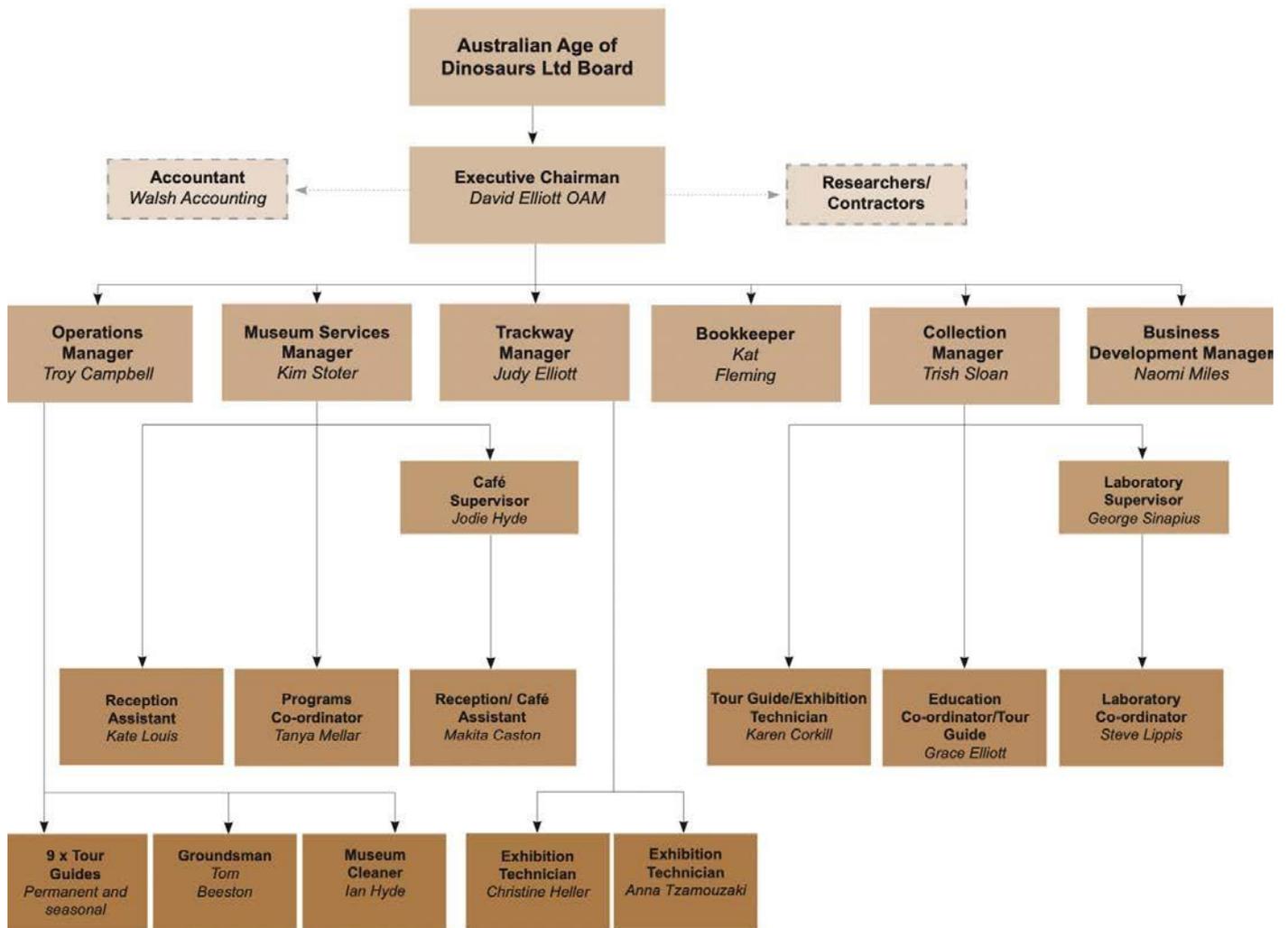
### The Objectives of the Company are:

- (1) to encourage, promote and facilitate the discovery, preservation and display of fossil material from the age of dinosaurs within Australia;
- (2) to further public knowledge on Australian Natural History and the evolution of the Australian continent with an emphasis on fossil material from the age of dinosaurs within Australia;
- (3) to ensure that the fossil discoveries of the Winton district are accessioned into the Australian Age of Dinosaurs collection.;
- (4) to provide a secure, fire safe, climate controlled, museum specific premises to house fossils while making them accessible for scientific research and the public at all times operating in accordance with National Standards for Australian Museums & Galleries and the International Council of Museums Code of Ethics;
- (5) To further the public knowledge and understanding of Australia's natural history through displays, education programs, scientific research and an Australian Age of Dinosaurs annual journal;
- (6) To preserve the cultural and natural heritage of Australia through the use of sustainable principles and promote these as best practice to the public;
- (7) To establish the Australian Age of Dinosaurs Society to coordinate membership and the Australian Age of Dinosaurs Gift Fund;
- (8) to take over all of the assets and liabilities of Australian Age of Dinosaurs Association Incorporated; and
- (9) to do all things necessary and incidental in advancing any of the above 8 objects.

<sup>33</sup> Australian Age of Dinosaurs Museum 2020 Annual Report

<sup>34</sup> Australian Age of Dinosaur Museum Annual Information Statement 2020

**Figure 3.** Australian Age of Dinosaurs Museum Organisational Profile



## Board Arrangements

The Board currently consists of six directors and a company secretary. The Board is limited to ten directors, preferably with half local to the region, and half from other areas of Australia. The directors do not receive any remuneration in their capacity as directors of the company.<sup>35</sup>

The Executive Chairman is *David Elliott OAM*, the founder of the museum, Churchill Fellow 2011 and Queensland Finalist Australian of the Year Awards 2009.

Other Board members include:

- Bill Wavish, Chartered Accountant, Finance Director, Arnotts Biscuit Ltd, CFO, Campbells Soup Asia Pacific, Finance Director then Supermarkets Director, Woolworths Ltd
- Bruce Collins OAM, Previous Mayor, Winton Shire Council, Chairman, Waltzing Matilda Centre Board
- Dr Scott Hocknull, PhD – palaeontology, Curator, Geosciences, Queensland Museum

## Revenue

Revenue From Ticket Sales 2020: \$1,225,251

Grants: \$4,609,418

Donations: \$106,539

Expenses: \$1,859,249

Profit: \$4,733,425<sup>36</sup>

Average Revenue per Visitor: \$33 per person

Total Visitors: 36,962 to the Museum



## Waltzing Matilda Centre

The Waltzing Matilda Centre is operated by the Winton Shire Council and is located in Winton (population 1,000). The centre tells the story of Waltzing Matilda and the history of the region through exhibitions and art galleries, and also boasts a popular café.

The Waltzing Matilda Centre incorporates a nostalgic light and sound show, and also incorporates the [Qantilda Pioneer Place Museum](#), which celebrates the achievements and lifestyle of Winton's pioneers. Also housed in the complex is the [Outback Regional Gallery](#), which has an attractive program of competitions, individual and touring exhibitions.

The Waltzing Matilda Centre came into being thanks to the determination and fundraising of the Winton community and opened in 1998. The Sarah Riley theaterette was added in 2002. There has also been the addition of the Banjo Paterson Room, opening in December 2004, which is used to showcase travelling exhibitions. Most recently, the Billabong Courtyard has undergone refurbishment and revitalisation, officially opening in April 2008. In 2015 the centre burned down but reopened in 2018. In 2021, the Centre had over 26,400 visitors, a significant growth on 17,130 for 2020. Peak visitor numbers and visitor growth was associated with local festivals, as well as an increase in educational programs and school visits.

The centre is endorsed as a Deductible Gift Recipient and charity.

*Number of FTE Staff: 1 Fulltime, 2 casual, 1 trainee*

<sup>35</sup> Australian Age of Dinosaurs Museum Annual Report 2020

<sup>36</sup> Australian Age of Dinosaurs Museum Annual Report 2020

## The objectives of the Company are:

- to fund, or assist in the funding of the operation, development, and maintenance of the Waltzing Matilda Centre located at 50 Elderslie Street, Winton (hereinafter referred to as “the Centre”) for the benefit and education of the inhabitants of the Winton Shire and all visitors to the Shire;
- to promote and advertise the Waltzing Matilda Centre;
- to cooperate with other societies, organisations, companies or associations whose objects are altogether or in part similar to those of the Company;
- to conduct operations incidental to the operations of the Centre and to allow the fulfilment of the objects contained herein;
- to act as Trustee of the Waltzing Matilda Centre Trust; and
- all such other objects as are reasonably incidental to or compliment the objects referred to above.
- educating people on the life and writings of the Australian poet, Andrew Barton “Banjo” Paterson and in particular his poem, “Waltzing Matilda”;
- educating people on and honouring and paying tribute to the spirit of the “Australian Character” as epitomised by the poem “Waltzing Matilda”;
- honouring and paying tribute to the pioneers who built and developed the Australian outback and educating people on the history of such pioneers;
- assembling and exhibiting collections of outback relics, memorabilia and artworks including relics, memorabilia and artworks relating to the writings and the life of Andrew Barton “Banjo” Paterson;
- developing a research library of outback lifestyle and literature including the promotion and development of bush poetry; and
- developing a historical museum.

## Board Arrangements

The Board of the Waltzing Matilda Centre has two functions: the management of the trust fund associated with the Centre, and to provide advice to the Winton Shire Council to maximise benefits to the community. For 2021, the Board of Directors consisted of ten members.

There is a high representation on the board from local council with notable exceptions below;

- Jeff Close OAM, Invited Director of the WMC Board, Vice President Winton Business and Tourism Association, Farmer and Business Owner, Past Treasurer Winton Outback Festival
- Sallyanne Atkinson AO, Invited Director of the WMC Board, Chairman of Museum of Brisbane, President of the Womens College UQ, Chairman Fidelis Property Investment, Past Special Representative for Queensland in South East Asia
- Stanley Collins OAM, Bachelor of Rural Science, President of Winton District Historical Society and Museum INC, Past Mayor, Former Chairman of WMC Board
- Robyn Stephens, Event Coordinator Winton Outback Festival, Board Director & Secretary Outback QLD Tourism Association
- Sandy Gillies, Councillor Winton Shire Council, Chair Winton Shire Council Audit Committee, Chief Executive Officer Western Queensland Primary Health Network

## Revenue

Waltzing Matilda Centre in 2021<sup>37</sup>

Revenue From Ticket Sales: Undisclosed

Grants: \$125,000

Donations: \$33,487

Expense: \$145,757

Profit: \$12,800

Total Visitors: 26,400

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<sup>37</sup> Waltzing Matilda Centre Statement of Financial Position 2021



## Beaconsfield Mine and Heritage Centre

The Beaconsfield Mine and Heritage Centre is located in Beaconsfield, Tasmania with a population of 1,300 people. The museum is a major destination for northern Tasmania.

The Beaconsfield Mine and Heritage Centre is historical museum with interactive experiences and a collection of over 10,000 artefacts that allow visitors to enjoy and appreciate the history of Beaconsfield and the Tamar Valley. The Grubb Shaft Gold and Heritage Museum, as it was initially known, was officially open and in 1999 the West Tamar Historical Committee handed the management of the museum to the West Tamar Council. In 2008 the name of the Museum was changed from the Grubb Shaft Gold & Heritage Museum to the Beaconsfield Mine & Heritage Centre.

The visitor numbers to 30 June 2021 were 26,194.

The centre is a local government entity and is not endorsed as a Deductible Gift Recipient (DGR) and is not a charity.

### Management

The Centre is managed by the Heritage Centre Coordinator employed by West Tamar Council.

The Centre is operated by one full time staff member and six part-time staff, with approximately 30 volunteers to assist with maintenance, tours, bookings and queries.

The West Tamar Council provides financial support for the Museum, as well as being financially responsible for maintenance.

## Revenue

In 2021, the average spend per person on merchandise was \$6.63 for a total of \$173,672. Revenue from door sales achieved \$265,843.

Average revenue per visitor = \$16.70.



## Sovereign Hill

Sovereign Hill is a museum presenting the story of Ballarat as a goldrush boomtown. Covering 15 hectares of a former gold mining site, Sovereign Hill's Outdoor Museum brings the gold rushes to life through a living township with diggings, underground mines, costumed characters, coach rides and 1850s shops, trades, schools and dwellings.

The Purpose of the museum is 'connecting people through our history to adapt for a better future.'<sup>38</sup>

Sovereign Hill is located in Ballarat, a regional Victorian centre with a population of 101,588 people. Opened on Sunday, 29 November 1970, Sovereign Hill was born from a vision in the 1960s when community groups sought to preserve the city's goldrush heritage and the story of its impact on Australia.

Sovereign Hill attracts some 450,000 visitors annually and is a major destination in the region. The Outdoor Museum enjoys international renown as a living museum featuring rare trades, working machinery and exhibits, costumed interpreters and visitor participation. The centre is endorsed as a Deductible Gift Recipient (DGR) and charity.

### Ownership and Management

Sovereign Hill is a not-for-profit, community-based, cultural tourism organisation administered by The Sovereign Hill Museums

<sup>38</sup> The Sovereign Hill Museums Association Limited Annual Report 2020-21

Association. The Association is controlled by a Board, which is elected by members of the Association, and serves in a voluntary capacity. The Board's responsibilities include the appointment of the Chief Executive Officer, who is responsible for managing Sovereign Hill. Board members meet regularly to monitor Sovereign Hill's progress against the goals and objectives set out in the Corporate Strategic Plan and report to Members at the Annual General Meeting of the Association. They also assist the CEO with the task of capital fundraising to underpin the Association's long-term financial viability

*Estimated Number of Volunteers: 145*

*Number of FTE Staff<sup>39</sup>: 190*

**The objectives of the Company are<sup>40</sup>:**

To establish, maintain and operate one or more public museums that advance culture and education, including by:

- establishing, preserving and making available or exhibiting to the public a goldfields town set in the 1850s;
- increasing public knowledge and appreciation in the historical significance and other aspects of the Central Victorian goldrushes in Australia's national story, such as through:
  - the Sovereign Hill Outdoor Museum and Gold Museum at the time of adoption of this constitution; and
  - at Narmbool, the importance of the land, water and bio-diversity in Australia's future; and
- doing such other things as are incidental or conducive to the attainment of the Object.

## Board Arrangements

Subject to the Corporations Act, the number of Directors must be such number between 5 and 13 as the Directors determine. In the absence of any such determination, the number of Directors will be 9.

To be eligible for the office of Director a person must:<sup>41</sup>

- at the date of appointment and during their term as a Director be a Member;
- be nominated by 5 Members entitled to vote;
- be prepared to submit to such application or probity or similar checks as may be usual and necessary for the Company, including while the Company is the holder of a licence under the Liquor Control Reform Act 1998 (Vic), have been approved by the Victorian Commission for Gambling and Liquor (or its successor) in accordance with section 18(1) of that Act;
- not, nor will their elections as a Director, prejudice the holding by the Company of any governmental licence, consent or authority necessary or proper for the conduct of any of its activities; and
- consent in writing to act as a Director.

At all times, at least 50% of the Directors in office must be residents of Ballarat or individuals with a long term commitment to Ballarat. The Directors will decide whether an individual meets these qualifications.<sup>44</sup>

In the event that it is required under a law, regulation or guideline applicable to the Company, the Company must ensure that a majority of the Directors are persons who have the requisite level or degree of responsibility to the general public.

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<sup>39</sup> Sovereign Hill Annual Information Statement 2021

<sup>40</sup> Draft v5 Constitution – the Sovereign Hill Museums Association

<sup>41</sup> Draft v5 Constitution – the Sovereign Hill Museums Association

Notable appointments to the board include the following;

- The President is Craig Fletcher, former Councillor and Mayor, Building Surveyor and project management expert
- Vice President is Angela Carey, Engagement Practitioner in disaster recovery, former Editor of the Ballarat Courier
- Marie Jackson, Finance & Risk Committee with background in tourism, business events and destination marketing, previously trustee of Melbourne Convention and Exhibition Centre
- Peter McCarthy, Non Executive Director of five gold mining companies, member of the Sovereign Hill Master Plan Steering Committee
- Catherine Brown GAICD, Business Owner, HR Specialist, education

### Revenue<sup>42</sup>

Revenue From Ticket Sales: \$5,447,088  
 Sale of Goods: \$4,249,119  
 Rents and Commission: \$178,958  
 Other Revenue (donations and accommodation): \$2,792,424  
 Interest and dividends received: \$279,535  
 Government Grants: \$10,894,173  
 Other Income: \$28,772  
 Employee Benefits Expense: \$ 12,414,571  
 Depreciation: \$5,886,638  
 Cost of Sales: \$1,100,353  
 Other Expenses: \$692,218  
 Operating Profit: (\$1,497,161)  
 Total Visitors: 450,000  
 Average Revenue per Visitor: \$21.50 per person



## Miles Historical Village Museum

The Miles Historical Village Museum is a replica of a Queensland rural pioneer settlement. It was opened to the public as a museum in 1971, and currently consists of 34 buildings of which 15 are genuine original structures, 10 are replicas and 9 are purpose built. The museum collection includes an original streetscape, a war museum, lapidary display, shell collection, steam trains, and an exhibition on the Great Artesian Basin. The Museum is co-located with a visitor information centre operated by the Western Downs Regional Council.

Miles is located 3.5 hours inland of Brisbane and offers visitors two free-camp sites.

### Ownership and Management

The Museum is endorsed as a Deductible Gift Recipient (DGR) and charity, operated and governed by the Miles & District Historical Society, a not-for-profit, community run organisation. The Museum receives some funding from the Western Downs Regional Council but is otherwise independent from the Council. The Miles & District Historical Society is government by a committee, and there is no board.

*Staffing: 6 casual staff (2 FTE) and has an estimated number of 70 volunteers.*

*Visitors: 15,000-20,000<sup>43</sup>*

### Financial Details

Revenue From providing goods or services: \$154,980  
 Other Revenue (donations): \$17,989  
 Government Grants: \$72,420  
 Other Income: \$1,588  
 Total Income: \$246,976  
 Expenses: \$326,934  
 Operating Profit: (\$79,957)

<sup>42</sup> The Sovereign Hill Museums Association Limited Annual Report 2020-21

<sup>43</sup> Conversation with Western Downs Regional Council 6/06/2022

## APPENDIX C – FINANCIAL ANALYSIS

### 1. Introduction

This section provides modelling and indicative financials for the Operation of the Woolshed At Jondaryan. Three models are examined:

- Case 1 Full operations by Council or Council owned NFP company- includes museum, café/catering and caravan park.
- Case 2 Full operations by a Council company includes museum, café/catering and caravan park.
- Case 3 Full operations by an independent company (not for profit) - includes museum, café/catering and caravan park. Council may transfer ownership of the site to this entity.

The analysis is for a 10 year period of operations, and all revenue and expenses are in current 2022 dollars. This is to illustrate the impact of growth in visitor number and customers on financial results.

**The financial results show the importance of lifting visitors numbers, guests and customers. This is important for long term financial viability and for The Woolshed to become a major regional attraction.**

### 2. Modelling Operations

#### Available Data

A number of inputs were used in development the operational modelling and include:

- Financial Statements of Jondaryan Woolshed Pty Ltd Year ended June 30, 2019
- Financial Statements of Jondaryan Woolshed Pty Ltd Year ended June 30, 2021
- Profit & Loss Report Jondaryan Woolshed Pty Ltd for 2017/18 and 2018/19
- Woolshed at Jondaryan Board Meeting Papers – Visitor Demographic Reports : January 2019; January 2020 & July 2022
- Tourism Research Australia, Local Government Area Profiles 2019, Toowoomba LGA.
- Wage rates – Fair work Ombudsman: Pay Guide Local Govt Industry Award (MA0012) January 2022; Pay Guide Hospitality General Award (MA000009), March 2022

#### Visitor numbers

The 2019/2020 financial year was used as the base year (year 1) for the modelling of visitor/customers. This year was subject to covid 19 closures, visitors/customers were estimated using the July 2019 to January 2020 numbers, then using an average of the monthly numbers for 2017/18 for estimates for February 2020 to June 2020.

#### Operating Costs

For the major operating costs for the museum operations (including café and caravan park), the Profit & Loss reports for 2018-19 and 2017-18 were used as the base.

### 3. Estimating Visitors/Customers

The following table shows estimates for museum entry and caravan park bookings for 2019-20. These numbers were used as the base year (Year 1) for the 10 year financial analysis.

**Table 1 Visitor Estimates – 2019/20**

Visitor Estimates	Museum Entry	Caravan Park Bookings
Month	2019-20	2019-20
<If no closure>		
Jul	2087	314
Aug	611	215
Sep	1851	314
Oct	667	196
Nov	275	93
Dec	347	128
Jan	450	183
	<b>Estimates if full year operations Based on 2017-18 numbers</b>	<b>Estimates if full year operations Based on 2018-19 numbers</b>
Feb	250	110
Mar	600	120
Apr	500	350
May	400	250
Jun	250	200
<b>Total Annual</b>	<b>8288</b>	<b>2473</b>

Sources: Woolshed at Jondaryan Board Meeting Papers – Visitor Demographic Reports: January 2019; January 2020 & July 2022

#### Museum Visitor Projections

The following table shows annual estimated based on a target of around 20,000 visitors (achieved from year 8). The target is based on capturing a share of overnight visitors and day visitors to Toowoomba LGA. A target of 20,000 visitors is in line with other comparable attractions elsewhere in regional Australia and is the number to achieve long term sustainability (and allow for some investment in improvements in the heritage buildings).

**Table 2 Museum Visitor Estimates**

Museum Potential Visitors										
10 Years	Y1 <Base Year>	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Overnight Visitors	2,632	3,290	3,948	4,277	4,606	5,264	5,922	6,580	6,580	6,580
Day Visitors	5,392	6,740	8,088	8,762	9,436	10,784	12,132	13,480	13,480	13,480
Internationals	240	300	360	390	420	480	540	600	600	600
<b>Total</b>	<b>8,264</b>	<b>10,330</b>	<b>12,396</b>	<b>13,429</b>	<b>14,462</b>	<b>16,528</b>	<b>18,594</b>	<b>20,660</b>	<b>20,660</b>	<b>20,660</b>

Source: MCA modelling June 2022.

The following is projected revenue from museum visitors (and assumes no admission charges). It is based on the visitor projections and an average spend of \$20 per person.<sup>1</sup> This would be spending on site tours or other on site activities. Revenue growth is driven by the increase in visitor numbers.

**Table 3 Museum Revenue Estimates**

Museum Projected Revenue										
10 Years	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Overnight Visitors	\$52,640	\$65,800	\$78,960	\$85,540	\$92,120	\$105,280	\$118,440	\$131,600	\$131,600	\$131,600
Day Visitors	\$107,840	\$134,800	\$161,760	\$175,240	\$188,720	\$215,680	\$242,640	\$269,600	\$269,600	\$269,600
Internationals	\$4,800	\$6,000	\$7,200	\$7,800	\$8,400	\$9,600	\$10,800	\$12,000	\$12,000	\$12,000
<b>Total</b>	<b>\$165,280</b>	<b>\$206,600</b>	<b>\$247,920</b>	<b>\$268,580</b>	<b>\$289,240</b>	<b>\$330,560</b>	<b>\$371,880</b>	<b>\$413,200</b>	<b>\$413,200</b>	<b>\$413,200</b>

Source: MCA modelling June 2022. Average spend of \$20 per visitor in constant \$2022 prices.

<sup>1</sup> The \$20 per head is based on is based on the Profit & Loss for 2018/19.

## Caravan Park Projections

Year 1 (base year) 2400 bookings are estimated bookings for 2019/20, if the caravan park operated for the full year. For long term viability of operations, bookings need to grow over the period to around 4900 from year 8. This will require marketing of the location.

**Table 4 Caravan Park Booking Estimates**

Caravan Park Bookings										
10 Years	Y1 (Base Year)	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Bookings</b>	<b>2,400</b>	<b>2,468</b>	<b>2,961</b>	<b>3,208</b>	<b>3,455</b>	<b>3,948</b>	<b>4,442</b>	<b>4,935</b>	<b>4,935</b>	<b>4,935</b>

Source: MCa modelling June 2022.

With the projected growth in bookings, revenue is estimated to increase from \$148,800 in year 1 to \$305,970 from year 8. Revenue is based on an average per booking of \$62.<sup>2</sup>

**Table 5 Caravan Park Revenue**

Caravan Park Revenue										
10 Years	Y1 (Base Year)	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Bookings</b>	<b>\$148,800</b>	<b>\$152,985</b>	<b>\$183,582</b>	<b>\$198,881</b>	<b>\$214,179</b>	<b>\$244,776</b>	<b>\$275,373</b>	<b>\$305,970</b>	<b>\$305,970</b>	<b>\$305,970</b>

Source: MCa modelling June 2022.

## Café Customers

The following are estimates of café customers/ visitors are based on 50% of visitors dine at the café and 200 local residents per week use the café. In line with the growth in visitors to the site café customers increase from 4122 in year 1 to 20,730 from year 8 onwards.

Revenue is based on an average spend of \$25 per customer (in constant \$2022 prices) and increases from around \$363,000 in year 1 \$518,000 in year 8 onwards. This growth is driven by the increase in visitors to Jondaryan.

**Table 6 Café Customers & Revenue Estimates**

Café Customers 10 Years	Y1 <Base Year>	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Customers</b>										
Overnight Visitors	1,316	1,645	1,974	2,139	2,303	2,632	2,961	3,290	3,290	3,290
Day Visitors	2,696	3,370	4,044	4,381	4,718	5,392	6,066	6,740	6,740	6,740
Internationals	120	150	180	195	210	240	270	300	300	300
<b>Total Visitors</b>	<b>4,132</b>	<b>5,165</b>	<b>6,198</b>	<b>6,715</b>	<b>7,231</b>	<b>8,264</b>	<b>9,297</b>	<b>10,330</b>	<b>10,330</b>	<b>10,330</b>
<b>Locals</b>	<b>10,400</b>									
<b>Total Customers</b>	<b>14,532</b>	<b>15,565</b>	<b>16,598</b>	<b>17,115</b>	<b>17,631</b>	<b>18,664</b>	<b>19,697</b>	<b>20,730</b>	<b>20,730</b>	<b>20,730</b>
<b>Customer Revenue</b>										
<b>Café Revenue</b>	<b>\$363,300</b>	<b>\$389,125</b>	<b>\$414,950</b>	<b>\$427,863</b>	<b>\$440,775</b>	<b>\$466,600</b>	<b>\$492,425</b>	<b>\$518,250</b>	<b>\$518,250</b>	<b>\$518,250</b>

Source: MCa modelling June 2022.

<sup>2</sup> This average was derived from estimated bookings for 2018/19 and the total caravan park revenue in the 2018/19 P&L.

## Catering - Events

An important part of the financial viability of the onsite café is providing catering for all events (wedding and functions) held at Jondaryan. The assumption is that the café caters for all onsite events to ensure financial viability of café operation.

Revenue modelling is based on 35 events increasing over time to 45 per year, average guests 70 and a package price of \$120 per head (food and drinks).

**Table 7 Event Catering Revenue Estimates**

Event Catering 10 Years	Y1 <Base Year>	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Events</b>										
Number per year	35	35	40	40	40	40	45	45	45	45
Number of attendees <ave 70 persons>	2450	2450	2800	2800	2800	2800	3150	3150	3150	3150
<b>Revenue</b>										
<b>Catering Revenue &lt;\$120 per head&gt;</b>	<b>\$294,000</b>	<b>\$294,000</b>	<b>\$336,000</b>	<b>\$336,000</b>	<b>\$336,000</b>	<b>\$336,000</b>	<b>\$378,000</b>	<b>\$378,000</b>	<b>\$378,000</b>	<b>\$378,000</b>

Source: MCA modelling June 2022.

## Site Hire

There are other charges for events and the site hire would be a revenue item for the museum operator.

The following table shows estimates for the 10 year period. Revenue increases from \$85,000 to \$109,000 from year 8.<sup>3</sup>

**Table 8 Site Hire Revenue Estimates**

Site Hire 10 Years	Y1 <Base Year>	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Events</b>										
Number per year	35	35	40	40	40	40	45	45	45	45
<b>Site Hire Revenue &lt;average \$2429&gt;</b>	<b>\$85,000</b>	<b>\$85,000</b>	<b>\$97,143</b>	<b>\$97,143</b>	<b>\$97,143</b>	<b>\$97,143</b>	<b>\$109,286</b>	<b>\$109,286</b>	<b>\$109,286</b>	<b>\$109,286</b>

Source: MCA modelling June 2022.

<sup>3</sup> This average of \$2429 per event was derived from event revenues and number of events in the 2017/18 P&L

## 4. Financial Analysis

This section provides modelling and financials for the Operation of the Woolshed At Jondaryan. Two models are examined in detail:

- Full operations by Council or Council owned NFP company (includes museum, café/catering and caravan park).
- Museum operations only by Council or Council owned NFP company. In this case the café /catering and caravan park would be outsourced to private operators under a lease arrangement.
- Separate financial modelling is provided for the café and caravan park, based private operation of these.

### 4.1 Staffing

Staff are required to operate the museum and site, café and caravan park. The following tables show the staffing for each and the wage rates. This employment structure is used in the financial modelling. For all employees oncosts are an additional 21% of the salary total. For non-professional positions award rates have been used: Case 1: Local Government Award 2022; and Case 2 & 3: Hospitality Award 2022.

#### Museum

The following are the identified positions for the operation of the site and the museum components. Salaries are based on market rates for these type of position. Employees would total 8.5 FTE (full time equivalents). In the modelling salaries are in constant \$2022 prices.

Table 9 Museum Staff

Museum		Case 1 Local Govt Award <sup>4</sup>		Case 2 & 3 Hospitality Awards <sup>5</sup>	
Position	No (FTE)	Salary \$	Total Salaries \$	Salary \$	Total Salaries \$
General Manager	1	\$120,000	\$120,000	\$120,000	\$120,000
Marketing & events manager	1	\$85,000	\$85,000	\$85,000	\$85,000
Curator - Museum	0.5	\$85,000	\$42,500	\$85,000	\$42,500
Volunteer Co-ordinators	1	\$59,124	\$59,124	\$63,180	\$63,180
Site maintenance/ caretaker	1	\$54,704	\$54,704	\$54,704	\$54,704
Services staff /Guides	3	\$53,768	\$161,304	\$49,660	\$148,980
Reception/Admin	1	\$49,660	\$49,660	\$46,748	\$46,748
<b>Total Salaries</b>	<b>8.5</b>		<b>\$572,292</b>		<b>\$561,112</b>

Source: MCA modelling June 2022. Note

#### Caravan Park

The caravan park would be operated by 1.5 positions (manager and half time support).

Table 10 Caravan Park Staff

Caravan Park		Case 1 Local Govt Award <sup>6</sup>		Case 2 & 3 Hospitality Awards <sup>7</sup>	
Position	No (FTE)	Salary \$	Total Salaries \$	Salary \$	Total Salaries \$
Manager	1	\$77,948	\$77,948	\$88,000	\$88,000
Support	0.5	\$54,704	\$27,352	\$50,000	\$25,000
<b>Total</b>	<b>1.5</b>		<b>\$105,300</b>		<b>\$113,000</b>

Source: MCA modelling June 2022.

4 Case 1: General Manager, Marketing & Events Manager, Curator are market rates. Other positions based on Local Government Award 2022.

5 Case 2 & 3: General Manager, Marketing & Events Manager, Curator are market rates. Other positions based on Hospitality Award 2022

6 Case 1: Manager & Support, based on Local Government Award 2022.

7 Case 2 & 3: Manager & Support, based on current market rates

## Café & Catering

The café and catering would be operated by 4 FTE staff. For events casual staff would be hired and costs are outlined in the table below.

Table 11 Café Staff

Café		Case 1 Local Govt Award <sup>8</sup>		Case 2 & 3 Hospitality Awards <sup>9</sup>	
Position	No (FTE)	Salary \$	Total Salaries \$	Salary \$	Total Salaries \$
Manager/chef	1	\$77,948	\$77,948	\$81,619	\$81,619
Cook	1	\$53,768	\$53,768	\$51,012	\$51,012
Front of house	2	\$46,072	\$92,144	\$44,356	\$88,712
<b>Total Café</b>	<b>4</b>		<b>\$223,860</b>		<b>\$221,343</b>

Source: MCa modelling June 2022.

Table 12 Event Staff

Events & Functions < Casual Waiters & Bar Staff >	Y1 <Base Year>	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Staff <per event>	5	5	5	5	5	5	5	5	5	5
Hours per event (include set up/prep)	6	6	6	6	6	6	6	6	6	6
No events	35	35	40	40	40	40	45	45	45	45
Total hours	210	210	240	240	240	240	270	270	270	270
Staff hours	1050	1050	1200	1200	1200	1200	1350	1350	1350	1350
Average rate per hour (casual rates)	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35	\$35
<b>Wage Cost – Events &amp; Functions</b>	<b>\$36,750</b>	<b>\$36,750</b>	<b>\$42,000</b>	<b>\$42,000</b>	<b>\$42,000</b>	<b>\$42,000</b>	<b>\$47,250</b>	<b>\$47,250</b>	<b>\$47,250</b>	<b>\$47,250</b>

Source: MCa modelling June 2022. Average hourly rate based on Hospitality Award 2022.

## 4.2 Financial Modelling - Operations

The following tables show the financial projections for two cases:

- Case 1: Operations by Council employed staff.
- Case 2: Operations by a Company (Council owned) which employs staff.
- Case 3: Council transfers the site to an independent operator (Not for Profit organisation).

The modelling shows operating results before the Council subsidy/grant for each case.

The key driver of an improvement in financials has to be increasing number of visitors over the 10 year period. This improvement means that with the current grant of \$900,000, a surplus is available for investment in buildings and infrastructure. This compares with the financial results for recent years, where the grant has largely covered operating losses, with little left over for capital improvements.

There is a small difference between Case 1 and Cases 2 & 3. This is due to some differences in wage rates between the Local Government Award (used in Case 1) and the Hospitality Award (Used in Case 2 & 3).

- **Case 1: Full Operations - by Council.** Net income (operations) is a loss of \$539,599 in year 1 which progressively declines (with the growth in visitors) over time to a \$43,200 surplus in year 8. The net income after the subsidy increases from around \$360,401 in year 1 to \$943,200 in year 8. If the grant was just to cover losses to reach break-even, it would progressively decline from around \$539,600 in year 1 to around \$46,306 in year 7.
- **Case 2: Full Operations - by Company (Council owned).** Net income (operations) is a loss of \$532,343 in year 1 which progressively declines (with the growth in visitors) over time to a \$50,456 surplus in year 8. The net income after the subsidy increases from around \$367,660 in

8 Case 1: Manager/Chef and other staff, based on Local Government Award 2022.

9 Case 2 & 3: Manager/Chef and other staff, based on Hospitality Award 2022

year 1 to \$950,460 in year 8. If the grant was just to cover losses to reach break-even, it would progressively decline from around \$532,340 in year 1 to around \$39,050 in year 7.

- **Case 3: Full Operations - by Independent Organisation (not for profit).** The results are the same as for Case 2. Net income (operations) is a loss of \$532,343 in year 1, which progressively declines (with the growth in visitors) over time to a \$50,456 surplus in year 8. In this case Council may just provide a grant to cover operating losses. This could be provided on a 3 year cycle to ensure that the operator achieves the necessary growth targets in visitor numbers and activity. The accumulated losses over years 1 to 7 are \$2.101 million.

**Table 13 Summary Financials – 3 Cases (estimates \$2022 prices)**

Summary Budgets - 3 Cases	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Visitor numbers	8,264.00	10,330.00	12,396.00	13,429.00	14,462.00	16,528.00	18,594.00	20,660.00	20,660.00	20,660.00
<b>Case 1 Council Operated</b>										
Total Revenue	\$1,056,380	\$1,127,710	\$1,279,595	\$1,328,466	\$1,377,337	\$1,475,079	\$1,626,964	\$1,724,706	\$1,724,706	\$1,724,706
Total CoGS	\$197,190	\$204,938	\$225,285	\$229,159	\$233,033	\$240,780	\$261,128	\$268,875	\$268,875	\$268,875
<b>Gross Profit</b>	<b>\$859,190</b>	<b>\$922,773</b>	<b>\$1,054,310</b>	<b>\$1,099,307</b>	<b>\$1,144,304</b>	<b>\$1,234,299</b>	<b>\$1,365,836</b>	<b>\$1,455,831</b>	<b>\$1,455,831</b>	<b>\$1,455,831</b>
<b>Operating Costs</b>										
Total Employee Costs	\$1,127,507	\$1,127,507	\$1,132,757	\$1,132,757	\$1,132,757	\$1,132,757	\$1,138,007	\$1,138,007	\$1,138,007	\$1,138,007
Total Operational Expenses	\$271,282	\$271,639	\$272,398	\$272,642	\$272,887	\$273,375	\$274,135	\$274,624	\$274,624	\$274,624
<b>Total Expenses</b>	<b>\$1,398,789</b>	<b>\$1,399,145</b>	<b>\$1,405,155</b>	<b>\$1,405,399</b>	<b>\$1,405,644</b>	<b>\$1,406,132</b>	<b>\$1,412,142</b>	<b>\$1,412,630</b>	<b>\$1,412,630</b>	<b>\$1,412,630</b>
<b>Net Income (operations)</b>	<b>-\$539,599</b>	<b>-\$476,373</b>	<b>-\$350,845</b>	<b>-\$306,092</b>	<b>-\$261,339</b>	<b>-\$171,833</b>	<b>-\$46,306</b>	<b>\$43,200</b>	<b>\$43,200</b>	<b>\$43,200</b>
<b>Case 2 Company Operated (Council Own)</b>										
Total Revenue	\$1,056,380	\$1,127,710	\$1,279,595	\$1,328,466	\$1,377,337	\$1,475,079	\$1,626,964	\$1,724,706	\$1,724,706	\$1,724,706
Total CoGS	\$197,190	\$204,938	\$225,285	\$229,159	\$233,033	\$240,780	\$261,128	\$268,875	\$268,875	\$268,875
<b>Gross Profit</b>	<b>\$859,190</b>	<b>\$922,773</b>	<b>\$1,054,310</b>	<b>\$1,099,307</b>	<b>\$1,144,304</b>	<b>\$1,234,299</b>	<b>\$1,365,836</b>	<b>\$1,455,831</b>	<b>\$1,455,831</b>	<b>\$1,455,831</b>
<b>Operating Costs</b>										
Total Employee Costs	\$1,120,251	\$1,120,251	\$1,125,501	\$1,125,501	\$1,125,501	\$1,125,501	\$1,130,751	\$1,130,751	\$1,130,751	\$1,130,751
Total Operational Expenses	\$271,282	\$271,639	\$272,398	\$272,642	\$272,887	\$273,375	\$274,135	\$274,624	\$274,624	\$274,624
<b>Total Expenses</b>	<b>\$1,391,533</b>	<b>\$1,391,889</b>	<b>\$1,397,899</b>	<b>\$1,398,143</b>	<b>\$1,398,387</b>	<b>\$1,398,876</b>	<b>\$1,404,886</b>	<b>\$1,405,374</b>	<b>\$1,405,374</b>	<b>\$1,405,374</b>
<b>Net Income (operations)</b>	<b>-\$532,343</b>	<b>-\$469,117</b>	<b>-\$343,589</b>	<b>-\$298,836</b>	<b>-\$254,083</b>	<b>-\$164,577</b>	<b>-\$39,049</b>	<b>\$50,456</b>	<b>\$50,456</b>	<b>\$50,456</b>
<b>Case 3 Independent Organisation (NFP)</b>										
Total Revenue	\$1,056,380	\$1,127,710	\$1,279,595	\$1,328,466	\$1,377,337	\$1,475,079	\$1,626,964	\$1,724,706	\$1,724,706	\$1,724,706
Total CoGS	\$197,190	\$204,938	\$225,285	\$229,159	\$233,033	\$240,780	\$261,128	\$268,875	\$268,875	\$268,875
<b>Gross Profit</b>	<b>\$859,190</b>	<b>\$922,773</b>	<b>\$1,054,310</b>	<b>\$1,099,307</b>	<b>\$1,144,304</b>	<b>\$1,234,299</b>	<b>\$1,365,836</b>	<b>\$1,455,831</b>	<b>\$1,455,831</b>	<b>\$1,455,831</b>
<b>Operating Costs</b>										
Total Employee Costs	\$1,120,251	\$1,120,251	\$1,125,501	\$1,125,501	\$1,125,501	\$1,125,501	\$1,130,751	\$1,130,751	\$1,130,751	\$1,130,751
Total Operational Expenses	\$271,282	\$271,639	\$272,398	\$272,642	\$272,887	\$273,375	\$274,135	\$274,624	\$274,624	\$274,624
<b>Total Expenses</b>	<b>\$1,391,533</b>	<b>\$1,391,889</b>	<b>\$1,397,899</b>	<b>\$1,398,143</b>	<b>\$1,398,387</b>	<b>\$1,398,876</b>	<b>\$1,404,886</b>	<b>\$1,405,374</b>	<b>\$1,405,374</b>	<b>\$1,405,374</b>
<b>Net Income (operations)</b>	<b>-\$532,343</b>	<b>-\$469,117</b>	<b>-\$343,589</b>	<b>-\$298,836</b>	<b>-\$254,083</b>	<b>-\$164,577</b>	<b>-\$39,049</b>	<b>\$50,456</b>	<b>\$50,456</b>	<b>\$50,456</b>

Source: MCa modelling June 2022.

## Case 1 : Full Operation by Council

**Table 14 Financials – Case 1 : Full Operation by Council (estimates \$2022 prices)**

Budgets : Full Operation	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
Council	Base year									
Visitor numbers	8,264	10,330	12,396	13,429	14,462	16,528	18,594	20,660	20,660	20,660
<b>Revenue</b>										
Museum Revenue (tours etc)	\$165,280	\$206,600	\$247,920	\$268,580	\$289,240	\$330,560	\$371,880	\$413,200	\$413,200	\$413,200
<b>Grounds Hire - Events</b>										
<b>Grounds Hire Revenue</b>	<b>\$85,000</b>	<b>\$85,000</b>	<b>\$97,143</b>	<b>\$97,143</b>	<b>\$97,143</b>	<b>\$97,143</b>	<b>\$109,286</b>	<b>\$109,286</b>	<b>\$109,286</b>	<b>\$109,286</b>
<b>Caravan Park Revenue</b>										
<b>Caravan Park Revenue</b>	<b>\$148,800</b>	<b>\$152,985</b>	<b>\$183,582</b>	<b>\$198,881</b>	<b>\$214,179</b>	<b>\$244,776</b>	<b>\$275,373</b>	<b>\$305,970</b>	<b>\$305,970</b>	<b>\$305,970</b>
<b>Café Revenue</b>										
Café Revenue	\$363,300	\$389,125	\$414,950	\$427,863	\$440,775	\$466,600	\$492,425	\$518,250	\$518,250	\$518,250
Events Revenue - Catering	\$294,000	\$294,000	\$336,000	\$336,000	\$336,000	\$336,000	\$378,000	\$378,000	\$378,000	\$378,000
<b>Total Café</b>	<b>\$657,300</b>	<b>\$683,125</b>	<b>\$750,950</b>	<b>\$763,863</b>	<b>\$776,775</b>	<b>\$802,600</b>	<b>\$870,425</b>	<b>\$896,250</b>	<b>\$896,250</b>	<b>\$896,250</b>
<b>Total Revenue</b>	<b>\$1,056,380</b>	<b>\$1,127,710</b>	<b>\$1,279,595</b>	<b>\$1,328,466</b>	<b>\$1,377,337</b>	<b>\$1,475,079</b>	<b>\$1,626,964</b>	<b>\$1,724,706</b>	<b>\$1,724,706</b>	<b>\$1,724,706</b>
<b>EXPENSES</b>										
<b>Cost of Goods Sold</b>										
Café	\$108,990	\$116,738	\$124,485	\$128,359	\$132,233	\$139,980	\$147,728	\$155,475	\$155,475	\$155,475
Catering	\$88,200	\$88,200	\$100,800	\$100,800	\$100,800	\$100,800	\$113,400	\$113,400	\$113,400	\$113,400
<b>Total CoGS</b>	<b>\$197,190</b>	<b>\$204,938</b>	<b>\$225,285</b>	<b>\$229,159</b>	<b>\$233,033</b>	<b>\$240,780</b>	<b>\$261,128</b>	<b>\$268,875</b>	<b>\$268,875</b>	<b>\$268,875</b>
<b>Gross Profit</b>										
<b>Gross Profit</b>	<b>\$859,190</b>	<b>\$922,773</b>	<b>\$1,054,310</b>	<b>\$1,099,307</b>	<b>\$1,144,304</b>	<b>\$1,234,299</b>	<b>\$1,365,836</b>	<b>\$1,455,831</b>	<b>\$1,455,831</b>	<b>\$1,455,831</b>
<b>Operating Cost</b>										
<b>Employee Expenses</b>										
Museum - Wages	\$572,292	\$572,292	\$572,292	\$572,292	\$572,292	\$572,292	\$572,292	\$572,292	\$572,292	\$572,292
Caravan Park	\$105,300	\$105,300	\$105,300	\$105,300	\$105,300	\$105,300	\$105,300	\$105,300	\$105,300	\$105,300
Café Wages	\$223,860	\$223,860	\$223,860	\$223,860	\$223,860	\$223,860	\$223,860	\$223,860	\$223,860	\$223,860
<b>Total Wages</b>	<b>\$901,452</b>									
Oncosts- Total	\$189,305	\$189,305	\$189,305	\$189,305	\$189,305	\$189,305	\$189,305	\$189,305	\$189,305	\$189,305
<b>Total Wages &amp; On Costs</b>	<b>\$1,090,757</b>									
Casual Staff - Events	\$36,750	\$36,750	\$42,000	\$42,000	\$42,000	\$42,000	\$47,250	\$47,250	\$47,250	\$47,250
<b>Total Employee Costs</b>	<b>\$1,127,507</b>	<b>\$1,127,507</b>	<b>\$1,132,757</b>	<b>\$1,132,757</b>	<b>\$1,132,757</b>	<b>\$1,132,757</b>	<b>\$1,138,007</b>	<b>\$1,138,007</b>	<b>\$1,138,007</b>	<b>\$1,138,007</b>
<b>Operating Costs</b>										
Utilities (Gas & Elect)	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Communications	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Repairs & Maintenance	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
IT	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000
Stationary & Consumables	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Waste	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Insurances	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Accounting & Legal Costs	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Bank Charges	\$5,282	\$5,639	\$6,398	\$6,642	\$6,887	\$7,375	\$8,135	\$8,624	\$8,624	\$8,624
Marketing & Advertising	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Volunteer Amenities	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Miscellaneous Expenses	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
<b>Total Operational Expenses</b>	<b>\$271,282</b>	<b>\$271,639</b>	<b>\$272,398</b>	<b>\$272,642</b>	<b>\$272,887</b>	<b>\$273,375</b>	<b>\$274,135</b>	<b>\$274,624</b>	<b>\$274,624</b>	<b>\$274,624</b>
<b>Total Expenses</b>	<b>\$1,398,789</b>	<b>\$1,399,145</b>	<b>\$1,405,155</b>	<b>\$1,405,399</b>	<b>\$1,405,644</b>	<b>\$1,406,132</b>	<b>\$1,412,142</b>	<b>\$1,412,630</b>	<b>\$1,412,630</b>	<b>\$1,412,630</b>
<b>Net Income (operations)</b>	<b>-\$539,599</b>	<b>-\$476,373</b>	<b>-\$350,845</b>	<b>-\$306,092</b>	<b>-\$261,339</b>	<b>-\$171,833</b>	<b>-\$46,306</b>	<b>\$43,200</b>	<b>\$43,200</b>	<b>\$43,200</b>
<b>Toowoomba Council Grant (current)</b>	<b>\$900,000</b>									
<b>Net Income ( after Grant)</b>	<b>\$360,401</b>	<b>\$423,627</b>	<b>\$549,155</b>	<b>\$593,908</b>	<b>\$638,661</b>	<b>\$728,167</b>	<b>\$853,694</b>	<b>\$943,200</b>	<b>\$943,200</b>	<b>\$943,200</b>

Source: MCA modelling June 2022.

## Case 2: Full Operation by Company (Council Owned)

Table 15 Financials – Case 2: Full Operation by Company (Council Owned)

Budgets : Full Operation	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
	Base year									
Visitor numbers	8,264	10,330	12,396	13,429	14,462	16,528	18,594	20,660	20,660	20,660
<b>Revenue</b>										
Museum Revenue (tours etc)	\$165,280	\$206,600	\$247,920	\$268,580	\$289,240	\$330,560	\$371,880	\$413,200	\$413,200	\$413,200
<b>Grounds Hire - Events</b>										
<b>Grounds Hire Revenue</b>	<b>\$85,000</b>	<b>\$85,000</b>	<b>\$97,143</b>	<b>\$97,143</b>	<b>\$97,143</b>	<b>\$97,143</b>	<b>\$109,286</b>	<b>\$109,286</b>	<b>\$109,286</b>	<b>\$109,286</b>
<b>Caravan Park Revenue</b>										
<b>Caravan Park Revenue</b>	<b>\$148,800</b>	<b>\$152,985</b>	<b>\$183,582</b>	<b>\$198,881</b>	<b>\$214,179</b>	<b>\$244,776</b>	<b>\$275,373</b>	<b>\$305,970</b>	<b>\$305,970</b>	<b>\$305,970</b>
<b>Café Revenue</b>										
Café Revenue	\$363,300	\$389,125	\$414,950	\$427,863	\$440,775	\$466,600	\$492,425	\$518,250	\$518,250	\$518,250
Events Revenue - Catering	\$294,000	\$294,000	\$336,000	\$336,000	\$336,000	\$336,000	\$378,000	\$378,000	\$378,000	\$378,000
<b>Total Café</b>	<b>\$657,300</b>	<b>\$683,125</b>	<b>\$750,950</b>	<b>\$763,863</b>	<b>\$776,775</b>	<b>\$802,600</b>	<b>\$870,425</b>	<b>\$896,250</b>	<b>\$896,250</b>	<b>\$896,250</b>
<b>Total Revenue</b>	<b>\$1,056,380</b>	<b>\$1,127,710</b>	<b>\$1,279,595</b>	<b>\$1,328,466</b>	<b>\$1,377,337</b>	<b>\$1,475,079</b>	<b>\$1,626,964</b>	<b>\$1,724,706</b>	<b>\$1,724,706</b>	<b>\$1,724,706</b>
<b>EXPENSES</b>										
<b>Cost of Goods Sold</b>										
Café	\$108,990	\$116,738	\$124,485	\$128,359	\$132,233	\$139,980	\$147,728	\$155,475	\$155,475	\$155,475
Catering	\$88,200	\$88,200	\$100,800	\$100,800	\$100,800	\$100,800	\$113,400	\$113,400	\$113,400	\$113,400
<b>Total CoGS</b>	<b>\$197,190</b>	<b>\$204,938</b>	<b>\$225,285</b>	<b>\$229,159</b>	<b>\$233,033</b>	<b>\$240,780</b>	<b>\$261,128</b>	<b>\$268,875</b>	<b>\$268,875</b>	<b>\$268,875</b>
<b>Gross Profit</b>										
<b>Gross Profit</b>	<b>\$859,190</b>	<b>\$922,773</b>	<b>\$1,054,310</b>	<b>\$1,099,307</b>	<b>\$1,144,304</b>	<b>\$1,234,299</b>	<b>\$1,365,836</b>	<b>\$1,455,831</b>	<b>\$1,455,831</b>	<b>\$1,455,831</b>
<b>Operating Cost</b>										
<b>Employee Expenses</b>										
Museum - Wages	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112
Caravan Park	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000
Café Wages	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343
<b>Total Wages</b>	<b>\$895,455</b>									
Oncosts- Total	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046
<b>Total Wages &amp; On Costs</b>	<b>\$1,083,501</b>									
Casual Staff - Events	\$36,750	\$36,750	\$42,000	\$42,000	\$42,000	\$42,000	\$47,250	\$47,250	\$47,250	\$47,250
<b>Total Employee Costs</b>	<b>\$1,120,251</b>	<b>\$1,120,251</b>	<b>\$1,125,501</b>	<b>\$1,125,501</b>	<b>\$1,125,501</b>	<b>\$1,125,501</b>	<b>\$1,130,751</b>	<b>\$1,130,751</b>	<b>\$1,130,751</b>	<b>\$1,130,751</b>
<b>Operating Costs</b>										
Utilities (Gas & Elect)	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Communications	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Repairs & Maintenance	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
IT	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000
Stationary & Consumables	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Waste	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Insurances	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Accounting & Legal Costs	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Bank Charges	\$5,282	\$5,639	\$6,398	\$6,642	\$6,887	\$7,375	\$8,135	\$8,624	\$8,624	\$8,624
Marketing & Advertising	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Volunteer Amenities	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Miscellaneous Expenses	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
<b>Total Operational Expenses</b>	<b>\$271,282</b>	<b>\$271,639</b>	<b>\$272,398</b>	<b>\$272,642</b>	<b>\$272,887</b>	<b>\$273,375</b>	<b>\$274,135</b>	<b>\$274,624</b>	<b>\$274,624</b>	<b>\$274,624</b>
<b>Total Expenses</b>	<b>\$1,391,533</b>	<b>\$1,391,889</b>	<b>\$1,397,899</b>	<b>\$1,398,143</b>	<b>\$1,398,387</b>	<b>\$1,398,876</b>	<b>\$1,404,886</b>	<b>\$1,405,374</b>	<b>\$1,405,374</b>	<b>\$1,405,374</b>
<b>Net Income (operations)</b>	<b>-\$532,343</b>	<b>-\$469,117</b>	<b>-\$343,589</b>	<b>-\$298,836</b>	<b>-\$254,083</b>	<b>-\$164,577</b>	<b>-\$39,049</b>	\$50,456	\$50,456	\$50,456
<b>Toowoomba Council Grant (current)</b>	<b>\$900,000</b>									
<b>Net Income ( after Grant)</b>	<b>\$367,657</b>	<b>\$430,883</b>	<b>\$556,411</b>	<b>\$601,164</b>	<b>\$645,917</b>	<b>\$735,423</b>	<b>\$860,951</b>	<b>\$950,456</b>	<b>\$950,456</b>	<b>\$950,456</b>
<b>Toowoomba Council Grant for break-even</b>	<b>\$532,343</b>	<b>\$469,117</b>	<b>\$343,589</b>	<b>\$298,836</b>	<b>\$254,083</b>	<b>\$164,577</b>	<b>\$39,049</b>	<b>0</b>	<b>0</b>	<b>0</b>

Source: MCA modelling June 2022.

### Case 3 : Full Operation by Independent Organisation (NFP)

Table 16 Financials – Case 3 : Full Operation by Independent Organisation (NFP)

Budgets : Full Operation	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
	Base year									
Visitor numbers	8,264	10,330	12,396	13,429	14,462	16,528	18,594	20,660	20,660	20,660
<b>Revenue</b>										
Museum Revenue (tours etc)	\$165,280	\$206,600	\$247,920	\$268,580	\$289,240	\$330,560	\$371,880	\$413,200	\$413,200	\$413,200
<b>Grounds Hire - Events</b>										
Grounds Hire Revenue	\$85,000	\$85,000	\$97,143	\$97,143	\$97,143	\$97,143	\$109,286	\$109,286	\$109,286	\$109,286
<b>Caravan Park Revenue</b>										
Caravan Park Revenue	\$148,800	\$152,985	\$183,582	\$198,881	\$214,179	\$244,776	\$275,373	\$305,970	\$305,970	\$305,970
<b>Café Revenue</b>										
Café Revenue	\$363,300	\$389,125	\$414,950	\$427,863	\$440,775	\$466,600	\$492,425	\$518,250	\$518,250	\$518,250
Events Revenue - Catering	\$294,000	\$294,000	\$336,000	\$336,000	\$336,000	\$336,000	\$378,000	\$378,000	\$378,000	\$378,000
<b>Total Café</b>	<b>\$657,300</b>	<b>\$683,125</b>	<b>\$750,950</b>	<b>\$763,863</b>	<b>\$776,775</b>	<b>\$802,600</b>	<b>\$870,425</b>	<b>\$896,250</b>	<b>\$896,250</b>	<b>\$896,250</b>
<b>Total Revenue</b>	<b>\$1,056,380</b>	<b>\$1,127,710</b>	<b>\$1,279,595</b>	<b>\$1,328,466</b>	<b>\$1,377,337</b>	<b>\$1,475,079</b>	<b>\$1,626,964</b>	<b>\$1,724,706</b>	<b>\$1,724,706</b>	<b>\$1,724,706</b>
<b>EXPENSES</b>										
<b>Cost of Goods Sold</b>										
Café	\$108,990	\$116,738	\$124,485	\$128,359	\$132,233	\$139,980	\$147,728	\$155,475	\$155,475	\$155,475
Catering	\$88,200	\$88,200	\$100,800	\$100,800	\$100,800	\$100,800	\$113,400	\$113,400	\$113,400	\$113,400
<b>Total CoGS</b>	<b>\$197,190</b>	<b>\$204,938</b>	<b>\$225,285</b>	<b>\$229,159</b>	<b>\$233,033</b>	<b>\$240,780</b>	<b>\$261,128</b>	<b>\$268,875</b>	<b>\$268,875</b>	<b>\$268,875</b>
<b>Gross Profit</b>										
Gross Profit	\$859,190	\$922,773	\$1,054,310	\$1,099,307	\$1,144,304	\$1,234,299	\$1,365,836	\$1,455,831	\$1,455,831	\$1,455,831
<b>Operating Cost</b>										
<b>Employee Expenses</b>										
Museum - Wages	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112	\$561,112
Caravan Park	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000	\$113,000
Café Wages	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343	\$221,343
<b>Total Wages</b>	<b>\$895,455</b>									
Oncosts- Total	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046	\$188,046
<b>Total Wages &amp; On Costs</b>	<b>\$1,083,501</b>									
Casual Staff - Events	\$36,750	\$36,750	\$42,000	\$42,000	\$42,000	\$42,000	\$47,250	\$47,250	\$47,250	\$47,250
<b>Total Employee Costs</b>	<b>\$1,120,251</b>	<b>\$1,120,251</b>	<b>\$1,125,501</b>	<b>\$1,125,501</b>	<b>\$1,125,501</b>	<b>\$1,125,501</b>	<b>\$1,130,751</b>	<b>\$1,130,751</b>	<b>\$1,130,751</b>	<b>\$1,130,751</b>
<b>Operating Costs</b>										
Utilities (Gas & Elect)	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Communications	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Repairs & Maintenance	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000	\$40,000
IT	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000	\$22,000
Stationary & Consumables	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000
Waste	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
Insurances	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000	\$12,000
Accounting & Legal Costs	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Bank Charges	\$5,282	\$5,639	\$6,398	\$6,642	\$6,887	\$7,375	\$8,135	\$8,624	\$8,624	\$8,624
Marketing & Advertising	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Volunteer Amenities	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Miscellaneous Expenses	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
<b>Total Operational Expenses</b>	<b>\$271,282</b>	<b>\$271,639</b>	<b>\$272,398</b>	<b>\$272,642</b>	<b>\$272,887</b>	<b>\$273,375</b>	<b>\$274,135</b>	<b>\$274,624</b>	<b>\$274,624</b>	<b>\$274,624</b>
<b>Total Expenses</b>	<b>\$1,391,533</b>	<b>\$1,391,889</b>	<b>\$1,397,899</b>	<b>\$1,398,143</b>	<b>\$1,398,387</b>	<b>\$1,398,876</b>	<b>\$1,404,886</b>	<b>\$1,405,374</b>	<b>\$1,405,374</b>	<b>\$1,405,374</b>
<b>Net Income (operations)</b>	<b>-\$532,343</b>	<b>-\$469,117</b>	<b>-\$343,589</b>	<b>-\$298,836</b>	<b>-\$254,083</b>	<b>-\$164,577</b>	<b>-\$39,049</b>	<b>\$50,456</b>	<b>\$50,456</b>	<b>\$50,456</b>
<b>Toowoomba Council Grant for break-even</b>	<b>\$532,343</b>	<b>\$469,117</b>	<b>\$343,589</b>	<b>\$298,836</b>	<b>\$254,083</b>	<b>\$164,577</b>	<b>\$39,049</b>	<b>0</b>	<b>0</b>	<b>0</b>

Source: MCa modelling June 2022.

## Appendix: Modelling Assumptions

The following table outlines the assumptions used in the modelling of visitors, customers and financials for the Woolshed At Jondaryan.

Variable	Description	Data Source
<b>Museum Visitors</b>		
Museum Visitor Numbers - Year 1 Base Year	Based on 2019-20 visitor numbers - July-January ; and 2017-18 visitor numbers for February to June. Estimate if there was a full year of operations.	Woolshed at Jondaryan Board Meeting Papers – Visitor Demographic Reports : January 2019; January 2020 & July 2022
Museum Visitors - Projections Years 2-10	Projections based on capturing a share of Toowoomba LGA visitors – day visitors, overnight visitors and international visitors Year 10 Target -20,660 comparable with similar regional attractions. Annual numbers based on assumed growth profile.	Tourism Research Australia, Local Government Area Profiles 2019, Toowoomba LGA.
Spending by Museum Visitors	Assumes \$20 per visitor. Estimated from financials.	Profit & Loss Report Jondaryan Woolshed Pty Ltd for 2017/18 and 2018/19
<b>Caravan Park Bookings</b>		
Caravan Park Bookings - Year 1 Base Year	Based on 2019-20 visitor numbers - July-January ; and 2017-18 visitor numbers for February to June. Estimate if there was a full year of operations.	Woolshed at Jondaryan Board Meeting Papers – Visitor Demographic Reports : January 2019; January 2020 & July 2022
Caravan Park Bookings Projections - Years 2-10	Projections based on assumption that 50% of overnight visitors to Museum stay a caravan park. Average stay – 3 nights	Museum visitor projections & MCA assumptions
Caravan Park Revenue	Average per night \$62 (constant prices) Estimated from financials.	Profit & Loss Report Jondaryan Woolshed Pty Ltd for 2017/18 and 2018/19
<b>Café Operations</b>		
Customer Numbers	Based on museum visitor estimates: 50% of visit the café and 200 locals per week.	Museum visitor projections & MCA assumptions
Café Revenue - customers	Based on average spend per person \$25	MCA assumptions
Café – Revenue functions	Assumes café does catering. 35 events per year increasing to 45 events. Average 70 persons and cost \$120 per head	MCA assumptions
Cost of Goods Sold	30% of revenue	Industry average and derived from Profit & Loss Report Jondaryan Woolshed Pty Ltd for 2017/18 and 2018/19
<b>Wages &amp; Salaries</b>		
Wages - Professional occupations	Current market rates for positions	Based on comparable jobs
Wages- Other occupations Council Operation	Based on level of job	Fair work Ombudsman: Pay Guide Local Govt Industry Award (MA0012) January 2022;
Wages- Other occupations Company or Independent Operation	Based on level of job	Fair work Ombudsman: Pay Guide Hospitality General Award (MA000009), March 2022
Oncosts	Oncosts 21% of total wages and salaries	Industry average covers superannuation, long service provision, leave loading etc.
<b>Operating Expenses</b>		
Operating Expenses	Major items derived from on operating accounts for 2017/18 & 2018/19	Profit & Loss Report Jondaryan Woolshed Pty Ltd for 2017/18 and 2018/19

## References

Financial Statements of Jondaryan Woolshed Pty Ltd Year ended June 30, 2019

Financial Statements of Jondaryan Woolshed Pty Ltd Year ended June 30, 2021

Profit & Loss Report Jondaryan Woolshed Pty Ltd for 2017/18 and 2018/19

Tourism Research Australia, Local Government Area Profiles 2019, Toowoomba LGA.

Wage rates – Fair work Ombudsman: Pay Guide Local Govt Industry Award (MA0012) January 2022; Pay Guide Hospitality General Award (MA000009), March 2022

Woolshed at Jondaryan Board Meeting Papers – Visitor Demographic Reports : January 2019; January 2020 & July 2022

## APPENDIX D – ECONOMIC ANALYSIS

### 1. Introduction

This section provides an economic impact assessment of the operations of the Woolshed at Jondaryan complex. It covers the museum, caravan park and café.

The assessment is based on the operations analysis covering: projected visitors by type (domestic overnight, internationals and day visitors). A number of assumptions were applied to estimate the spending in the region by each type of visitor and these are in the table below.

**Table 1 Economic Modelling Assumptions**

Assumptions – Economic Impact Modelling		Source
<b>Overnight Visitors</b>		
Numbers (domestic)	Projections Ave stay =2 Ave stay =3 = domestic & internationals	MCa analysis Tourism Research Australia, Local Government Area Profiles 2019, Toowoomba LGA
Overnight Visitors Spending	Ave spend overnight- \$134 Ave spend – commercial accom \$235	Tourism Research Australia, Local Government Area Profiles 2019, Toowoomba LGA
Stays – 50% caravan park	Ave spend- \$62	Financials
Stays – 50% other accomm	Ave spend overnight- \$134 Other spend - \$30	Tourism Research Australia, Local Government Area Profiles 2019, Toowoomba LGA MCa assumption
Internationals (number)	Projections Ave stay =8 nights (MCa)	MCa analysis
Spending	Ave spend overnight- \$62 Ave spend – commercial accom \$76	Tourism Research Australia, Local Government Area Profiles 2019, Toowoomba LGA
<b>Day visitors</b>		
Number	Projections	MCa analysis
Day visitors Spending	Day trip spend - \$137 (TRA) Day trip spend - \$40 (MCa) - elsewhere in region. Used in modelling.	Tourism Research Australia, Local Government Area Profiles 2019, Toowoomba LGA MCa analysis

### 2. Visitor Projections

The following are the visitor projections used in the financial analysis. Total visitors increase from the current level of 8264 (estimated visitor numbers for 2020 if there were no covid shut downs) to 20,660 from year 8 onwards. The financial modelling assumed that 50% of the overnight visitors to the Woolsheds stayed at the Caravan Park and 50% stayed elsewhere in the region.

**Table 2 Woolshed at Jondaryan – Visitor Projections**

Potential Visitors	Y1 Base Year	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Overnight Visitors</b>	<b>2,632</b>	<b>3,290</b>	<b>3,948</b>	<b>4,277</b>	<b>4,606</b>	<b>5,264</b>	<b>5,922</b>	<b>6,580</b>	<b>6,580</b>	<b>6,580</b>
Woolshed Caravan Park (50%)	1,600	1,645	1,974	2,139	2,303	2,632	2,961	3,290	3,290	3,290
Other Accommodation (50%)	1,032	1,645	1,974	2,139	2,303	2,632	2,961	3,290	3,290	3,290
Internationals	240	300	360	390	420	480	540	600	600	600
Day Visitors	5,392	6,740	8,088	8,762	9,436	10,784	12,132	13,480	13,480	13,480
<b>Total</b>	<b>8,264</b>	<b>10,330</b>	<b>12,396</b>	<b>13,429</b>	<b>14,462</b>	<b>16,528</b>	<b>18,594</b>	<b>20,660</b>	<b>20,660</b>	<b>20,660</b>

Source: MCa modelling, July 2022

### 3. Spending in Region

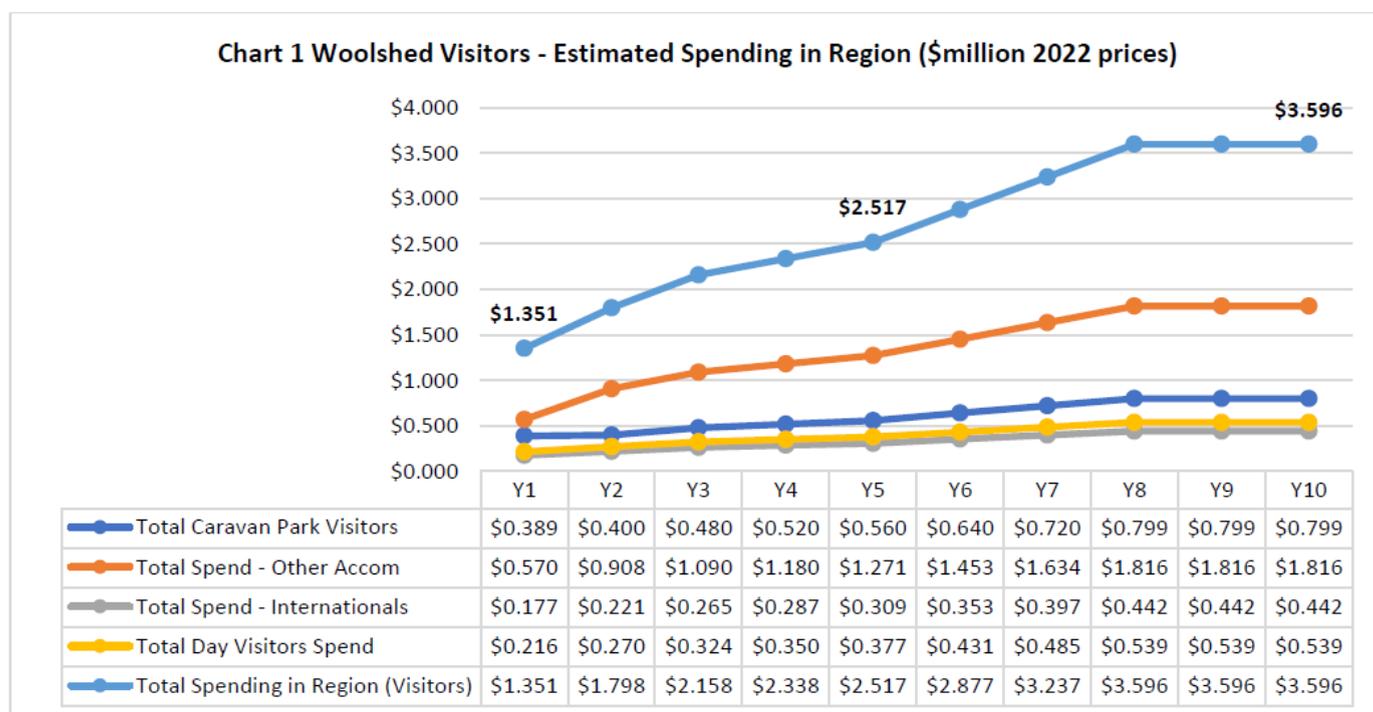
Spending was estimated based on the assumptions used in the modelling. For overnight visitors this covered spending on accommodation and other daily spending in the region. For day visitors, spending in the region was assumed to be \$40 per person/day.

With the projected increase in visitors, total spending in the region increases from \$1.351 million in year 1 (base year) to \$3.596 million from year 8 onwards.

Table 3 Woolshed at Jondaryan – Estimated Spending in Region

Spending in Region	Y1 Base Year	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Overnight Visitors</b>										
Woolshed Caravan Park - Accom	\$0.149	\$0.153	\$0.184	\$0.199	\$0.214	\$0.245	\$0.275	\$0.306	\$0.306	\$0.306
Caravan Park Other Spending	\$0.240	\$0.247	\$0.296	\$0.321	\$0.345	\$0.395	\$0.444	\$0.494	\$0.494	\$0.494
<b>Total Caravan Park</b>	<b>\$0.389</b>	<b>\$0.400</b>	<b>\$0.480</b>	<b>\$0.520</b>	<b>\$0.560</b>	<b>\$0.640</b>	<b>\$0.720</b>	<b>\$0.799</b>	<b>\$0.799</b>	<b>\$0.799</b>
Other Accommodation										
Other Accom - Accom Spend	\$0.415	\$0.661	\$0.794	\$0.860	\$0.926	\$1.058	\$1.190	\$1.323	\$1.323	\$1.323
Other Accom - Other Spend	\$0.155	\$0.247	\$0.296	\$0.321	\$0.345	\$0.395	\$0.444	\$0.494	\$0.494	\$0.494
<b>Total Spend - Other Accom</b>	<b>\$0.570</b>	<b>\$0.908</b>	<b>\$1.090</b>	<b>\$1.180</b>	<b>\$1.271</b>	<b>\$1.453</b>	<b>\$1.634</b>	<b>\$1.816</b>	<b>\$1.816</b>	<b>\$1.816</b>
<b>Total Spend - (Inc Caravan &amp; Other)</b>	<b>\$0.958</b>	<b>\$1.308</b>	<b>\$1.569</b>	<b>\$1.700</b>	<b>\$1.831</b>	<b>\$2.092</b>	<b>\$2.354</b>	<b>\$2.616</b>	<b>\$2.616</b>	<b>\$2.616</b>
<b>Internationals</b>										
Internationals - Accom Spend	\$0.119	\$0.149	\$0.179	\$0.193	\$0.208	\$0.238	\$0.268	\$0.298	\$0.298	\$0.298
Internationals - Other Spend	\$0.058	\$0.072	\$0.086	\$0.094	\$0.101	\$0.115	\$0.130	\$0.144	\$0.144	\$0.144
<b>Total Spend - Internationals</b>	<b>\$0.177</b>	<b>\$0.221</b>	<b>\$0.265</b>	<b>\$0.287</b>	<b>\$0.309</b>	<b>\$0.353</b>	<b>\$0.397</b>	<b>\$0.442</b>	<b>\$0.442</b>	<b>\$0.442</b>
<b>Day Visitors</b>										
Day Visitors Spend	\$0.216	\$0.270	\$0.324	\$0.350	\$0.377	\$0.431	\$0.485	\$0.539	\$0.539	\$0.539
<b>Total Spending In Region (Visitors)</b>	<b>\$1.351</b>	<b>\$1.798</b>	<b>\$2.158</b>	<b>\$2.338</b>	<b>\$2.517</b>	<b>\$2.877</b>	<b>\$3.237</b>	<b>\$3.596</b>	<b>\$3.596</b>	<b>\$3.596</b>

Source: MCA modelling, July 2022



Source: MCA modelling, July 2022

## 4. Economic Analysis - Woolshed at Jondaryan Operations

### 4.1 Modelling

The spending estimates were an input to MCA's Regional Impact Model which generates estimates of jobs and income (direct and indirect/induced) generated in the region. The jobs are full time equivalents, and the regional income is in constant \$2022 prices.

In the case of on-site jobs, the numbers and salary levels from the financial analysis were used. The economic impact model generates estimates of the spending by these direct employees and the indirect/induced jobs that arise from this spending.<sup>1</sup>

Table 4 Employees – Onsite and Wages

Woolshed at Jondaryan	No (FTE)	Case 1 Local Govt Award Salary \$	Total Salaries \$
<b>Museum</b>			
General Manager	1	\$120,000	\$120,000
Marketing & events manager	1	\$85,000	\$85,000
Curator - Museum	0.5	\$85,000	\$42,500
Volunteer Co-ordinators	1	\$59,124	\$59,124
Site maintenance/ caretaker	1	\$54,704	\$54,704
Services staff /Guides	3	\$53,768	\$161,304
Reception/Admin	1	\$49,660	\$49,660
<b>Total</b>	<b>8.5</b>		<b>\$572,292</b>
<b>Caravan Park</b>			
Manager	1	\$77,948	\$77,948
Support	0.5	\$54,704	\$27,352
<b>Total</b>	<b>1.5</b>		<b>\$105,300</b>
<b>Café</b>			
Manager/chef	1	\$77,948	\$77,948
Cook	1	\$53,768	\$53,768
Front of house	2	\$46,072	\$92,144
<b>Total</b>	<b>4</b>		<b>\$223,860</b>
<b>Total Onsite Staff</b>			
<b>Total Staff</b>	<b>14</b>		<b>\$901,200</b>

Source: MCA modelling June 2022

<sup>1</sup> Wage rates used for the economic analysis were those for Case 1 Local Government Award rates. General Manager, Marketing & Events Manager, Curator are market rates. Other positions based on Local Government Award 2022.

## 4.2 Economic Impacts - Jobs in the Region

The tables and charts show the jobs generated in the region by visitors and onsite employees. In total 22.5 jobs (full time equivalent) are generated in year 1 (base year) and these increase to 32.5 FTE in year 10.

- Overnight visitors account for 5.1 jobs in year 1 and increase to 13.5 in year 10.
- Day visitors and their spending account for 1.1 jobs in year 1 and increase to 2.6 jobs in year 10.
- Onsite employees and their spending in the region account for 16.3 FTE jobs.
- In total direct jobs increase from 19.5 in year 1 to 28.5 FTE in year 10. Indirect /Induced jobs increase from 3.0 FTE in year 1 to 3.9 FTE in year 10.

**Table 5 Total Jobs Generated by Woolshed Operations (FTE no.)**

Woolshed Operations Total Jobs Generated (Direct & Indirect/Induced) FTE	Y1 Base Year	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Overnight Visitors</b>										
Domestic Overnight	4.2	5.7	6.8	7.4	8.0	9.1	10.2	11.3	11.4	11.4
Internationals Overnight	0.9	1.1	1.3	1.4	1.5	1.7	1.9	2.1	2.2	2.2
<b>Total Overnight Visitors</b>	<b>5.1</b>	<b>6.8</b>	<b>8.1</b>	<b>8.8</b>	<b>9.5</b>	<b>10.8</b>	<b>12.1</b>	<b>13.4</b>	<b>13.5</b>	<b>13.5</b>
<b>Day Visitors</b>										
Domestic Day	1.1	1.3	1.6	1.7	1.9	2.1	2.4	2.6	2.6	2.6
<b>Total Woolsheds Visitors</b>	<b>6.2</b>	<b>8.1</b>	<b>9.7</b>	<b>10.5</b>	<b>11.3</b>	<b>12.9</b>	<b>14.5</b>	<b>16.1</b>	<b>16.2</b>	<b>16.2</b>
Woolsheds – On-Site Jobs	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3	16.3
<b>Total Jobs Generated</b>	<b>22.5</b>	<b>24.4</b>	<b>26.0</b>	<b>26.8</b>	<b>27.6</b>	<b>29.2</b>	<b>30.8</b>	<b>32.4</b>	<b>32.5</b>	<b>32.5</b>

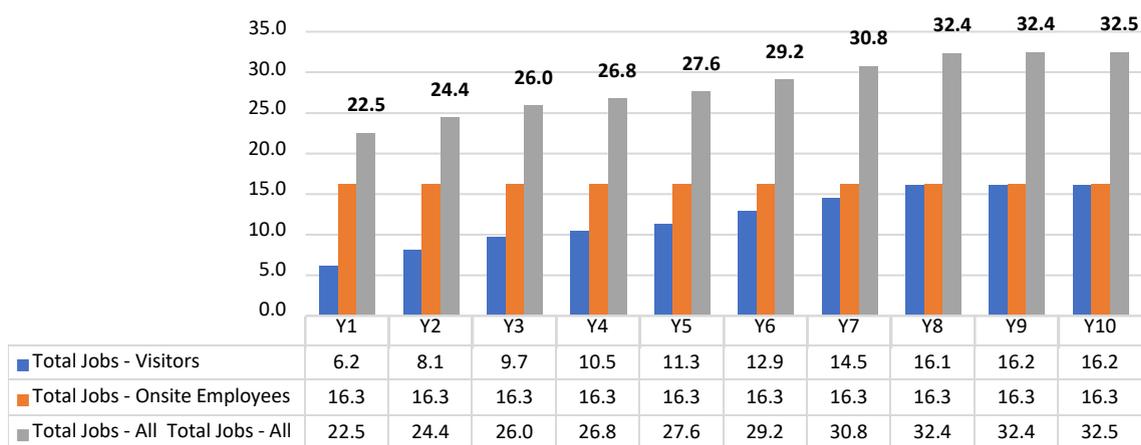
Source: MCA modelling , July 2022

**Table 6 Jobs Generated by Woolshed Operations (FTE no.)**

Woolshed Operations Jobs Generated	Y1 Base Year	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Visitors</b>										
Direct Jobs	5.5	7.3	8.7	9.4	10.2	11.6	13.1	14.5	14.5	14.5
Indirect/Induced Jobs	0.7	0.9	1.0	1.1	1.2	1.3	1.4	1.5	1.6	1.6
<b>Total Jobs - Visitors</b>	<b>6.2</b>	<b>8.1</b>	<b>9.7</b>	<b>10.5</b>	<b>11.3</b>	<b>12.9</b>	<b>14.5</b>	<b>16.1</b>	<b>16.2</b>	<b>16.2</b>
<b>Woolsheds On Site Jobs</b>										
Direct Jobs	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Indirect/Induced Jobs	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
<b>Total Jobs - Onsite</b>	<b>16.3</b>	<b>16.3</b>	<b>16.3</b>	<b>16.3</b>	<b>16.3</b>	<b>16.3</b>	<b>16.3</b>	<b>16.3</b>	<b>16.3</b>	<b>16.3</b>
<b>All Jobs</b>										
Direct Jobs	19.5	21.3	22.7	23.4	24.2	25.6	27.1	28.5	28.5	28.5
Indirect/Induced Jobs	3.0	3.2	3.3	3.4	3.5	3.6	3.7	3.8	3.9	3.9
<b>Total Jobs - All</b>	<b>22.5</b>	<b>24.4</b>	<b>26.0</b>	<b>26.8</b>	<b>27.6</b>	<b>29.2</b>	<b>30.8</b>	<b>32.4</b>	<b>32.4</b>	<b>32.5</b>

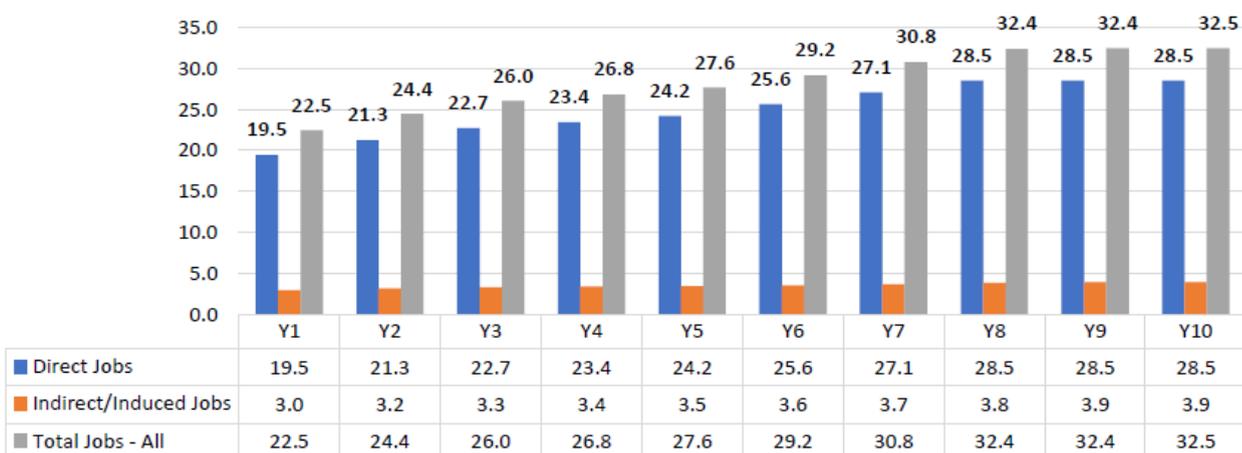
Source: MCA modelling , July 2022

**Chart 2 Woolshed Operations- Total Jobs Generated (no. FTE)**



Source: MCA modelling , July 2022

**Chart 3 Woolshed Operations - Jobs Generated in Region (no. FTE)**



Source: MCA modelling , July 2022

The following table shows the industry mix of the jobs generated in the region by the Woolshed operations. The main industries are : Woolsheds (onsite jobs ) 14; accommodation increasing from 2.1 jobs (year 1) to 5.2 jobs (year 10); food & beverage increasing from 1.9 jobs to 4.7 jobs (year 10); recreation and other services increasing from 2.0 jobs to 4.3 jobs (year 10).

**Table 7 Woolshed Operations – Total Jobs by Industry (FTE no.)**

Total All Jobs (FTE) (Woolsheds & Region)	Y1 Base Year	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
<b>Woolshed Jobs</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>
Accommodation	2.1	2.8	3.2	3.5	3.7	4.2	4.6	5.1	5.1	5.1
Food & Beverage	1.9	2.5	2.9	3.1	3.4	3.8	4.3	4.7	4.7	4.7
Retail	0.9	1.0	1.2	1.2	1.3	1.4	1.5	1.6	1.7	1.7
Health	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4
Transportation	0.7	0.9	1.1	1.1	1.2	1.4	1.5	1.7	1.7	1.7
Communication	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Recreation Services/Other Services	2.0	2.4	2.8	3.0	3.2	3.5	3.9	4.2	4.3	4.3
Education	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Miscellaneous	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	0.4
<b>Total</b>	<b>22.5</b>	<b>24.4</b>	<b>26.0</b>	<b>26.8</b>	<b>27.6</b>	<b>29.2</b>	<b>30.8</b>	<b>32.4</b>	<b>32.4</b>	<b>32.5</b>

Source: MCA modelling , July 2022

### 4.3 Economic Impacts - Regional Income

The following table and chart show the regional income generated by the operations of the Woolshed at Jondaryan. Based on the projected growth in visitor numbers, regional income (in constant \$2022 prices) increases from \$1.556 million in the base year (year 1) to \$2.336 million from year 8 onwards.

Table 8 Woolshed Operations – Regional Income Generated (\$ million 2022 prices)

Regional Income Generated (\$ million 2022 prices)	Y1 Base Year	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Total 10 Years
<b>Visitors</b>											
Direct Income - Visitors	\$0.424	\$0.564	\$0.676	\$0.733	\$0.789	\$0.902	\$1.014	\$1.127	\$1.127	\$1.127	\$8.483
Indirect/Induced Income	\$0.049	\$0.063	\$0.076	\$0.082	\$0.089	\$0.101	\$0.114	\$0.126	\$0.126	\$0.126	\$0.950
<b>Total Regional Income - Visitors</b>	<b>\$0.473</b>	<b>\$0.627</b>	<b>\$0.752</b>	<b>\$0.815</b>	<b>\$0.878</b>	<b>\$1.002</b>	<b>\$1.128</b>	<b>\$1.253</b>	<b>\$1.253</b>	<b>\$1.253</b>	<b>\$9.433</b>
<b>Onsite Employees</b>											
Direct Income - Employees	\$0.901	\$0.901	\$0.901	\$0.901	\$0.901	\$0.901	\$0.901	\$0.901	\$0.901	\$0.901	\$9.012
Indirect/Induced Income	\$0.182	\$0.182	\$0.182	\$0.182	\$0.182	\$0.182	\$0.182	\$0.182	\$0.182	\$0.182	\$1.821
<b>Total Regional Income - Employees</b>	<b>\$1.083</b>	<b>\$10.833</b>									
<b>Total All</b>											
Direct Income - All	\$1.325	\$1.465	\$1.577	\$1.634	\$1.690	\$1.803	\$1.916	\$2.028	\$2.028	\$2.028	\$17.495
Indirect/Induced Income - all	\$0.231	\$0.246	\$0.258	\$0.264	\$0.271	\$0.283	\$0.296	\$0.308	\$0.308	\$0.308	\$2.770
<b>Total Regional Income -All</b>	<b>\$1.556</b>	<b>\$1.710</b>	<b>\$1.836</b>	<b>\$1.898</b>	<b>\$1.961</b>	<b>\$2.086</b>	<b>\$2.211</b>	<b>\$2.336</b>	<b>\$2.336</b>	<b>\$2.336</b>	<b>\$20.266</b>

Source: MCA modelling , July 2022

Chart 4 Woolsheds Operations - Regional Income Generated (\$ million 2022 prices)



■ Total Regional Income - Visitors	\$0.473	\$0.627	\$0.752	\$0.815	\$0.878	\$1.002	\$1.128	\$1.253	\$1.253	\$1.253
■ Total Regional Income - Employees	\$1.083	\$1.083	\$1.083	\$1.083	\$1.083	\$1.083	\$1.083	\$1.083	\$1.083	\$1.083
■ Total Regional Income -All	\$1.556	\$1.710	\$1.836	\$1.898	\$1.961	\$2.086	\$2.211	\$2.336	\$2.336	\$2.336

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This report (including appendices) is based on estimates, assumptions and information sourced and referenced by MCA < Michael Connell & Assocs.>. These estimates, assumptions and projections are provided as a basis for the reader's interpretation and analysis. In the case of projections, they are not presented as results that will actually be achieved.

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