

## 16.1 LATE ITEM - FINANCIAL SUPPORT FOR THE KARRATHA VISITOR CENTRE

<b>File No:</b>	<b>ED.5</b>
<b>Responsible Executive Officer:</b>	<b>Director Development Services</b>
<b>Reporting Author:</b>	<b>Economic Development Advisor</b>
<b>Date of Report:</b>	<b>20 January 2015</b>
<b>Applicant/Proponent:</b>	<b>Karratha Visitor Centre (KVC)</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachment(s)</b>	<b>1. Karratha Visitor Centre Funding Request Letter 2. Funding Proposal</b>

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### **PURPOSE**

For Council to consider its level of financial support for the Karratha Visitor Centre and operational model going forward.

### **BACKGROUND**

The City of Karratha has been a long term supporter of Visitor Centres in both Karratha and Roebourne. Council has traditionally provided significant funds annually towards the operation and management of the facilities and services that are run by independent committees that operate the Visitor Centres. Council's investment in Visitor Centres and visitor servicing is very high in comparison to other Local Governments.

In January 2011, Council wrote to both visitor centres requesting that they develop new three year strategic plans to take them to the next level of sustainable development and operation. They were requested to identify opportunities for partnerships with industry and identify opportunities for revenue generation and product development. It was made clear that ongoing funding at the current levels was unsustainable and that the business plans needed to reflect a decreasing reliance on Council funds for operation.

The operating models of the two visitor centres again came under scrutiny in September 2013. Council resolved to request the CEO to commence discussions with both Visitor Centre Management and Boards regarding operating and financial models for the 2014/15 financial year and beyond. A detailed discussion document was prepared containing visitor centre funding history, incomes and expenditure, return of investment and visitor numbers compared and contrasted over the previous six years.

On 11 December 2013, a Visitor Information Services Review Meeting was held with representatives from both visitor centres boards, management, staff and Council officers. Discussion took place on various matters including:

- Historical funding models;
- An analysis of visitor centre performance over the previous six years; and
- Various visitor centre operational models that operate elsewhere in WA.

A commitment was made by the visitor centres to have further discussions between the respective boards and management and consider the various operational models with a view of identifying their most desired options and arriving at a position by the end of February 2014.

On 12 March 2014, the Manager of the KVC, wrote to the City of Karratha CEO advising that the KVC had done all it could to invite Roebourne Visitor Centre into a merger with the KVC, however the RVC Board had voted not to merge with Karratha. The KVC Board would then discuss “where to next” at their next Board meeting.

At the Council Agenda Briefing of 13 March 2014, the Chief Executive Officer provided a status update to Council and described the visitor centre positions as:

- Karratha VC – open to a merger proposal with the RVC and open to other proposals.
- Roebourne VC – not supportive of a merge with the KVC and have commenced preliminary discussions with Ngarluma Yindjibarndi Foundation Limited and Ngarluma Aboriginal Corporation regarding potential funding.

At its April 2014 Ordinary Council Meeting, Council considered a report on this matter and resolved that:

- a) Council does not support funding at the current levels and with the current operational and management model for the 2014/15 financial year and beyond;
- b) Council’s preference is for the Karratha Visitor Information Service to come in-house and operate as a Shire of Roebourne function;
- c) Council is willing to work with the Karratha Visitor Centre Board and Management to achieve a smooth transition for commencement under the Shire’s management by 2015; and
- d) Council will allocate \$145,436.50 (ex GST) (50% of 13/14 FY) to facilitate continued operations under the current management model until 31 December 2014.

The A/CEO requested that the KVC Board consider Council’s resolution and provide a response by 30 May 2014.

On 29 May 2014 the Manager of the KVC, replied to the above communication and advised that it was discussed at length at the May 22 KVC Board meeting and that the KVC agreed in principal for the KVC to come in house and operate as a Shire of Roebourne facility. Further that the Board members unanimously decided that this was indeed the best course of action to secure visitor servicing in the Shire of Roebourne and “warmly welcome” the potential new direction.

As a consequence of this communication, Council officers developed a transitional funding agreement which was agreed to and signed off by the Chairperson of the Karratha Visitor Centre. One of the new obligations of this transitional funding agreement was that the KVC Board Chairperson and Manager be actively involved in the transition of the KVC into the City of Karratha management and operations as required including, but not limited to:

- a) Participating in meetings and workshops
- b) Providing any additional information as requested
- c) Providing input into draft documents and proposals

Based on the KVC advice, City officers discussed the various issues that would need to be resolved to enable the proposed transition. A Draft Transition Management Plan (TMP) was provided to the KVC board on 20 June, 2014 for comment. Subsequent to that, two meetings were held with KVC board members and staff to discuss the draft TMP and proposed management transition (July 22 and August 15.) At that time the agreement was that the KVC would provide formal feedback on the TMP.

On October 17, 2014, the City’s CEO wrote to the KVC Chair, advising that the formal feedback had not been received in relation to the above matters and requested that feedback on the draft TMP be provided in the near future.

On November 10, 2014, the Manager of the KVC responded advising of the annual elections of the KVC and that a new board had been elected. Additionally, he advised that the Board had resolved to request the City of Karratha commit to the continuation of funding of the KVC until the end of the 14/15 financial year and to this end that the Board provide a briefing to Council at the December OCM 2014. A Board presentation was arranged for the Council Briefing Session on the 8/12/14 and on the 9/12/14 the KVC provided a copy of the report the presentation.

The CEO provided a response to the KVC presentation on the 12 December 2014 advising that it was unclear as to the level of support that was being requested. The KVC was requested to provide a proposal that:

- Outlined the proposed KPI's for the visitor centre for the 2014/15 financial year in return for the City's investment in the service.
- Detailed the current financial position of the KVC.
- Outlined the current YTD budget/actuals and proposed budget for the remainder of the 2014/15 Financial Year.
- Specified which new initiatives are proposed to be undertaken in 2014/15 and what impact that they will have on the Budget and/or Council's investment.

On 15 January 2015, a Karratha Visitor Centre Funding Proposal was provided (see attachment). The documentation articulated that the new Board are not in favour of the KVC coming in-house under the City of Karratha management however wish to remain an independent incorporated association. This is a complete turn-around of the Board's position from the May 2014 Board Meeting and is contrary to Council's preferred position as adopted in April 2014.

The KVC have requested that the City of Karratha continue to fund the KVC at the current level until the end of the 2014/15 financial year during which time the KVC would engage a consultant to:

- a) reinvigorate the KVC Strategic Plan;
- b) provide a business plan to enable the KVC to operate as a business, less reliant on grant funding; and
- c) assist the KVC in developing new revenue streams.

The Karratha Visitor Centre Funding proposal provided:

- a) an overview of their financial position and a statement that should no further funding be provided by the City of Karratha that the KVC would only be able to operate until mid to late February 2015;
- b) a list of suggested additional KPIs; and
- c) a list of new initiatives with some indicative costings, potential revenues and broad rationale. These include:
  - i. KVC mobile coffee van Setup \$50,000 Annual Revenue \$295,000 - \$350,000
  - ii. Coin Operated Laundry Setup \$25,000 Annual Revenue \$10,000
  - iii. Coin Operated Showers Setup \$15,000 Annual Revenue \$3,000
  - iv. Eco-accommodation Setup \$1.5 million Annual revenue \$50,000

Further the economic viability and due diligence on these items will need to be undertaken prior to implementation. For Council to effectively evaluate, a more detailed business case for each initiative would be required which clearly articulates the demonstrated need for the service, Council also needs to take a cautious approach to subsidising any KVC business opportunities which may be regarded as competing with existing enterprises within the district and needs to be conscious that the KVC facility is on State Government Reserve land that is provided to Council for the specific purpose of Visitor Centre. These use/s may not be considered to be consistent with this purpose.

The CEO advised the KVC that the City of Karratha would review the funding request and endeavour to put up a report to the January 2015 Ordinary Council Meeting.

#### Financial Performance

The following table provides a comparison of first half actuals compared to second half budget.

	<b>2014 July-Dec Actual</b>	<b>2015 Jan - June Proposed (\$)</b>
<b>Income</b>		
Memberships	\$5,320	\$4,500
Funding and Grants	\$145,436.50	\$202,936
Gallery and auditorium Hire	\$337.45	\$1,200
Total tours	\$33,881.13	\$27,450
Total shop Sales	\$106,098.11	\$87,250
Total Other Income	\$9,672.40	\$36,060
Permits and passes	\$11,416.54	\$11,300
<b>TOTAL</b>	<b>\$312,162.13</b>	<b>\$370,696</b>
<b>Expenditure</b>		
Staff Related Costs	\$172,433.37	\$165,010
Vehicles	\$28,004.23	\$4,650
Tour Costs	\$2,795.45	\$5,150
Stock	\$54,955.69	\$50,000
Office	\$41,608.73	\$18,000
Repairs & Maintenance	\$4,691.66	\$3,260
Utilities	\$13,617.38	\$11,290
Housing	\$9,765.26	\$7,050
Building/Grounds Upgrades	0	\$75,000
Total Insurances	\$15,428.18	0
Other	\$1,537.14	\$13,770
<b>TOTAL</b>	<b>\$303,132.81</b>	<b>\$289,410</b>
<b>NETT PROFIT/(LOSS)</b>	<b>(\$42,897.78)</b>	<b>\$44,136</b>

Issues/queries that remain with the budget include:

- Continued high reliance on City investment to subsidise facility/service operation (Additional \$145,436 requested for Jan –Jun 2015 period).
- No clear articulation of the breakdown in the funding request between operation funding, capital works and new initiatives. The Manager of the KVC has advised verbally that the \$75,000 for Building/Grounds upgrades is intended for upgrades to KVC Building infrastructure – replacement of front counter area flooring / upgrade of ablutions. The Manager has further advised that additional grant money, over and above Council contribution, will come from Rio Tinto for which an in-principle agreement is in place.
- Unclear as to why \$145,436 Council support is being requested for the Jan-Jun period when nett loss for the period (excluding Council contribution is \$101,000).

Given the extended discussions and negotiations on this matter and varying views that have been expressed, clear direction is required from Council on how it wishes to proceed. If Council resolves that it is willing to support the continued operation of the KVC under a similar model to the current operations (as per the KVC Board request), it is recommended that funding by for the 2015 calendar year (as a minimum) to give KVC Board, Council and staff clarity on the future of visitor servicing for the short/medium term. Any shorter funding period would place continued uncertainty and in relation to this matter

#### **LEVEL OF SIGNIFICANCE**

In the context of Council Policy CE8 Significant Decision Making Policy, the funding of Karratha Visitor Centre is significant due to an expenditure over \$300,000.

## **COUNCILLOR/OFFICER CONSULTATION**

The CEO has lead discussions with the KVC regarding this matter and provided updates to Council at Agenda Briefing sessions. The KVC provided a briefing to Councillors and Senior Officers at the December Agenda Briefing 2014.

## **COMMUNITY CONSULTATION**

Various consultations have been undertaken regarding this matter.

## **STATUTORY IMPLICATIONS**

There are no statutory implications.

## **POLICY IMPLICATIONS**

There are no policy implications.

## **FINANCIAL IMPLICATIONS**

Council's 2014/15 Budget has an allocation of \$319,960 (incl. GST) for Karratha Visitor Servicing. Year to date expenditure is \$159,980 (incl. GST).

Whilst Council has allocated \$319,960 (incl. GST) it has clearly indicated over a number of years that ongoing funding at the current levels was unsustainable and that the business plans needed to reflect a decreased reliance on Council funds for operation.

The primary issues for Council's consideration are the quantum of funding that it is proposing to contribute to the KVC for the remainder of 2014/15 and the ongoing operational and management model.

The KVC is of the view that it will have insufficient funding available to continue to operate the facilities and services at the current level without further City funding above that that has already been provided this financial year.

## **STRATEGIC IMPLICATIONS**

This item is relevant with the Council's approved Strategic Community Plan 2012-2022 and Corporate Business Plan 2012-2016. In particular the Operational Plan 2014-2015 provided for this activity:

Our Program:	2.a.3.1	Support Tourism and Visitor Centre Development.
Our Services:	2.a.3.1.1	Support visitor information services within the municipality.

## **RISK MANAGEMENT CONSIDERATIONS**

Council should be aware that if no additional funding was to be provided by the City of Karratha that the KVC may face severe operational difficulties potentially leading to cessation of operations at some point in the future.

Council ought to take a cautionary approach to consideration of funding new business initiatives by the KVC to ensure they will not be perceived as competing with existing Karratha businesses.

## **IMPACT ON CAPACITY**

There is no impact on capacity or resourcing to carry out the Officer's recommendation. However if Council were to agree to providing officer level assistance in respect to KVC grant applications, that would impact on staff resourcing.

## **RELEVANT PRECEDENTS**

Council has been the principal funding partner of the visitor centres for over a decade.

## **VOTING REQUIREMENTS**

Simple Majority

### **OPTIONS:**

#### Option 1

That Council by SIMPLE Majority pursuant to Section 5.42 and Section 6.8 of the *Local Government Act 1995*, RESOLVES to ADVISE the Karratha Visitor Centre Committee that it will not provide any further funding for the Karratha Visitor Centre, and that Council reaffirms its position that visitor information services is best placed to come in-house under City of Karratha management.

#### Option 2

That Council by ABSOLUTE Majority pursuant to Section 5.42 and Section 6.8 of the *Local Government Act 1995*, RESOLVES to ADVISE the Karratha Visitor Centre Committee that it will:

1. ENTER into a mutually agreed funding agreement for the remainder of the 2015 calendar year providing a further \$290,873 (ex GST) to be provided in four quarterly instalments of \$72,718.25 (ex GST) with the subsequent instalments subject to the provision of a report against refined and measurable KPIs; and
2. CONSIDER investment in the Karratha Visitor Centre's identified business opportunities during the March 2015 budget review (subject to the timely provision of detailed business plans identifying viability, cost benefit and appropriateness for implementation by a visitor information centre).

#### Option 3

That Council by ABSOLUTE Majority pursuant to Section 5.42 and Section 6.8 of the *Local Government Act 1995*, RESOLVES to ADVISE the Karratha Visitor Centre Committee that it will:

1. ENTER into a mutually agreed funding agreement for the remainder of the 2015 calendar year providing a further \$\_\_\_\_\_ (ex GST) to be provided in quarterly instalments of \$\_\_\_\_\_ (ex GST) with the second instalment subject to the provision of a report against refined and measurable KPIs; and
2. CONSIDER investment in the Karratha Visitor Centre's identified business opportunities during the March 2015 budget review (subject to the timely provision of detailed business plans identifying viability, cost benefit or appropriateness for implementation by a visitor information centre)

## **CONCLUSION**

The Karratha Visitor Centre provides a valuable service to the District. It has a long history of providing information services to visitors to Karratha and surrounding areas which has been supported by Council for many years.

While this is undisputed, the future of visitor services and tourism development within the district has been under Council scrutiny for some time. Council's investment in Visitor Servicing and Visitor centres is significantly greater than most Local Governments. It is questionable as to whether this significantly higher investment delivers significantly higher outcomes.

For at least the last three years Council has clearly indicated that ongoing funding Visitor Centres at the current levels is unsustainable and that business planning needed to reflect a decreased reliance on Council funds for operation. It was considered strategic to consider a more sustainable operational model for delivery of visitor information services going forward.

The future funding and operational model for the Karratha Visitor Centre still remains somewhat unclear with several new alternatives being discussed which have yet to be supported by detailed business cases which prove the viability, cost benefit or appropriateness for implementation by a visitor information centre. It is imperative that Council provide clear direction on its recommended operational/management strategy and funding for the Karratha Visitor Centre.

Council needs to resolve whether it continues to support the current KVC Board's request to operate under a somewhat 'business as usual' approach or whether it wishes to pursue an alternate investment strategy for visitor information services

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#### **OFFICER'S RECOMMENDATION**

**For Council's consideration.**

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**F:** The Pilbara Coast - Karratha Visitor Centre

Cr Peter Long, Mayor  
Councillors of the City of Karratha  
Mr Chris Adams, Chief Executive Officer  
City of Karratha  
PO Box 219  
Karratha WA 6714

To Whom It May Concern,

The Board of the Karratha Visitor Centre understand that the City of Karratha has been examining tourism expenditure over the past several years. City of Karratha internal reports and recommendations led to the 29<sup>th</sup> April 2014 Council resolution which stated that the City of Karratha will work with the Karratha Visitor Centre to subsume the Karratha Visitor Centre post 31<sup>st</sup> December 2014.

The Board of the Karratha Visitor Centre advise that while previous board members may have indicated a willingness to dissolve the Karratha Visitor Centre, this has not previously been and is not now supported by the Board itself. The matter has also not previously been put to nor agreed to by the Karratha Visitor Centre's membership base, which legally must occur. The legal requirements of the Karratha Visitor Centre are set down under its incorporation.

The City of Karratha provided, through Andrew Ward, a Transition of Management Plan which was fatally flawed in its listed assumptions and requirements. A letter from the City of Karratha CEO Chris Adams dated the 17<sup>th</sup> October 2014 proposing to continue its implementation as had been advised and updated to Council at their meeting of 13<sup>th</sup> October 2014 continues with assumptions which the Karratha Visitor Centre cannot lawfully engage with.

The Karratha Visitor Centre Board wishes to apologise for the failure to advise those matters previously however of note are the following key items:

- While previous good management practices see the Karratha Visitor Centre with a portfolio of assets which are enviable among community businesses, the organisation is not cash rich. Money for day to day management including staffing, repairs and maintenance, product development and purchases, and such has been maintained at the minimum to comply with the constraints asked of the Karratha Visitor Centre by the City of Karratha.
- Assets of the Karratha Visitor Centre cannot be subsumed by the City of Karratha, and the use and disposal of such is set down in our governing instruments as is the vesting of any realised value of sale.
- All of the requested financial information is already available to the City of Karratha in reports required of the Karratha Visitor Centre.
- Accreditation of Visitor Information Centres puts in place a number of requirements on the Karratha Visitor Centre and it should be noted that some of the assumptions of proposed actions would put the Karratha Visitor Centre in breach of these requirements.

- It should also be noted that several primary functions of the Karratha Visitor Centre will not be able to be undertaken by the City of Karratha if the decision remains to subsume the functions currently undertaken by the Karratha Visitor Centre.

The Board of the Karratha Visitor Centre propose that the City of Karratha:

1. Continue to fund the Karratha Visitor Centre at the current level at a minimum until 30 June 2015 to enable the Karratha Visitor Centre Board and Management to seek consultants to aid in undertaking:
  - a. Reinvigorating the Strategic Plan of the Karratha Visitor Centre,
  - b. Providing a Business Plan to enable the Karratha Visitor Centre to operate as a business, less reliant on grant funding, [and]
  - c. Assist the Karratha Visitor Centre to develop new revenue streams.
2. Provide City of Karratha staff with expertise in grant writing to the Karratha Visitor Centre to enable the Karratha Visitor Centre to secure funds to:
  - a. Engage consultants to undertake the planning works,
  - b. Improve the building and undertake the project construction to build facilities which will improve revenue streams,
  - c. Update computer systems and work with tourism product providers to ensure seamless booking processes,
  - d. Engage with existing providers, the Pilbara Business Centre and other key stakeholders to build product in the area for both the Karratha Visitor Centre to on sell and too maximise potential investment in tourism product within the area, [and]
  - e. Engage with Visitor Information Centres across the region to maximise information, resource and expertise sharing and cross promotion.

The Board advise that, should the City of Karratha choose to not continuing funding the Karratha Visitor Centre that the doors will close by the end of February. At that time the Karratha Visitor Centre Board will make its decisions on how to proceed given the current stance of the City of Karratha.

The Board and Management provide the attached requested document and suggest that new Key Performance Indicators for a new funding agreement could include:

- The number and nature of special events, functions and initiatives engaged with.
- The number and nature of media mentions of the Karratha Visitor Centre.
- Results of annual stakeholder and member satisfaction surveys.

We trust the attached documentation meets your requirements and welcome any questions and feedback.

Kind Regards,



Ron Critchley  
Association President  
Karratha Visitor Centre



# Karratha Visitor Centre Funding Proposal

## **The Karratha Visitor Centre**

The Karratha Visitor Centre is very keen to establish a closer and more collaborative working relationship with the City of Karratha. Whilst the Karratha Visitor Centre has traditionally operated in the visitor information centre space, the Board recognises that there are many opportunities for growth across the tourism sector, including significant opportunities that traditionally have not been accessed. To realise the potential that tourism can play in the social and economic wellbeing of our community the Karratha Visitor Centre needs to form closer working relationships with its members, key industry stakeholders, Government both local, State and Federal (where appropriate).

In response to a presentation made by the Karratha Visitor Centre at the City of Karratha's Briefing Session in December 2014, the City of Karratha's CEO Chris Adams requested that the Karratha Visitor Centre put together a proposal that:

- Outlines the proposed KPI's for the Visitor Centre for the 2014/2015 financial year in return for the City of Karratha's investment in the service;
- Details the current financial position of the Karratha Visitor Centre;
- Outlines the current YTD budget/actuals and proposed budget for the remainder of the 2014/2015 financial year; [and]
- Specifies which new initiatives are proposed to be undertaken in 2014/2015 and what impact that they will have on the Budget and/or Council's investment.

## **Current Financial Position**

The Karratha Visitor Centre will continue to operate for a short period of time, until mid to late February 2015. On current funds and overdraft facilities, at which time the board will be forced to determine the Karratha Visitor Centres ongoing operations.

The Karratha Visitor Centre is continually reviewing its operational expenditure to ensure maximum efficiencies are being achieved. Over the past few months changes implemented to reduce expenditure include:

- The number of front counter staff has been reduced from five to one
- Reduced our stock holding
- Rationalised our merchandise purchases
- Less suppliers utilised over all
- Lowest price guarantee on merchandise purchases
- Improving our front counter experience for better word of mouth advertising
- Reduced our insurance premiums
- Forming a buying alliance with other visitor centres in the North West for bulk purchasing discounts
- Split advertising and promotion costs by taking part in joint advertising campaigns with Australia's North West Tourism and the Roebourne Visitor Centre
- Release of the Warambie Estate unit held by the Karratha Visitor Centre

## **Key Performance Indicators**

Key Performance Indicators supplied by the City of Karratha as part of past Memorandum's of Understanding relating to funding include:

- Provide Annual Report, including Audit Report and Meeting Minutes
- Quarterly Financial Statements
- Analysis of Visitor Numbers, including Average Sale and Average Spend figures
- Breakdown of visitors originating regions
- Strategic / Operational Plan Updates
- Engagement with other Visitor Centres
- The City of Karratha's acknowledgement as the Centre's Principal Sponsor
- Visitor Satisfaction / Testimonials
- Provision of Membership List
- Promoting the City of Karratha and surrounds by:
  - Attending the national Caravan and Camping shows to show case the area
  - Taking part in the Perth Royal Show Regional Towns display, promoting the City of Karratha
  - Attending the Coming of Age forum to promote the City of Karratha
- Joint product development with the Roebourne Visitor Centre
- Continued negotiation with Roebourne Visitor Centre to merge services



The Karratha Visitor Centre has met all performance indicators *previously* required of and supplied to us by the City of Karratha. Additional information has also been provided as requested in a timely manner. The Karratha Visitor Centre is more than happy to accommodate and would welcome the City of Karratha building on the previously listed Key Performance Indicators if additional information is required from us. The Karratha Visitor Centre Board envisages that additional Key Performance Indicators could include the following:

- The number and nature of special events, functions and initiatives engaged with.
- The number and nature of media mentions of the Karratha Visitor Centre.
- Results of annual stakeholder and member satisfaction surveys.
- The number of Red Dog Mascot Costume bookings and events participated in.
- Engagement with other professional tourism bodies.

The Karratha Visitor Centre understands that the City of Karratha provides a large sum of funding to support tourism as a whole in the area and we are willing to install the appropriate methods to acquire whatever information the City of Karratha needs to build its statistical database.

### **New Initiatives**

The Karratha Visitor Centre has identified a number of business opportunities that in a short period of time will allow us to maximise revenue through the centre, of which only a small proportion are reliant on funding provided by the City of Karratha, with the exception of establishing a city visitor centre satellite location in The Quarter once development is complete. The Board will, as part of its strategic planning, be looking to consult with Council and our stakeholders on future funding options.

Business opportunities identified include:

- Implementation of a mobile coffee van on centre grounds
- Installation of coin operated showers and washing / dryer combo machines
- Location of a small accommodation establishment located at the centre
- Installation of a bookings portal on the Karratha Visitor Centre website
- Further develop the range of tours run by the centre
- *Establishing a city centre satellite location of the centre at The Quarter, once development is complete*
- Establishment of a River Walk Trail circling the Karratha Visitor Centre

### KVC Coffee

A mobile coffee van which would predominantly be located in the Karratha Visitor Centre carpark, allowing us to service those visiting the centre but at the same time its mobility would provide the opportunity to take part in local events, providing the centre with a travelling presence and the ability to earn revenue away from the centre.

- Estimated Setup Costs: \$50,000
- Estimated Revenue: \$295,000 to \$350,000 in the first 18 months
- Estimated Running Costs: \$1.50 per cup, with an average of 150 to 200 cups per day anticipated
- Expected Start Date: anticipate trading to begin in July 2015
- This would replace the current coffee van operations located at the Karratha Visitor Centre
- Dedicated team of 3 to 4 staff
- Serve a small selection of food items
- It also provides an opportunity to redevelop the car park area, with the installation of shade sails, wooden decking, tables and chairs, making the area more user friendly and inviting (anticipated cost of refurbishment is \$50,000)
- Opening Hours:
  - April to October: 5am till 5.30pm, 7 days a week
  - November to March: 5am till 2pm, 6 days a week (Monday - Saturday)

### Coin Operated Washing Machine / Dryer Combo Machines

A facility currently lacking within Karratha (town) is a laundromat that is accessible to locals and to those visitors not making use of one of the local caravan parks. We anticipate that the machines would experience a sizeable usage, based on the number of enquiries relating to this subject received throughout each year.

- Estimated Setup Costs: \$25,000, as refurbishment and development of a suitable secure area is required
- Estimated Revenue: \$10,000 in the first year
- This also provides an opportunity to stock a range of affiliated products

### Coin Operated Showers

Within the City of Karratha there are currently minimal shower facilities accessible to visitors not making use of one of the local caravan parks or other accommodation providers. We anticipate that the showers would experience considerable usage, based on the number of enquiries relating received throughout each year, especially during peak season.

- Estimated Setup Costs: \$15,000
- Estimated Revenue: \$3,000 in the first year
- By installing the coin operated showers it also allows / requires refurbishment of the current bathroom (toilet) area, which are in desperate need of some renovation
- The shower / bathroom facilities would be accessible during opening hours only (as the current toilet facilities are)
- Provide a convenience for travellers that doesn't currently exist in Karratha
- This provides an opportunity to stock a range of affiliated products

### Eco Accommodation Development

The development of six eco style accommodation villas (similar to the Newman Visitor Centre's development) would fill a need for people seeking this style of accommodation and a positive selling point would be that by booking they are supporting the future of the local visitor centre. It also provides an opportunity to utilise the bookings portal to be installed on the Karratha Visitor Centre website.

- Estimated Setup Costs: \$1.5 million
- Estimated Revenue: \$50,000 in the first year
- Estimated Running Costs: \$18,000 per year
- Located to the side of the centre, next to the Water Corporation Access Road to the water tanks
- The Water Corporation have verbally agreed to gift the land to the Karratha Visitor Centre
- Funding will be sourced from various parties

### **Other Potential Revenue Sources**

The Karratha Visitor Centre has identified several other potential revenue sources:

- Bookings Portal on KVC Website
  - Commission Based
  - Supplied by the Pilbara Regional Council
  - Ability to book accommodation and tours
  - Access to live availability of tour and accommodation providers
- Development of Additional Tours / Charters:
  - Operated by the Visitor Centre
  - Town Tour
  - Millstream Chichester National Park
  - Hearson's Cove Staircase to the Moon BBQ Bus
  - Transport to Karijini National Park (partnering with West Oz Active)
  - Requires the purchase of a 4WD Bus for National Park tours.
- Advertising Revenue from Newsletter and Car Park Signage

### **Satellite Locations**

By making use of satellite locations, either manned or unmanned, the Karratha Visitor Centre will be able to expand its reach, servicing a significantly increased number of customers (both locals and visitors).

- Airport:
  - Brochure Wall - brochures only
  - City of Karratha and immediate surrounds information only
  - KVC and RVC represented by logos, including addresses and contact information
  - Brochures restocked daily by the KVC
- City Centre:
  - Kiosk style location with bike hire
  - Brochures and maps only (no merchandise)
  - Located in The Quarter?

## The Karratha Visitor Centre Board

The new board of the Association comprises of experienced industry people who look forward to guiding the Karratha Visitor Centre successfully into the future, jointly with the City of Karratha and other stakeholders.

President	<b>Ron Critchley</b>	Murujuga Aboriginal Corporation
Vice President	<b>Clayton McIntosh</b>	McDonalds Karratha
Treasurer	<b>Fiona White-Hartig</b>	Regional Development Australia Roebourne Visitor Centre
Secretary	<b>Barry Harrison</b>	The Ranges Karratha
Committee Member	<b>Clinton Walker</b>	Gurrurga Pty Ltd Roebourne Visitor Centre
Committee Member	<b>Felicity Gilbert</b>	Pilbara Development Commission
Committee Member	<b>Brad Beaumont</b>	Australia's North West Tourism Discovery Cruising
City of Karratha Representative	<b>Geoff Harris</b>	
Centre Manager	<b>Bazz Harris</b>	

## The Future of the Karratha Visitor Centre

### From Tourism WA - 'A Sustainable Future for Visitor Centres in Western Australia'

- 'The Future of Visitor Centres in WA' Report:
  - Study commissioned by Tourism WA in 2013
  - Conducted by Haeberlin Consulting
  - Final report delivered - August 2014
- The report identified:
  - Visitor centres continue to play an important role in providing information
  - Tourists who use visitor centres tend to stay longer and spend more in a region
  - Visitors have a clear understanding of what they expect from a visitor centre:

*Travellers see the primary role of visitor centres as providing credible, authoritative and unbiased information.*

As is evident by our accreditation, the Karratha Visitor Centre currently fulfils the role that Tourism Western Australia defines for a visitor centre and its operations. The Karratha Visitor Centre understands that we do need to evolve as an organisation and move with the times, with a view to being less reliant on funding provided by the City of Karratha. We look forward to establishing common tourism goals with all stakeholders once the relevant strategies have been completed and believe that this will help to establish the Karratha Visitor Centre's guidelines and position in the larger tourism landscape for the City of Karratha.

### Tourism Western Australia's Response to the Haeberlin Consulting Study. September 2014

- Local Governments:
  - Community service obligation to provide general information about their area
  - Including community and visitor facilities, and local attractions
- Tourism Operators:
  - Promoting their individual businesses
  - Selling their products
- Visitor centres act as conduits for these two important visitor services
- Financial Viability and Sustainability:
  - Viability is the main concern for visitor centres, most of which require ongoing financial support
  - Sustainability of individual visitor centres is a direct result of their cost base and the ongoing support of the stakeholders involved in providing funding and governance to them
  - Some visitor centres are able to diversify their income stream through complementary commercial services, however this opportunity is not available to all visitor centres

It is the view of the Karratha Visitor Centre Board that the key to successful tourism is to showcase those things that make an area special, national, state and local market research has consistently shown that the primary motivator for travel in the domestic and international tourism market is nature - with next on the list being coastal experiences and journeys of exploration.

Regional tourism is fiercely competitive and those regions that carefully position their brand in the marketplace and strategically manage their approach to tourism will reap the rewards. With careful planning and a good brand this region is well placed to offer and integrate all three of these top travel motivators.

The brand will shape how associated tourism products such as nature based experiences, indigenous experiences, events and heritage tourism, are developed and marketed. We are confident that this strategic approach will resonate with all stakeholders involved and deliver a return on both the Boards and Councils investment in the future.

These proposed changes to operations at the Karratha Visitor Centre won't affect our reliance on City of Karratha funding in the short term. Therefore we request two quarterly funding payments in the lesser amount of \$72,718.25 plus GST until the end on financial year 2014/2015, as was originally budgeted for by both the Karratha Visitor Centre and the City of Karratha.

This will help the Karratha Visitor Centre to develop and implement new strategies. Whilst reducing our reliance on City of Karratha funding in the future this will not negate it entirely. The Karratha Visitor Centre will exhaust all avenues to seek ongoing outside funding to drive our new initiatives. We would request that a new Memorandum of Understanding be negotiated for 2015/2016, prior to June 30, 2015.

#### **Karratha Visitor Centre Board Requests**

We kindly request the following:

- That future funding of the Karratha Visitor Centre be added as an agenda item for the City of Karratha's January Ordinary Council Meeting for the amount of \$72,718.25 plus GST in two payments of (totalling \$145436.50 plus GST),
- That consideration is given to the development of a new Memorandum of Understanding to be negotiated for 2015/2016, prior to June 30, 2015, [and]
- Notification that council intends to add the above request to the agenda for the January 2015 Ordinary Council Meeting.

The Karratha Visitor Centre is ready to embrace the many changes it has proposed and look forward to working collaboratively with the City of Karratha to achieve these long term goals, whilst remaining an independent incorporated association.



**Budgeted versus Actual Figures - Profit and Loss Statement for July 2014 to December 2014**

	Actual	Budgeted	Difference (\$)	Difference (%)
<b>Income</b>				
Shop Sales				
Retail Sales (Retail Manager)	\$99,918.78	\$91,000.00	\$8,918.78	9.80%
Other Retail Goods Sales	\$1,784.04	\$0.00	\$1,784.04	NA
Internet Hub	\$1,351.50	\$1,300.00	\$51.50	4.00%
Coffee Machine	\$389.80	\$650.00	(\$260.20)	-40.00%
Commission - Merchandise	\$218.18	\$220.00	(\$1.82)	-0.80%
Commission - Integrity Coach	\$2,140.23	\$1,750.00	\$390.23	22.30%
Commission - Event Tickets	\$179.31	\$0.00	\$179.31	NA
Commission - Accommodation	\$116.27	\$300.00	(\$183.73)	-61.20%
<b>Total Shop Sales</b>	<b>\$106,098.11</b>	<b>\$95,220.00</b>	<b>\$10,878.11</b>	<b>11.40%</b>
Other Income				
Java Van Licence Fees	\$6,909.10	\$6,890.00	\$19.10	0.30%
Other Donations	\$1,977.22	\$2,250.00	(\$272.78)	-12.10%
Administration Revenue	\$40.91	\$0.00	\$40.91	NA
Other Income	(\$0.01)	\$0.00	(\$0.01)	NA
Holiday Planner	\$700.00	\$700.00	\$0.00	0.00%
Town Maps	\$45.18	\$0.00	\$45.18	NA
<b>Total Other Income</b>	<b>\$9,672.40</b>	<b>\$9,840.00</b>	<b>(\$167.60)</b>	<b>-1.70%</b>
Tours and Community Events				
Pilbara Resource Tours	\$13,713.40	\$15,900.00	(\$2,186.60)	-13.80%
Private Tours	\$0.00	\$600.00	(\$600.00)	-100.00%
Charters	\$227.28	\$0.00	\$227.28	NA
School Tours	\$1,700.00	\$7,650.00	(\$5,950.00)	-77.80%
Roebourne Races	\$16,500.00	\$15,000.00	\$1,500.00	10.00%
Trade Shows and Exhibitions	\$1,545.45	\$1,500.00	\$45.45	3.00%
Other Events	\$0.00	\$500.00	(\$500.00)	-100.00%
Red Dog Mascot Costume Hire	\$195.00	\$1,100.00	(\$905.00)	-82.30%
<b>Total Tours and Community Events</b>	<b>\$33,881.13</b>	<b>\$42,250.00</b>	<b>(\$8,368.87)</b>	<b>-19.80%</b>
Membership				
Membership Fees	\$5,320.00	\$7,500.00	(\$2,180.00)	-29.10%
<b>Total Membership Fees</b>	<b>\$5,320.00</b>	<b>\$7,500.00</b>	<b>(\$2,180.00)</b>	<b>-29.10%</b>
Funding and Grants				
City of Karratha Funding	\$145,436.50	\$145,436.00	\$0.50	0.00%
<b>Total City of Karratha Funding</b>	<b>\$145,436.50</b>	<b>\$145,436.00</b>	<b>\$0.50</b>	<b>0.00%</b>
Gallery / Auditorium and Hire				
Gallery and Auditorium Hire	\$337.45	\$1,200.00	(\$862.55)	-71.90%
<b>Total Gallery and Auditorium Hire</b>	<b>\$337.45</b>	<b>\$1,200.00</b>	<b>(\$862.55)</b>	<b>-71.90%</b>
Permits and Passes				
Access Road Permits	\$8,058.54	\$8,100.00	(\$41.46)	-0.50%
National Park Passes	\$3,358.00	\$3,700.00	(\$342.00)	-9.20%
<b>Total Permits and Passes</b>	<b>\$11,416.54</b>	<b>\$11,800.00</b>	<b>(\$383.46)</b>	<b>-3.25%</b>
<b>Total Income</b>	<b>\$312,162.13</b>	<b>\$313,246.00</b>	<b>(\$1,083.87)</b>	<b>-0.30%</b>
<b>Cost Of Sales</b>				
Shop Cost Of Sales				
Retail Cost of Goods Sold	\$40,918.86	\$50,000.00	(\$9,081.14)	-18.20%

Packaging	\$300.00	\$0.00	\$300.00	NA
Last Cost Variance	(\$3.48)	\$0.00	(\$3.48)	NA
Till Shortage	\$74.85	\$0.00	\$74.85	NA
Integrity Coach Lines Bookings	\$13,665.46	\$11,400.00	\$2,265.46	19.90%
Total Shop Cost Of Sales	\$54,955.69	\$61,400.00	(\$6,444.31)	-10.50%
Tours and Community Events				
Consignment Stock	\$1,600.00	\$0.00	\$1,600.00	NA
Event Ticket Sales	\$1,195.45	\$0.00	\$1,195.45	NA
Total Tours and Community Events	\$2,795.45	\$0.00	\$2,795.45	NA
Total Cost Of Sales	\$57,751.14	\$61,400.00	(\$3,648.86)	-5.90%
Gross Profit	\$254,410.99	\$251,846.00	\$2,564.99	1.00%
Expenses				
Office Expenses				
Account Fees	\$77.81	\$0.00	\$77.81	NA
Auditing Fees	\$6,027.27	\$6,000.00	\$27.27	0.50%
Accreditation Expenses	\$1,089.09	\$1,800.00	(\$710.91)	-39.50%
Advertising	\$5,290.92	\$5,100.00	\$190.92	3.70%
Bank - Account / Other Charges	\$250.02	\$150.00	\$100.02	66.70%
Bank - EFTPOS Fees	\$1,499.95	\$1,200.00	\$299.95	25.00%
Brochure Freight/Distribution	\$2,286.66	\$1,930.00	\$356.66	18.50%
Cleaning and Amenities	\$718.80	\$950.00	(\$231.20)	-24.30%
Committee Meeting Expenses	\$1,197.76	\$950.00	\$247.76	26.10%
Equipment Purchases	\$1,178.01	\$1,900.00	(\$721.99)	-38.00%
Equipment Rental	\$1,130.00	\$1,150.00	(\$20.00)	-1.70%
Fees and Licences	\$391.34	\$0.00	\$391.34	NA
Freight	\$1,999.97	\$2,100.00	(\$100.03)	-4.80%
Lease Agreement - Printer	\$660.00	\$660.00	\$0.00	0.00%
Miscellaneous Expenses	\$127.27	\$0.00	\$127.27	NA
Parking	\$43.91	\$0.00	\$43.91	NA
Pilbara Coast Holiday Planner	\$8,663.64	\$9,000.00	(\$336.36)	-3.70%
Postage	\$260.47	\$280.00	(\$19.53)	-7.00%
Printing	\$1,000.55	\$650.00	\$350.55	53.90%
Security	\$500.00	\$600.00	(\$100.00)	-16.70%
Service Plan (Preventative)	\$3,198.78	\$3,000.00	\$198.78	6.60%
Signage	\$805.00	\$700.00	\$105.00	15.00%
Stationery	\$1,020.23	\$950.00	\$70.23	7.40%
Subscriptions	\$1,329.05	\$1,480.00	(\$150.95)	-10.20%
Tender / Plan Development	\$0.00	\$10,000.00	(\$10,000.00)	-100.00%
Water Service	\$691.83	\$580.00	\$111.83	19.30%
Website Design and Maintenance	\$170.40	\$0.00	\$170.40	NA
Total Office Expenses	\$41,608.73	\$51,130.00	(\$9,521.27)	-18.60%
Repairs & Maintenance				
Building Repairs & Maintenance	\$2,850.32	\$1,800.00	\$1,050.32	58.40%
Computer Maintenance	\$595.00	\$500.00	\$95.00	19.00%
Grounds Maintenance	\$1,246.34	\$1,630.00	(\$383.66)	-23.50%
Other Equipment Maintenance	\$0.00	\$180.00	(\$180.00)	-100.00%
Total Repairs & Maintenance	\$4,691.66	\$4,110.00	\$581.66	14.20%
Insurances				
Insurance Brokers Fees	\$400.00	\$400.00	\$0.00	0.00%

Business Insurance	\$9,426.36	\$10,000.00	(\$573.64)	-5.70%
Management Liability Insurance	\$1,085.46	\$1,200.00	(\$114.54)	-9.50%
Motor Vehicle Insurance	\$2,190.00	\$2,500.00	(\$310.00)	-12.40%
Public Liability Insurance	\$1,173.64	\$1,200.00	(\$26.36)	-2.20%
Workers Compensation Insurance	\$1,152.72	\$1,200.00	(\$47.28)	-3.90%
<b>Total Insurances</b>	<b>\$15,428.18</b>	<b>\$16,500.00</b>	<b>(\$1,071.82)</b>	<b>-6.50%</b>
<b>Atkinson Way</b>				
Atkinson Way - Electricity	\$571.66	\$2,300.00	(\$1,728.34)	-75.10%
Atkinson Way - Insurance	\$2,612.32	\$2,500.00	\$112.32	4.50%
Atkinson Way - Maintenance	\$2,514.79	\$1,750.00	\$764.79	43.70%
Atkinson Way - Shire Rates	\$2,818.00	\$1,400.00	\$1,418.00	101.30%
Atkinson Way - Water	\$433.49	\$600.00	(\$166.51)	-27.80%
<b>Total Atkinson Way</b>	<b>\$8,950.26</b>	<b>\$8,550.00</b>	<b>\$400.26</b>	<b>4.70%</b>
<b>Warambie Estate</b>				
Warambie Estate - Electricity	\$12.59	\$0.00	\$12.59	NA
Warambie Estate - Rent	\$800.00	\$0.00	\$800.00	NA
Warambie Estate - Water	\$2.41	\$0.00	\$2.41	NA
<b>Total Warambie Estate</b>	<b>\$815.00</b>	<b>\$0.00</b>	<b>\$815.00</b>	<b>NA</b>
<b>Tours and Events</b>				
Tour Driver / Bus Hire	\$4,955.00	\$4,950.00	\$5.00	0.10%
Tour Catering and Expenses	\$547.70	\$630.00	(\$82.30)	-13.10%
Roebourne Races Expenses	\$11,954.55	\$9,000.00	\$2,954.55	32.80%
Gallery and Events Expenses	\$75.89	\$300.00	(\$224.11)	-74.70%
Red Dog Appearance Expenses	\$50.86	\$150.00	(\$99.14)	-66.10%
Other Events	\$0.00	\$400.00	(\$400.00)	-100.00%
<b>Total Tours and Events</b>	<b>\$17,584.00</b>	<b>\$15,430.00</b>	<b>\$2,154.00</b>	<b>13.95%</b>
<b>Utilities</b>				
Electricity	\$7,373.89	\$5,900.00	\$1,473.89	25.00%
Internet Access	\$481.69	\$600.00	(\$118.31)	-19.70%
Internet Access - E-Hub	\$499.55	\$360.00	\$139.55	38.80%
Shire Rates	\$310.45	\$300.00	\$10.45	3.50%
Telephone - Landlines	\$3,001.02	\$2,880.00	\$121.02	4.20%
Telephone - Mobile	\$123.91	\$780.00	(\$656.09)	-84.10%
Water	\$1,826.87	\$900.00	\$926.87	103.00%
<b>Total Utilities</b>	<b>\$13,617.38</b>	<b>\$11,720.00</b>	<b>\$1,897.38</b>	<b>16.20%</b>
<b>Vehicles</b>				
Prado - Repairs & Maintenance	\$804.05	\$1,900.00	(\$1,095.95)	-57.70%
Bus - Repairs and Maintenance	\$24,125.59	\$1,100.00	\$23,025.59	2093.20%
Fuel	\$2,205.17	\$2,100.00	\$105.17	5.00%
License / Registration	\$869.42	\$950.00	(\$80.58)	-8.50%
<b>Total Vehicles</b>	<b>\$28,004.23</b>	<b>\$6,050.00</b>	<b>\$21,954.23</b>	<b>362.90%</b>
<b>Payroll and Staffing Costs</b>				
Salaries	\$94,314.97	\$87,000.00	\$7,314.97	8.40%
Wages	\$58,162.13	\$53,000.00	\$5,162.13	9.70%
Superannuation	\$14,319.70	\$13,100.00	\$1,219.70	9.30%
Staff Amenities	\$12.64	\$60.00	(\$47.36)	-78.90%
Gifts - Board and Staff	\$34.22	\$0.00	\$34.22	NA
Training/Familiarisation Tours	\$575.91	\$0.00	\$575.91	NA
Uniforms	\$591.72	\$550.00	\$41.72	7.60%
Annual Leave Expense	(\$1,312.82)	\$0.00	(\$1,312.82)	NA
Sick Leave Expense	(\$55.50)	\$0.00	(\$55.50)	NA
Conferences and Other Events	\$5,790.40	\$3,300.00	\$2,490.40	75.50%

Total Payroll and Staffing Costs	\$172,433.37	\$157,010.00	\$15,423.37	9.80%
Total Expenses	\$303,132.81	\$270,500.00	\$32,632.81	12.10%
Operating Profit	(\$48,721.82)	(\$18,654.00)	(\$30,067.82)	-161.20%
Other Income				
Interest Income	\$14.28	\$60.00	(\$45.72)	-76.20%
Rent - 3 Atkinson Way	\$6,000.00	\$4,800.00	\$1,200.00	25.00%
Reimbursed Expenses	\$1,346.93	\$1,000.00	\$346.93	34.70%
Total Other Income	\$7,361.21	\$5,860.00	\$1,501.21	25.60%
Other Expenses				
Interest Expense	\$1,537.17	\$1,575.00	(\$37.83)	-2.40%
Total Other Expenses	\$1,537.17	\$1,575.00	(\$37.83)	-2.40%
Net Profit/(Loss)	(\$42,897.78)	(\$14,369.00)	(\$28,528.78)	-198.50%

**Budget: January 2015 to June 2015**

	January	February	March	April	May	June	Total
Income							
Shop Sales							
Retail Sales (Retail Manager)	\$8,000.00	\$8,000.00	\$11,000.00	\$15,000.00	\$18,000.00	\$20,000.00	\$80,000.00
Internet Hub	\$100.00	\$100.00	\$150.00	\$200.00	\$250.00	\$300.00	\$1,100.00
Coffee Machine	\$50.00	\$50.00	\$100.00	\$150.00	\$150.00	\$150.00	\$650.00
Commission - Merchandise	\$0.00	\$1,350.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,350.00
Commission - Integrity Coach	\$450.00	\$400.00	\$400.00	\$450.00	\$450.00	\$500.00	\$2,650.00
Commission - Accommodation	\$0.00	\$200.00	\$250.00	\$300.00	\$350.00	\$400.00	\$1,500.00
<b>Total Shop Sales</b>	<b>\$8,600.00</b>	<b>\$10,100.00</b>	<b>\$11,900.00</b>	<b>\$16,100.00</b>	<b>\$19,200.00</b>	<b>\$21,350.00</b>	<b>\$87,250.00</b>
Other Income							
Java Van Licence Fees	\$985.00	\$985.00	\$985.00	\$985.00	\$985.00	\$985.00	\$5,910.00
Other Donations	\$100.00	\$100.00	\$200.00	\$300.00	\$400.00	\$600.00	\$1,700.00
Holiday Planner	\$0.00	\$10,000.00	\$10,000.00	\$0.00	\$0.00	\$0.00	\$20,000.00
Town Maps	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
Washing Machines	\$0.00	\$0.00	\$0.00	\$270.00	\$450.00	\$630.00	\$1,350.00
Showers / Bathrooms	\$0.00	\$0.00	\$300.00	\$450.00	\$600.00	\$750.00	\$2,100.00
<b>Total Other Income</b>	<b>\$1,085.00</b>	<b>\$11,085.00</b>	<b>\$11,485.00</b>	<b>\$2,005.00</b>	<b>\$2,435.00</b>	<b>\$7,965.00</b>	<b>\$36,060.00</b>
Tours and Community Events							
Pilbara Resource Tours	\$200.00	\$200.00	\$1,000.00	\$3,000.00	\$5,000.00	\$8,000.00	\$17,400.00
Private Tours	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$600.00
School Tours	\$0.00	\$0.00	\$850.00	\$1,700.00	\$1,700.00	\$1,700.00	\$5,950.00
Roebourne Races	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$2,000.00	\$3,000.00
Red Dog Mascot Costume Hire	\$0.00	\$0.00	\$0.00	\$500.00	\$0.00	\$0.00	\$500.00
<b>Total Tours and Community Events</b>	<b>\$300.00</b>	<b>\$300.00</b>	<b>\$1,950.00</b>	<b>\$5,300.00</b>	<b>\$7,800.00</b>	<b>\$11,800.00</b>	<b>\$27,450.00</b>
Membership							
Membership Fees	\$250.00	\$2,000.00	\$1,000.00	\$500.00	\$500.00	\$250.00	\$4,500.00
<b>Total Membership Fees</b>	<b>\$250.00</b>	<b>\$2,000.00</b>	<b>\$1,000.00</b>	<b>\$500.00</b>	<b>\$500.00</b>	<b>\$250.00</b>	<b>\$4,500.00</b>
Funding and Grants							
City of Karratha Funding	\$72,718.00	\$0.00	\$0.00	\$72,718.00	\$0.00	\$0.00	\$145,436.00
Rio Tinto - Tour Funding	\$0.00	\$17,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17,500.00
Capital Works Funding	\$0.00	\$0.00	\$20,000.00	\$20,000.00	\$0.00	\$0.00	\$40,000.00

Total Funding and Grants	\$72,718.00	\$17,500.00	\$20,000.00	\$92,718.00	\$0.00	\$0.00	\$202,936.00
Gallery / Auditorium and Hire							
Gallery and Auditorium Hire	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$1,200.00
Total Gallery and Auditorium Hire	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$1,200.00
Permits and Passes							
Access Road Permits	\$3,650.00	\$50.00	\$100.00	\$3,700.00	\$150.00	\$200.00	\$7,850.00
National Park Passes	\$100.00	\$250.00	\$400.00	\$700.00	\$1,000.00	\$1,000.00	\$3,450.00
Total Income	\$86,903.00	\$41,485.00	\$47,035.00	\$121,223.00	\$31,285.00	\$42,765.00	\$370,696.00
Cost Of Sales							
Shop Cost Of Sales							
Retail Cost of Goods Sold	\$3,000.00	\$3,000.00	\$5,000.00	\$7,000.00	\$7,000.00	\$8,000.00	\$33,000.00
Integrity Coach Lines Bookings	\$3,000.00	\$2,500.00	\$2,500.00	\$3,000.00	\$3,000.00	\$3,500.00	\$17,500.00
Total Shop Cost Of Sales	\$6,000.00	\$5,500.00	\$7,500.00	\$10,000.00	\$10,000.00	\$11,500.00	\$50,500.00
Total Cost Of Sales	\$6,000.00	\$5,500.00	\$7,500.00	\$10,000.00	\$10,000.00	\$11,500.00	\$50,500.00
Gross Profit	\$80,903.00	\$35,985.00	\$39,535.00	\$111,223.00	\$21,285.00	\$31,265.00	\$320,196.00
Expenses							
Office Expenses							
Advertising	\$50.00	\$3,250.00	\$50.00	\$50.00	\$50.00	\$900.00	\$4,350.00
Bank - Account / Other Charges	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$25.00	\$150.00
Bank - EFTPOS Fees	\$125.00	\$125.00	\$125.00	\$175.00	\$175.00	\$225.00	\$950.00
Brochure Racking Expenses	\$0.00	\$0.00	\$300.00	\$0.00	\$0.00	\$0.00	\$300.00
Brochure Freight/Distribution	\$50.00	\$50.00	\$50.00	\$500.00	\$50.00	\$1,000.00	\$1,700.00
Cleaning and Amenities	\$100.00	\$100.00	\$150.00	\$600.00	\$200.00	\$200.00	\$1,350.00
Committee Meeting Expenses	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$600.00
Equipment Purchases	\$100.00	\$100.00	\$200.00	\$250.00	\$300.00	\$300.00	\$1,250.00
Freight	\$100.00	\$100.00	\$200.00	\$200.00	\$250.00	\$300.00	\$1,150.00
Lease Agreement - Printer	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$110.00	\$660.00
Postage	\$30.00	\$30.00	\$50.00	\$50.00	\$50.00	\$50.00	\$260.00
Printing	\$50.00	\$400.00	\$50.00	\$50.00	\$50.00	\$50.00	\$650.00
Service Plan (Preventative)	\$200.00	\$200.00	\$300.00	\$400.00	\$400.00	\$600.00	\$2,100.00

Stationery	\$50.00	\$100.00	\$100.00	\$100.00	\$100.00	\$200.00	\$650.00
Subscriptions	\$170.00	\$170.00	\$170.00	\$170.00	\$170.00	\$170.00	\$1,020.00
Water Service	\$80.00	\$80.00	\$150.00	\$100.00	\$100.00	\$100.00	\$610.00
Website Design and Maintenance	\$250.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$250.00
Total Office Expenses	\$1,590.00	\$4,940.00	\$2,130.00	\$2,880.00	\$2,130.00	\$4,330.00	\$18,000.00
Grants Expenses							
Building / Grounds Upgrades	\$0.00	\$0.00	\$20,000.00	\$25,000.00	\$30,000.00	\$0.00	\$75,000.00
Total Grants Expenses	\$0.00	\$0.00	\$20,000.00	\$25,000.00	\$30,000.00	\$0.00	\$75,000.00
Repairs & Maintenance							
Building Repairs & Maintenance	\$200.00	\$200.00	\$500.00	\$200.00	\$200.00	\$500.00	\$1,800.00
Computer Maintenance	\$0.00	\$0.00	\$250.00	\$0.00	\$0.00	\$250.00	\$500.00
Grounds Maintenance	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$780.00
Other Equipment Maintenance	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$180.00
Total Repairs & Maintenance	\$360.00	\$360.00	\$910.00	\$360.00	\$360.00	\$910.00	\$3,260.00
Atkinson Way							
Atkinson Way - Electricity	\$500.00	\$500.00	\$400.00	\$400.00	\$350.00	\$300.00	\$2,450.00
Atkinson Way - Maintenance	\$1,000.00	\$1,000.00	\$150.00	\$150.00	\$150.00	\$150.00	\$2,600.00
Atkinson Way - Shire Rates	\$700.00	\$0.00	\$700.00	\$0.00	\$0.00	\$0.00	\$1,400.00
Atkinson Way - Water	\$200.00	\$0.00	\$200.00	\$0.00	\$200.00	\$0.00	\$600.00
Total Atkinson Way	\$2,400.00	\$1,500.00	\$1,450.00	\$550.00	\$700.00	\$450.00	\$7,050.00
Tours and Events							
Tour Driver / Bus Hire	\$0.00	\$0.00	\$250.00	\$500.00	\$500.00	\$500.00	\$1,750.00
Tour Catering and Expenses	\$50.00	\$50.00	\$100.00	\$200.00	\$250.00	\$250.00	\$900.00
Roebourne Races Expenses	\$0.00	\$0.00	\$0.00	\$150.00	\$0.00	\$2,000.00	\$2,150.00
Gallery and Events Expenses	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$300.00
Red Dog Appearance Expenses	\$0.00	\$0.00	\$0.00	\$50.00	\$0.00	\$0.00	\$50.00
Total Tours and Events	\$100.00	\$100.00	\$400.00	\$950.00	\$800.00	\$2,800.00	\$5,150.00
Utilities							
Electricity	\$2,200.00	\$0.00	\$2,000.00	\$0.00	\$1,700.00	\$0.00	\$5,900.00
Internet Access	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00	\$600.00
Internet Access - E-Hub	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$360.00
Telephone - Landlines	\$400.00	\$420.00	\$520.00	\$520.00	\$570.00	\$570.00	\$3,000.00
Telephone - Mobile	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$130.00	\$780.00
Water	\$200.00	\$0.00	\$200.00	\$0.00	\$250.00	\$0.00	\$650.00

Total Utilities	\$3,090.00	\$710.00	\$3,010.00	\$810.00	\$2,810.00	\$860.00	\$11,290.00
Vehicles							
Prado - Repairs & Maintenance	\$0.00	\$0.00	\$300.00	\$0.00	\$0.00	\$0.00	\$300.00
Bus - Repairs and Maintenance	\$0.00	\$0.00	\$0.00	\$800.00	\$0.00	\$300.00	\$1,100.00
Fuel	\$200.00	\$200.00	\$300.00	\$350.00	\$400.00	\$600.00	\$2,050.00
License / Registration	\$0.00	\$600.00	\$600.00	\$0.00	\$0.00	\$0.00	\$1,200.00
Total Vehicles	\$200.00	\$800.00	\$1,200.00	\$1,150.00	\$400.00	\$900.00	\$4,650.00
Payroll and Staffing Costs							
Salaries	\$14,500.00	\$14,500.00	\$14,500.00	\$21,750.00	\$14,500.00	\$14,500.00	\$94,250.00
Wages	\$5,000.00	\$6,000.00	\$7,000.00	\$9,000.00	\$8,500.00	\$9,000.00	\$44,500.00
Superannuation	\$1,800.00	\$1,900.00	\$2,000.00	\$2,900.00	\$2,100.00	\$2,200.00	\$12,900.00
Staff Amenities	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$60.00
Uniforms	\$0.00	\$300.00	\$0.00	\$0.00	\$0.00	\$0.00	\$300.00
Conferences and Other Events	\$0.00	\$0.00	\$5,000.00	\$8,000.00	\$0.00	\$0.00	\$13,000.00
Total Payroll and Staffing Costs	\$21,310.00	\$22,710.00	\$28,510.00	\$41,660.00	\$25,110.00	\$25,710.00	\$165,010.00
Total Expenses	\$29,050.00	\$31,120.00	\$57,610.00	\$73,360.00	\$62,310.00	\$35,960.00	\$289,410.00
Operating Profit	\$51,853.00	\$4,865.00	(\$18,075.00)	\$37,863.00	(\$41,025.00)	(\$4,695.00)	\$30,786.00
Other Income							
Interest Income	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$60.00
Rent - 3 Atkinson Way	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	\$12,000.00
Reimbursed Expenses	\$0.00	\$0.00	\$0.00	\$500.00	\$0.00	\$1,000.00	\$1,500.00
Total Other Income	\$2,010.00	\$2,010.00	\$2,010.00	\$2,510.00	\$2,010.00	\$3,010.00	\$13,560.00
Other Expenses							
Interest Expense	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$210.00
Total Other Expenses	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$35.00	\$210.00
Net Profit/(Loss)	\$53,828.00	\$6,840.00	(\$16,100.00)	\$40,338.00	(\$39,050.00)	(\$1,720.00)	\$44,136.00



## Accounts Summary



Account name	Account type	Available Balance
<u>KARRATHA TOURIST INFORMATION CENTRE</u>	Society Cheque Account	\$11,885.43 CR
<u>KARRATHA TOURIST INFORMATION CENTRE BOOKING ACCOUN</u>	Society Cheque Account	\$259.39 CR
<u>Grants and Funding Account</u>	Society Cheque Account	\$19.62 CR
<u>Donations Account</u>	Society Cheque Account	\$4,126.17 CR
<u>GST and Superannuation Accounts</u>	Society Cheque Account	\$97.40 CR
<u>Rent Account</u>	Society Cheque Account	\$3,060.04 CR

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<u>GST and Superannuation Accounts</u>	Society Cheque Account	\$97.40 CR
<u>Rent Account</u>	Society Cheque Account	\$3,060.04 CR

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