



# ANNUAL REPORT

2018/2019

Royal Agricultural  
Society of NSW



Royal Agricultural Society of NSW

# CONTENTS

- 3 President's Review
- 4 RAS Highlights of 2018/19
- 10 RAS Board Members and Councillors
- 12 RAS Executive Management Team
- 13 RAS Council and Office Listing
- 14 Corporate Governance Statement
- 15 Financial Reports
- 26 Competition Entries 2018/19

## OUR VISION, MISSION AND VALUES

### VISION

A community that understands and values sustainable Australian agriculture and award-quality produce.

### MISSION

To forge the future of agriculture by:

- Engaging, educating and entertaining our community on the value of sustainable agriculture and quality produce through events which support agricultural excellence and innovation;
- Improving the quality of agricultural produce and animal breeds through competitions.

### VALUES

- Our RAS history and achievements; the traditions and heritage of the Sydney Royal Easter Show; and the importance of the Sydney Royal competitions;
- Our commitment to our mission to forge the future of agriculture which is fundamental to everything we do;
- The contribution of our volunteers and staff, aware that our success is based upon strong individual commitment and our ability to work together as a team;
- Our facilities and assets, because we know they are vital to our long-term performance;
- Strong working relationships with people and organisations with mutual interests, that we work hard to develop and maintain.

# PRESIDENT'S REVIEW



The Royal Agricultural Society of NSW (RAS) is the overarching brand encompassing distinct divisions, all of which support our core agricultural mission to forge the future of agriculture. The two major lines of the business are the Sydney Royal Easter Show and the year-round operation of Sydney Showground, however, Sydney Royal competitive events, the Australasian Animal Registry and the RAS Foundation all play a vital role in supporting our reason for being.

This Annual Report, covering 2018/19, details the role each division plays and tells the story of our achievements in a difficult year for those living within the agricultural community. The RAS cannot make it rain, douse bushfires nor control Mother Nature, but we can support, educate and provide opportunities for many involved in our agricultural sector.

As an organisation the RAS experienced a year of expansion, growing bigger and better across a few fields. The largest ever AgVision was held onsite at Sydney Showground, with more presenters and students attending than ever before. Our history of hosting this event is a proud one and the role we play in planting the seed with future farmers and agriculture professionals is vitally important.

Our Sydney Royal Fine Food competitions attracted increased entries and greater media attention whilst the Sydney Royal Beer & Cider Competition had the highest entries ever, and the celebration at the conclusion of the Wine Show, the Grape, Grain & Graze Festival, was attended by a 38% increase on 2018.

Our publications increased, with the new RAS Jnr magazine for our Junior Members and distributed to many primary schools in the

city and the bush, and we have also had some new offers and special deals available for Members.

The RAS Foundation has been forging a new relationship with Good360, an organisation recognised as a matchmaker for good. Good360 provides businesses with the opportunity to donate their spare and excess goods to lift up Australians, the RAS Foundation has received kitchenware and toys to distribute to Show Societies across regional NSW. The Foundation has also climbed to 471 alumnus, scholarship recipients who have received a much-needed financial helping hand and a vote of confidence in their ability and desire to give back and support rural and regional communities.

The Sydney Royal Easter Show was bigger than expected, crowds grew every day, hitting their peak on the Easter weekend, and pre-Show ticket sales were at their highest - perhaps a result of extensive media coverage focusing on 'the bush' and our farmers in the Show lead up. Media coverage throughout the Show was also at its highest in a long time and reports were all favourable and supporting our competitions, excellence in agriculture and the resilience of regional communities.

Sydney Showground played a large role in our year of bigger, with more media releases, more social media interaction, large-scale events and massive promotion for our venues. There has been an incredible mix of events held onsite, international music acts, international sporting fixtures and exhibitions along with conventions and trade shows. The home of Big Experiences has enjoyed a busy and profitable year - the largest in the history of the business. The 2018/19 RAS financial result also benefited from \$2.9 million funding received from the NSW Government for the installation of spectator wi-fi services at Sydney Showground Stadium.

All of our successes in 2019 have enabled us to give more back, and we have done so in the support we give to exhibitors, rural students, communities and Show Societies. We put over \$9 million back into agriculture as our commitment to forging the industry's future, all of this possible thanks to the RAS Council, Board, staff and Members, who have all contributed to our success over the past year. I would also like to acknowledge the volunteers, judges and stewards who donate their time and energy to ensure the success of our competitions and events.

Once again it has been a privilege to work with Councillors and staff, Government officials, industry organisations and fellow agricultural societies on many worthwhile initiatives that benefit agriculture in Australia.

**Robert Ryan OAM**, President  
Royal Agricultural Society of NSW

The Royal Agricultural Society of NSW is a not-for-profit corporation that has been an influential force in the direction and development of Australian agriculture through competitions, education and events since its foundation in 1822.

## ROYAL AGRICULTURAL SOCIETY OF NSW

Agriculture accounts for 58 per cent of Australian land use and puts food on the table and clothes on our backs. The RAS takes the responsibility of safeguarding this industry seriously, uniting producers, exporters and breeders for competitions, information and a sense of community.

Although 2019 was a difficult year for many within the agricultural industry, the RAS has stood tall, providing assistance where possible and promotion for the industry at all times. Our flagship event, the Sydney Royal Easter Show is our greatest asset for sharing the stories of agriculture, however, we also make use of other avenues including education and competitions in wine, dairy and fine food.

### DEVELOPING FUTURE FARMERS

School students and vacation care groups flock to the Sydney Royal Easter Show, with 9,000 attending in 2019, including the All Roads to the Royal winning school - Coolah Central School. In a first for the Show, a busload of students and supervisors spent 4 days behind-the-scenes of the Show. The Coolah students received transport, accommodation, meals and Show entry along with meetings with politicians, RAS officials and exhibitors. An initiative of the RAS Youth Group, in conjunction with the Ag Development team, All Roads to the Royal returns in 2020.

AgVision 2019 was the biggest ever, with 1200 students and 62 presenters discussing options and showcasing the broad range of agricultural careers both on and off the land.

Knowing & Growing workshops took the Ag Dev team 3000kms across the State, assisting 116 teachers with the new Technology Mandatory Stage 4 syllabus. A joint program with the DPI and PIEFA, Knowing & Growing facilitates the teaching of agriculture in the classroom, including transforming primary produce into value-added consumer products and the marketing process.

RAS Jnr magazine was launched during the Show via the RASF Ag Bag, a new magazine aimed at primary school children and distributed to all RAS members in the Junior category under the age of 12 and selected organisations and schools. The magazine, one issue for each season of the year, covers gardening, cooking, history, craft, animals, and DIY. The magazine has country Veterinarian (RAS Rural Achiever and RAS Rural Scholarship recipient) Dr. Cassandra Macdonald answering questions from readers and also includes a pin-up in courtesy of Aimee Snowden (also known as Little Brick Pastoral, or the Lego® farmer).

### THE FINEST OF FOODS

Increased entries along with greater media interest and a boost in attendees at Sydney Royal events made 2019 a success for the Sydney Royal wine, dairy and fine food competitions. Beer & Cider and the

Wine Show moved into larger premises, relocating to Hall 6 with the installation of temporary walling and lighting.

The Beer & Cider competition received its highest number of entries and all trophies and special prizes were awarded, including 43 Gold, 75 Silver and 79 Bronze medals. The Grape, Grain & Graze Festival celebrated the Wine results and attracted a 38% increase on 2018, attendee numbers reached 608.

Meredith Dairy was awarded the 13th Annual President's Medal after judging of more than 5,458 products across all WDFE competitions. Regional media took a great interest in the judge's tours with favourable coverage.

Aquaculture moved from its traditional timing in the Sydney Royal Fine Food Show with Sydney Rock Oysters and Cooked Prawns judged in front of a live audience at the Sydney Royal Easter Show, samples were made available to appreciative Showgoers.

A new Taste of Excellence event was held in September bringing together Sydney Royal award winners and interested suppliers, chefs, industry officials and foodies for networking, tasting and award presentations. Forty exhibitors took advantage of the opportunity to directly reach key figures in the retail food service industries.

### OUR PEOPLE

The RAS participated in a pilot program, NSW Episodic Tourism Volunteer Initiative, and used a Volunteer Management System to facilitate the procurement, rostering and management of event volunteers. The program was a success, providing the Sydney Royal Easter Show with record-breaking numbers, 680 volunteers - a 50.22% increase on 2018. The use of this platform was extended to Sydney Showground events including RnB Fridays, and this program will be used for the next 2 years.

Membership welcomed 1697 new Members and increased offerings to all Members during the Show with a breakfast buffet in Hordern Café, discount ride coupons available for purchase and extended trade and live music in the Members Bar.

AAR registered an extra 192,000 animals this year, bringing the total to more than 3 million animals. The introduction of online change of ownership paved the way for 67,000 owners to complete this process.

### HERITAGE

The Heritage Centre recorded 128 hours (144 requests) of research conducted on behalf of staff and Councillors and 44 hours (74 requests) of research conducted for external clients with family history projects, publications and media. Delving back into files, photos, artworks and the record books, research included Long Term Exhibitors, support for award nominations, assistance with eulogies and even providing information to the Art Gallery of NSW for their Archibald 100 project.

Advice on research, preservation and display of heritage items was once again provided to Country Shows and regional Show societies.



## SYDNEY ROYAL EASTER SHOW

The Show is an opportunity for the people of NSW to come together and acknowledge our farmers - primary producers, breeders, and exhibitors. It is traditionally a celebration of our rural way of life, but this year more than ever it was also recognition of the sacrifice made by so many in regional areas and on the land. Whether that sacrifice is coming to the Show for our entertainment or education, or the sacrifices of missing the Show because conditions make it too difficult to get away from the farm. It was a way in which to support our farmers, our regional districts and our agricultural communities. .

### OPEN THE GATES

A Show during school holidays is always a big one, and the 2019 Show attracted 903,000 visitors, including 125,000 on Good Friday and 437,935 across the entire Easter weekend. Attendance easily eclipsed the budgeted figure and reflected the strong support for agriculture in NSW. Close to 100 delegates arrived from Hong Kong, Argentina, Canada, Wales, China and the Republic of Sudan with the aim of connecting with breeders and exporters, and witnessing the best of the best in competition and livestock sales. The world-class reputation of our beef cattle and our goats help drive the International Delegates program. Around 31,000 visitors from Asia, with approximately 80% coming from China, attend the Show and although this is a slight decrease on 2018, partnerships are being leveraged with key airlines and inbound tour operators. Overall pre-Show ticket sales as a percentage of total sales were the highest ever whilst ticket sales at Woolworths outlets were up by 19% as well.

### STRONG COMPETITION

The numbers always tell the tale of the Show, with 42 competitions, over 5,500 classes and 25,000 entrants. The full breakdown of entry and exhibitor numbers is listed at the back of this report. Over 120 exhibits were sold for a total of \$15,000 at the Sydney Royal Poultry Show Auction & Sales and \$1100 in fresh egg sales were made in the first year of this concept. The AWEX Wool Auction resulted in \$18,663,261.20 in wool sales over two days, and the Merino and lamb auction raised over \$1000 for the RASF. Five countries were represented at the Sydney Royal Woodchopping & Sawing Competition - Australia, Canada, Spain, New Zealand and the USA, with 4,068 blocks chopped. The inaugural native honey competition launched, and overall honey entries were up by 25%. Arts & Crafts entries totalled 4,889, sales of exhibits increased by 16.25% and more than 1,000 people attended the Arts Preview Evening held the Wednesday evening before the Show opened. Despite the drought

all 5 Courts put together magnificent displays, emphasised by the highest ever public vote for People's Choice, 4,000 Showgoers demonstrating their support and appreciation. The Cattle Feature Breed - Angus - had over 350 entries and an impressive Angus parade with 160 cattle led into the ring by a pipe band.

### COMMERCIAL RELATIONSHIPS

New sponsors at the 2019 Show included the Uncle Toby's oat shed in Little Hands on the Land and the Charlie and the Chocolate Factory fireworks, IKEA in the Theatre Kitchen along with Brancourts, Edible Bugs and Streets Blue Ribbon ice cream. DNSW and Woolworths both committed to two year contract extensions. The Theatre Kitchen, dismantled at the end of the Show and given to RASF Community Kitchen Grant recipients, hosted stars of television's Gogglebox, Darryl 'Big Marn' Brohman, Bronte and Cate Campbell, and players form a variety of NRL teams. Media partners 7, Nickelodeon, News Corp, KIIS, WSFM, The Edge, 2GB and The Land all returned and personalities including Alan Jones, Mark Ferguson, Kylie Gillies and Jim Wilson attended the Show and interacted with crowds.

Amongst a range of returning exhibitors brand-new ones included Darrell Lea, Carnival Cruises, the NRL and the Sydney Royal Children's Hospital. New areas included a travel and tourism zone in Home & Lifestyle and a Men's Zone in Fashion & Style. World Bazaar hosted a psychic zone and Davidson Plaza was the new home for RM Williams, supporting the Clydesdale Country activation. The ratio of 60/40 old to new is remarkably high for new exhibitors.

This was the 3rd year of 'Happy and You Know it' although this was the first time we used cinemas and shopping centres to complement the TV, radio, print, outdoor and digital marketing campaigns. Social media followers increased across all channels, Facebook had over 161,000 followers whilst Instagram attracted 21,000 - a 51% increase. Downloads of the Show app were up by 59% with 100,000 users peaking on Good Friday. The SRES website had 22 million page views between November 2018 and April 2019.

### IN THE NEWS

The Show received a total of 19,679 mentions with traditional media (tv, radio, print) demonstrating an upward trend, in particular tv was up by 54.6% on the 2018 Show. Internationally the Show received 125 online news mentions including article from the UK, China, USA and New Zealand. The All Roads to the Royal program featured in 63 news articles, whilst the Showbag preview and Show food articles featured as the top stories by reach. With a potential audience of 12 million 2GB led radio coverage and The Sunday Telegraph led print coverage with a reach of 21 million. Online ABC News provided a potential audience of 96.5 million and Channel 7 News with a reach of 4.8 million led tv coverage. Overall, regional NSW accounted for 47% of our media coverage.





## SYDNEY SHOWGROUND

Sydney Showground delivered the largest year in the history of the business, playing host to a number of large-scale events and enjoying an abundance of repeat business along with returning clients.

### PROFILE LIFT

With a focus on growing media presence and exposure, Sydney Showground issued a terrific number of Media Releases, an increase in excess of 400% on previous years and received media coverage for a range of events and initiatives including the presence of The Duke and Duchess of Sussex at the Invictus Games and the new naming rights sponsor of Sydney Showground Stadium. The addition of a Marketing Communications Executive to the team led to a growth of 20% in social media engagement, the Sydney Showground Facebook page has 26,000 followers keen to interact by asking questions and sharing comments, whilst the Instagram page promotes upcoming events and shares hashtags with 1400+ followers.

A massive twelve months saw Sydney Showground host Invictus Games House, X Games Australia, RnB Fridays Live, HSBC Rugby 7s, Sydney Thunder Big Bash League matches and GWS Giants games, all attracting media coverage and acting as promotion for our venues.

Major consumer events aimed at ever-expanding niche markets saw the 'house full' sign go up for the Dog Lovers Show (breaking the attendance record for the event), OZ Comic Con and the annual Meatstock festival

### SEASON OF FINALS

Named as a National Finalist in the Australian Event Awards for Best Achievement in Venue Management once again, the Showground team have maintained their reputation as dedicated, collaborative and professional, hosting 140 national and international exhibitions, corporate dinners, sporting events, music festivals and trade shows during the qualifying period.

The GWS GIANTS played in their first ever AFL Grand Final and delivered total crowd figures of 118,509 throughout their remarkable season, including 19,218 for the Elimination Final win against the Bulldogs. In another first, GWS GIANTS supporters bought the naming rights to the stadium with the GIANTS brand the key beneficiary to the new name. GIANTS Stadium was unveiled on 24 March for the round one clash between GWS and Essendon.

### FUTURE GUARANTEED

A brand-new sustainability scheme was unveiled with the introduction of WISE reusable cups, with Sydney Showground the first sporting venue in Australia to make the switch. WISE cups can withstand 500 washes, reducing single-use plastic waste at Sydney Showground events – consumers purchase a cup for \$2 with their first drink order and then each refill is in a clean cup. At the end of the event the cup can be returned for a \$1 refund or dropped into the charity bin, or the consumer can choose to keep the cup as a memento.

Looking ahead, the Showground team will be undertaking a review of the brand and testing the perception of our venue in the marketplace and across client sectors. This review will tie in with Master Plan developments and new transport links and government initiatives.

## ROYAL AGRICULTURAL SOCIETY OF NSW FOUNDATION

The Royal Agricultural Society of NSW Foundation (RASf), created in 2007, has a mission to help build sustainable and resilient rural and regional communities through education and community development.

Together with generous donations from our supporters, the RASf has invested over \$4.2 million into country NSW through a range of targeted grants and scholarships. This includes support of over 470 rural scholarship students to reach their educational dreams and the awarding of vital community building grants in 57 communities.

### VALUE OF HELP

Joining an incredibly worthy and deserving alumna of 471 students, this year we recognised 54 Rural Scholarship recipients to the value of \$300,000, students from rural areas across New South Wales with an inspirational passion to pursue their education dreams and use their qualifications to give back and support rural and regional communities.

The 2019 Scholars include students from Leeton, Tamworth, Invergowrie, Port Macquarie, Binnaway, Bendoc, Adelong, Condobolin, Townsville, Armidale, Mudgee, Nevertire, Rylstone, Marrar, Dunedoo, Bombala, Ariah Park and Menai.

The JB Fairfax Award for Rural & Regional Journalism went to Jarrod Sansom, originally from Medowie and studying at the University of Newcastle, whilst the Sydney Royal Wine Study Scholarships were presented to William Schibeci of Bathurst and Paul Jackson of Adelaide. William has taken time off his studies to work around the world, including the Napa Valley in California and in Central Otago, whilst Paul has worked in wine making in Germany, Portugal and New Zealand. Sydney Royal Wine Assessment Scholarships went to Nadja Wallington of Canowindra and Samantha Payne of Sydney. Nadja works as part of the team at Philip Shaw Wines in Orange and Samantha is a Sommelier and Writer.

Our Scholarship presentation evenings welcomed the Honourable

Adam Marshall MP, Minister for Agriculture and Western New South Wales and Her Excellency the Honourable Margaret Beazley AO QC, Governor of New South Wales and Mr. Wilson.

### DOING SOME GOOD

A collaboration with Good 360, along with donations from 'Thank A Farmer Day' at the 2019 Sydney Royal Easter Show, saw 31 Show Societies share in a total of more than \$600,000 worth of kitchenware generously donated by Rockpool Dining Group and other kitchen goods and toys. The goods, sourced by Good360 and topped up by Trenton International, were a welcome boost for local Show Societies and community groups.

The RASf Community Futures Grants went to Bellata War Memorial Hall, Merriwa Poultry Pens & Partners Project, Dalgety Show Society Horse Yards, Narramine High School P&C Association, Forbes ASC of NSW Group 10 Central Western Edu. Trailer, Australian Rural Education Centre Co-operative Ltd Edu. Trailer and De Olde Nabiac Klub. Projects include air-conditioning, first aid equipment and portable yard panels.

Since its inception, the RASf Community Kitchen Grant program has seen fourteen communities upgrade or renew their ailing or non-existent kitchen facilities, providing recipients a share of over \$30,000 worth of kitchen cabinetry, benchtops and appliances. Donated by IKEA this year, the new equipment will see the Nowra East Community Garden Kitchen Project Team, Nowra East Public School and Nowra East Community Pride Group complete the internal build of their community kitchen, and facilitate new programs including daily community cooking programs, Aboriginal Koori cook-ups and neighbourhood cooking. Narrabri and District Pony Club received \$4000 worth of products alongside extra benches and cabinetry while third placed Guyra Show Society received \$5000 to put towards their kitchen.

The 2019 Sydney Royal Easter Show was an enormous success, with the Ag Bag selling out on Easter Saturday and Thank a Farmer Day on 15 April raising \$40,000 for the RASf from \$1 for every ticket scanned.

# RAS BOARD MEMBERS

# RAS COUNCILLORS

As at 30 September 2019

As at 30 September 2019



Robert M Ryan OAM,  
*President\**



Brock E Gilmour,  
*Chief Executive\**



Geoff W Bell



John C Bennett OAM\*



Alison M Kirk\*\*



Michael J Millner\*



Denise E Ovens\*



Grahame N Sharpe,  
*Treasurer\**



Sam J Walker



Greg D Andrews\*



James Angus



James D W Bell



Glen Best\*



Stephen G Dadd



David M Davidson\*



Stuart J B Davies\*



Ellen M Downes



Elizabeth A Hastings



Charlie A Hooke



Evan E Hughes\*



Gary R Johnston



Lyndey S Milan OAM



Marianne Paynter



Rowena L Petrie



William (Bill) A Picken



Greg R Watson\*



Hunter B White OAM



Kate E Wickson\*



Brian J Wilson



Lachlan B Bowtell\*



John G Bryson\*



Joseph Byrnes



Christopher P Carter



Robyn Clubb AM



Geoff R Cochrane



Sally P Evans\*



John E Fairley



Janie M Forrest



Warwick B Giblin



Alison J Hamilton



Sharon L Hannigan



Kerry Little



Adam W Lucas\*



Michael A MacCue



Duncan F Macintyre



Geoffrey W Mason\*



Yvette G McKenzie



Alastair J Rayner



Gary R Reid



Kathy Reidy



Alison A Renwick



Mark A Schembri\*



Susan R Wakeford



Claudia A Wythes



Robert A Zammit

+Vice-President  
\*Committee Chair

## RAS EXECUTIVE MANAGEMENT TEAM

As at 30 September 2019



**BROCK GILMOUR**  
Chief Executive

Oversees all activities conducted by the RAS  
Business strategy and development  
Council and corporate affairs  
Government and stakeholder relations  
Legal Services



**RONALD LEE**  
General Manager, Finance & Administration

Financial Management and Reporting  
Information Technology  
Membership  
Australasian Animal Registry  
Overseeing Competitions Administration  
General Administration of the RAS



**MURRAY WILTON**  
General Manager, Agriculture & Sydney Royal Easter Show

Overseeing management of the Sydney Royal Easter Show  
Agricultural education and Sydney Royal Competitions  
RAS Heritage  
Marketing, PR, Digital and Commercial  
Sydney Royal Easter Show Operations and Entertainment



**PETER THORPE**  
General Manager, Sydney Showground

Venue, facilities and asset management  
Event planning  
Security and risk management  
Sydney Showground revenue sales  
Event operations  
Food and beverage

## RAS COUNCIL

As at 30 September 2019

The RAS Council is the governing body of the Royal Agricultural Society of NSW, made up of Office Bearers who are elected at the RAS Annual General Meeting. The RAS Council consists of 54 Councillors who serve the RAS on a voluntary basis. Their areas of expertise cover a broad array of rural, business and professional skills.

The Board is a Committee established by Council. Board Members are elected by the RAS Council. While the RAS Board assumes most of the responsibilities that would apply to any other corporate Board, it is not the peak body of the RAS. The Board is answerable to the Council, and the Council is answerable to RAS Members.

### HONORARY OFFICE BEARERS

#### Patron

Her Excellency the Honourable Margaret Beazley AO  
QC Governor of New South Wales

#### Vice Patron

Mr G B Dudley OAM

### OFFICE HOLDERS

#### President

Mr R M Ryan OAM

#### Vice Presidents

Mr J C Bennett OAM  
Ms A M Kirk  
Mr M J Millner

#### Treasurer

Mr G N Sharpe

### BOARD MEMBERS

Mr R M Ryan OAM  
Mr G W Bell  
Mr J C Bennett OAM

Ms A M Kirk  
Mr M J Millner  
Ms D E Ovens

Mr G N Sharpe  
Mr S J Walker  
Mr B E Gilmore, Chief Executive

### OFFICE BEARERS

Mr G D Andrews  
Mr J Angus  
Mr G W Bell  
Mr J D W Bell  
Mr J C Bennett OAM  
Mr G Best  
Mr L B Bowtell  
Mr J G Bryson  
Mr J Byrnes  
Mr C P Carter  
Mrs R Clubb AM  
Mr G R Cochrane  
Mr S G Dadd  
Mr D M Davidson  
Mr S J B Davies  
Dr E M Downes  
Ms S P Evans  
Mr J E Fairley

Ms J M Forrest  
Mr W B Giblin  
Mrs A J Hamilton  
Ms S L Hannigan  
Ms E A Hastings  
Mr C A Hooke  
Mr E E Hughes  
Mr G R Johnston  
Ms A M Kirk  
Mrs K Little  
Mr A W Lucas  
Mr M A MacCue  
Mr D F Macintyre  
Mr G W Mason  
Ms Y G McKenzie  
Ms L S Milan OAM  
Mr M J Millner  
Ms D E Ovens

Mrs M Paynter  
Ms R L Petrie  
Mr W A Picken  
Mr A J Rayner  
Mr R G Reid  
Mrs K Reidy  
Ms A A Renwick  
Mr R M Ryan OAM  
Dr M A Schembri  
Mrs S R Wakeford  
Mr G N Sharpe  
Mr S J Walker  
Mr G R Watson  
Mr H B White OAM  
Mrs K E Wickson  
Mr B J Wilson  
Ms C A Wythes  
Dr R A Zammit

#### Chief Executive

Mr B E Gilmore

#### General Manager Finance & Administration

Mr R Lee

#### Auditors

Ernst & Young

## CORPORATE GOVERNANCE STATEMENT

The Royal Agricultural Society of NSW (the RAS) is a not-for-profit organisation that began in 1822 as an unincorporated agricultural association. On 13 November 1869 the RAS was incorporated in Australia under 'The Agricultural Society of New South Wales Act' under the New South Wales Parliament. Through Royal Assent in 1891, the prefix 'Royal' was added and became the 'Royal Agricultural Society of NSW'. Its constitution is the Act and the Rules that are from time to time amended by the Council. The key stakeholders are the Members. The governing body is a Council whose members are elected at the annual general meeting of the Members.

The Board is a Committee established by the Council and as such it is not the peak body of the RAS. While it has most of the responsibilities under the Rules of a normal corporate Board it is answerable to the Council and the Council is answerable to the Members. The Board members are elected by the Council.

The Council and Board of the RAS have adopted a formal statement on the corporate governance framework and policies of the RAS. This statement is subject to annual review and includes:

- The roles and responsibilities of the Council, Board and Management.
- The composition and size of the Council and Board. The Council and Board members are listed in the annual report. The only executive member is the Chief Executive.
- A code of conduct for the Council, Board members and Management.
- An Audit Committee of the Board ensures the RAS remains committed to financial integrity in its reporting.
- Council and Board are responsible for reviewing and publishing the annual report to Members in a timely and informative manner.
- The Board and Management ensure that the Members' rights are protected and that the Members are kept informed.
- The Board oversees the review and establishment of appropriate risk management policies for the RAS activities.
- The performance of the Board is self-assessed annually and the performance of the Management is reviewed annually by the Remuneration Committee of the Board.
- Councillors serve without remuneration and staff remuneration is reviewed annually by the Remuneration Committee of the Board.
- Board and Council ensure the RAS continues to develop long term plans that will enhance the RAS objectives and take advantage of growth opportunities.

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 September 2019

	Note	2019 (\$'000's)	2018 (\$'000's)
<b>Revenue</b>			
Members' Subscriptions		1,399	1,396
Ground Operations, Building & Space Rentals		45,503	37,790
Gate Receipts		19,610	16,937
Sponsorships & Donations		4,876	4,631
Entry Fees & Commissions		3,719	3,700
Interest		436	410
Other Revenue	16	4,843	1,747
<b>Total Revenue</b>		<b>80,386</b>	<b>66,611</b>
<b>Expenses</b>			
Sydney Royal Easter Show		18,649	18,448
Operations		39,984	34,525
Administration		12,240	10,622
Depreciation and Amortisation	12	1,766	1,535
Loss on Sale of Non-Current Assets	4	2	4
Interest Expenses		-	30
Donations to the RAS of NSW Rural Fund		560	260
<b>Total Expenses</b>		<b>73,201</b>	<b>65,424</b>
<b>Surplus Before Tax</b>		<b>7,185</b>	<b>1,187</b>
<b>Income Tax Expense</b>		<b>-</b>	<b>-</b>
<b>Surplus After Tax</b>		<b>7,185</b>	<b>1,187</b>
<b>Other Comprehensive Income (Net of Tax)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income</b>		<b>7,185</b>	<b>1,187</b>

The accompanying notes form part of this financial report.



## STATEMENT OF FINANCIAL POSITION

As at 30 September 2019

	Note	2019 (\$'000's)	2018 (\$'000's)
<b>CURRENT ASSETS</b>			
Cash – Bank and on Hand		5,298	3,631
Cash – Reserves, Trust & Endowment Funds		11,353	10,610
Trade and Other Receivables	5	4,928	9,283
Inventories	6	281	335
Prepayments	7	1,075	1,105
<b>TOTAL CURRENT ASSETS</b>		<b>22,935</b>	<b>24,964</b>
<b>NON-CURRENT ASSETS</b>			
Trade and Other Receivables	11	1,346	403
Property, Plant and Equipment	12	22,877	20,646
Investment	13	4,984	4,934
<b>TOTAL NON-CURRENT ASSETS</b>		<b>29,207</b>	<b>25,983</b>
<b>TOTAL ASSETS</b>		<b>52,142</b>	<b>50,947</b>
<b>CURRENT LIABILITIES</b>			
Trade and Other Payables	8	5,013	3,224
Provisions	9	2,258	2,009
Deferred Revenue	10	7,363	16,318
<b>TOTAL CURRENT LIABILITIES</b>		<b>14,634</b>	<b>21,551</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	14	357	361
Deferred Revenue	15	1,760	830
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,117</b>	<b>1,191</b>
<b>TOTAL LIABILITIES</b>		<b>16,751</b>	<b>22,742</b>
<b>NET ASSETS</b>		<b>35,391</b>	<b>28,205</b>
<b>EQUITY</b>			
Retained Earnings		24,038	17,595
SRES Interruption Reserve		9,751	9,474
Maintenance Reserve		649	630
Trust & Endowment Funds		953	506
<b>TOTAL EQUITY</b>		<b>35,391</b>	<b>28,205</b>

The accompanying notes form part of this financial report.

## STATEMENT OF CASH FLOWS

For the year ended 30 September 2019

	2019 (\$'000's)	2018 (\$'000's)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers & Members	80,693	72,269
Payments to Suppliers & Employees	(73,937)	(68,160)
Repayment for the Major Repair Fund	-	(1,000)
Interest Received	444	420
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>7,200</b>	<b>3,529</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipment	(4,791)	(917)
Investment	-	(5,000)
Proceeds from Sale of Property, Plant & Equipment	-	7
Proceeds from Bequests and Endowments	1	5
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(4,790)</b>	<b>(5,905)</b>
<b>NET INCREASE IN CASH ASSETS</b>	2,410	(2,376)
Add opening Cash Assets Brought Forward	14,241	16,617
<b>CLOSING CASH ASSETS CARRIED FORWARD</b>	<b>16,651</b>	<b>14,241</b>
<b>RECONCILIATION WITH OPERATING EARNINGS</b>		
Total Comprehensive Income	7,185	1,187
Depreciation - Property, Plant & Equipment	1,766	1,535
Loss on Disposal of Property, Plant & Equipment	2	4
Unrealised (Gain)/Loss on Investment	(50)	66
<b>CHANGE IN ASSETS AND LIABILITIES</b>		
(Increase)/Decrease in Receivables	3,412	(3,830)
(Increase)/Decrease in Inventories	54	(22)
(Increase)/Decrease in Prepayments	30	(286)
Increase/(Decrease) in Payables	2,581	(1,116)
Increase/(Decrease) in Deferred Revenue	(8,025)	5,861
Increase in Provisions	245	130
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>7,200</b>	<b>3,529</b>
<b>CASH ASSETS COMPRISE</b>		
Cash – Bank and on Hand	5,298	3,631
Cash – Reserves, Trust and Endowment Funds	11,353	10,610
	<b>16,651</b>	<b>14,241</b>

The accompanying notes form part of this financial report.

# STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2019

	Retained Earnings (\$'000's)	SRES Interruption Reserve (\$'000's)	Maintenance Reserve (\$'000's)	Trust & Endowment Funds (\$'000's)	Total Equity (\$'000's)
<b>As at 30 September 2017</b>	<b>16,646</b>	<b>9,250</b>	<b>616</b>	<b>501</b>	<b>27,013</b>
Bequests & Endowments	-	-	-	5	5
SRES Interruption Reserve	(224)	224	-	-	-
Maintenance Reserve	(14)	-	14	-	-
Total Comprehensive Income for the Year	1,187	-	-	-	1,187
<b>As at 30 September 2018</b>	<b>17,595</b>	<b>9,474</b>	<b>630</b>	<b>506</b>	<b>28,205</b>
Bequests & Endowments	(446)	-	-	447	1
SRES Interruption Reserve	(277)	277	-	-	-
Maintenance Reserve	(19)	-	19	-	-
Total Comprehensive Income for the Year	7,185	-	-	-	7,185
<b>As at 30 September 2019</b>	<b>24,038</b>	<b>9,751</b>	<b>649</b>	<b>953</b>	<b>35,391</b>

The accompanying notes form part of this financial report.

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2019

## 1. INCORPORATION

The Royal Agricultural Society of NSW ("the RAS" or "the Society") began in 1822 as an unincorporated agricultural association. On 13 November 1869 the RAS was incorporated in Australia under 'The Agricultural Society of New South Wales Act' under the New South Wales Parliament. Through Royal Assent in 1891, the prefix 'Royal' was added and became the 'Royal Agricultural Society of NSW'.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of Preparation

The financial report is a special purpose financial report that has been prepared for distribution to the Members to fulfil the directors' financial reporting requirements under the Rules of the Society and the *Australian Charities and Not-for-Profits Commission Act 2012*. The accounting policies used in the preparation of this financial report, as described below, are consistent with the previous years, and are, in the opinion of the directors, appropriate to meet the needs of the Members and the *Australian Charities and Not-for-Profits Commission Act 2012*.

Accordingly, the financial report has been prepared in accordance with the measurement requirements of applicable Australian Accounting Standards and other mandatory professional reporting requirements. It contains the disclosures that are mandatory under the Australian Accounting Standards and those considered necessary by the directors to meet the needs of the Members.

The financial report complies with Australian Accounting Standards, which includes Australian equivalents to International Financial Reporting Standards (AIFRS). As directors, the Councillors have prepared the financial report with only those disclosures considered necessary to meet the needs of the users. Some AIFRS and other Australian Accounting Standards contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements, including Australian Accounting Standards AASB 102 Inventories, AASB 116 Property, Plant and Equipment, AASB 136 Impairment of Assets and AASB 1004 Contributions.

The financial report is presented in Australian dollars (\$).

### (b) New Accounting Standards and Interpretations

#### (i) Changes in accounting policy and disclosures

The Society adopted AASB 9 Financial Instruments on 1 October 2018. The Society has classified its financial instruments in the appropriate AASB 9 categories. When financial assets are recognised initially, they are measured at fair value, plus, in the case of assets not at fair value through profit or loss, directly attributable transaction costs. Subsequently they are measured at amortised cost or fair value through profit and loss. The financial assets are evaluated based on the Society's business model in managing these financial assets and the contractual cash flow characteristics of the financial assets.

This new standard also requires the Society to account for expected credit losses when trade receivables are first recognised, and the changes in expected credit losses at each reporting date if the credit risk has changed since initial recognition.

The adoption of AASB 9 has not had a significant impact on the Society's financial statements, and there are no retrospective adjustments.

Except for this change, the accounting policies adopted are consistent with those of the previous financial year.

#### (ii) Accounting standards and interpretations issued but not yet effective

A number of new Australian Accounting Standards, amendments to standards and interpretations were issued as of 30 September 2019, and have not been adopted in the preparation of the financial statement as below:

- AASB 15 Revenue from Contracts with Customers and AASB 1058 Income for Not-For-Profit Entities, which establish a comprehensive framework on the nature, amount, timing and uncertainty of revenue to be recognised.

- AASB 16 Leases, which sets out the principles for recognition of leases. The standard requires most companies to recognise most operating leases on the Statement of Financial Position.

The directors have not early adopted any of these new or amended standards or interpretations. The directors have not yet fully assessed the impact of these new or amended standards (to the extent relevant to the RAS).

### (c) Cash At Bank and On Hand

For the purposes of the Cash Flow Statement, cash includes cash on hand, in banks, in cash funds and commercial bills readily converted to cash within 3 months or less.

### (d) Investments

Investments and financial assets in the scope of AASB 9 Financial Instruments are categorised as either financial assets at fair value through profit or loss or at amortised cost. The classification depends on the Society's business model in managing these financial assets and the contractual cash flow characteristics of the financial assets.

Designation is re-evaluated at each financial year end, but there are restrictions on reclassifying to other categories.

#### (i) Recognition and de-recognition

All regular way purchases and sales of financial assets are recognised on the trade date i.e., the date that the Society commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the market place. Financial assets are derecognised when the right to receive cash flows from the financial assets have expired or been transferred.

#### (ii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Society has the positive intention and ability to hold to maturity. These

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2019 (continued)

financial assets are measured at amortised cost under AASB 9 as they are held under a business model to collect contractual cash flows, and these cash flows consist solely of payments of principal and interest. Investments intended to be held for an undefined period are not included in this classification.

Held-to-maturity financial assets are initially measured at fair value plus any applicable transaction costs, and subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts.

## (e) Trade and Other Receivables

Trade receivables are classified as financial assets initially recognised at fair value plus any applicable transaction costs, and subsequently at amortised cost using the effective interest method.

AASB 9 also requires the Society to account for expected credit losses when trade receivables are first recognised, and the changes in expected credit losses at each reporting date if the credit risk has changed since initial recognition. A significant amount of the Society's trade receivables are related to future events and are deferred on the Statement of Financial Position. As the contract obligations have not been provided, these receivables do not fall within the scope of impairment testing under AASB 9. Trade receivables in relation to current and past events are due within two weeks. Due to the short-term nature of these receivables, the carrying value of trade receivables less expected credit losses provision is considered to approximate fair value.

The recoverability of trade receivables is reviewed on an ongoing basis. Trade receivables are written off when there is no reasonable expectation of recovering the contractual cash flows, and the loss is recognised in the Statement of Comprehensive Income.

## (f) Inventories

Inventories represent stock of food, beverage and consumables and have been valued at the lower of cost and net realisable value. Cost is determined on the first-in-first-out basis and comprises the cost of the purchase and the costs of bringing the inventories to location.

## (g) Property, Plant and Equipment

### Cost

Property, plant and equipment are carried at cost. These assets are not carried at an amount above their recoverable amount, and where carrying values exceed this recoverable amount assets are written down.

### Depreciation

Depreciation on the administration building is provided on a straight-line basis over a period of 50 years, which commenced on 1 October 1998. Other items of property, plant & equipment are depreciated at

rates based on their economic lives, using the straight-line method. Depreciation and amortisation are reviewed annually to determine useful life. The following estimates of useful lives are used in the calculation of depreciation:

	2019	2018
Buildings	50 years	50 years
Site Improvements	10 to 40 years	13 to 40 years
Plant & Equipment	2 to 10 years	3 to 10 years
Computer & Office Equipment	2 to 10 years	2 to 5 years
Motor Vehicles	5 years	5 years
Heritage Assets	Not depreciated	Not depreciated

### Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of property, plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discount rate.

Impairment exists when the carrying value of an asset exceeds its estimated recoverable amount. The asset is then written down to its recoverable amount. For property, plant and equipment, impairment losses are recognised in the Statement of Comprehensive Income.

## (h) Trade and Other Payables

Liabilities for trade creditors and other amounts are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Society.

## (i) Revenue Recognition

Sydney Royal Easter Show (SRES) operation revenue, including ground operations, rentals, entry fees and commissions, is recognised based on contract periods and when amounts fall due under the terms of the contract.

Sydney Showground revenue, including ground operation, rentals and commissions, is recognised at the time the event occurs.

Gate receipts and sponsorship revenues are recognised at the time the event occurs.

Donation revenue is recognised when the right to receive payment is established.

Membership revenue is recognised in the year to which it relates.

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2019 (continued)

Interest revenue is recognised on an accrual basis using the effective interest method.

Grant revenue is recognised when performance obligation to provide goods or services is satisfied.

Revenue and expense include 'sponsorship contributions in kind'. All significant sponsorship contributions in kind are recorded as income using the estimated fair value or the cost of the goods or services utilised. The corresponding charge for these amounts is recorded as an expense. Sponsorship contributions in kind relate primarily to advertising and equipment hire.

## (j) Employee Entitlements

Provision is made for long service leave and annual leave estimated to be payable to employees on the basis of statutory and contractual requirements. The amounts provided have been apportioned between current and non-current, the current provision being the portion that is expected to be settled wholly within the next twelve months. Entitlements greater than twelve months are discounted based on an appropriate discount rate. Payroll on-costs associated with leave entitlements are recognised as liabilities.

The employer superannuation contributions for permanent staff are paid to ANZ Smart Choice Employer Super or another fund chosen by the employee. Contributions for other staff are paid to a number of industry superannuation funds.

## (k) Leased Assets

Operating lease payments are expensed to the Statement of Comprehensive Income in the periods in which they are incurred. All of the RAS's leases are operating leases.

## (l) Reserves & Cash – Reserve, Trust and Endowment Funds

In June 2004 the Board of the RAS approved the creation of the SRES Interruption Reserve. The reserve is available for use in the case of serious interruptions to revenue from the Sydney Royal Easter Show and will ensure a continuation of business without a reliance on borrowing or operating funds.

In September 2011 the Board of the RAS approved the creation of the Maintenance Reserve. The reserve is available for use in the maintenance and development of the Showground site outside the Major Repair Fund program.

The balances of the SRES Interruption Reserve and Maintenance Reserve will be reviewed annually. Board approval is required for any decision in relation to the two Reserves.

Cash – Reserve, Trust and Endowment Funds asset includes the cash balances of the SRES Interruption Reserve, Maintenance Reserve and Trust and Endowment Funds. The SRES Interruption Reserve and Maintenance Reserve cash balances can only be utilised in the circumstances outlined above and by decision of the Board of the RAS.

## (m) Rounding

The financial statements have been rounded to the nearest thousand dollars.

## (n) Income Tax

The RAS is exempt from income tax under section 50-105 of the Income Tax Act of Australia of 1997.

## (o) Previous Period Comparatives

The financial statements provide comparative information in respect of the previous period, ended 30 September 2018. For comparative purposes, certain amounts in the comparative period have been restated.

## 3. MAJOR REPAIR FUND

On 27 September 1996 the RAS entered into a lease over the Showground and Administration Building for a period of 99 years with a further 99 year option. Under this lease and commencing from 1 September 2000, the Sydney Olympic Park Authority ('SOPA') is obliged to make annual payments to a Major Repair Fund (MRF), which is sourced from the payment made by the RAS. The payment is calculated based on a percentage of the SRES revenue and a percentage of the turnover from other activities. Dependent upon certain terms and conditions, this obligation is approximately \$3.0 million per annum.

The RAS paid a total of \$3,230,406 (2018: \$2,682,017) to SOPA during the financial year. The majority of this amount was contributed to the Major Repair Fund based on the terms and conditions of the lease agreement. RAS utilised \$3,364,578 (2018: \$1,340,217) on various approved major repair projects.

The balance of the Major Repair Fund at 30 September 2019 was \$17,987,763 (2018: \$17,360,413). This cash balance is held by SOPA for the purpose of significant repairs and structural alterations in respect of the Sydney Showground.

	2019 (\$'000's)	2018 (\$'000's)
<b>4. DISPOSAL OF ASSETS</b>		
Proceeds from the disposal of assets	-	7
Written down cost of assets	(2)	(11)
Loss on disposal of assets	<b>(2)</b>	<b>(4)</b>

<b>5. TRADE AND OTHER RECEIVABLES (CURRENT)</b>		
Trade Debtors	4,936	9,453
Less Provision for Expected Credit Loss	(8)	(170)
	<b>4,928</b>	<b>9,283</b>
<b>Movement in Provision for Expected Credit Loss</b>		
Balance at beginning of year	(170)	(69)
Movement during the year	(162)	(101)
Balance at the end of the year	<b>(8)</b>	<b>(170)</b>

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2019 (continued)

	2019 (\$'000's)	2018 (\$'000's)
<b>6. INVENTORIES (CURRENT)</b>		
Stock at cost	281	335

<b>7. PREPAYMENTS (CURRENT)</b>		
Prepaid Insurance	225	166
Prepaid Other	850	939
	<b>1,075</b>	<b>1,105</b>

<b>8. TRADE AND OTHER PAYABLES (CURRENT)</b>		
Trade Creditors	2,187	376
GST Payable (Net)	94	84
Accruals	2,396	2,499
Other	336	265
	<b>5,013</b>	<b>3,224</b>

<b>9. PROVISIONS (CURRENT)</b>		
Long Service Leave	1,102	979
Annual Leave	1,148	982
Public Liability Claims	8	48
	<b>2,258</b>	<b>2,009</b>

<b>10. DEFERRED REVENUE (CURRENT)</b>		
Prepaid Membership Fees	431	442
Prepaid Exhibition Rent, Bonds and Disbursements	6,585	13,505
Other Deferred Revenue / Contribution	347	2,371
	<b>7,363</b>	<b>16,318</b>

<b>11. TRADE &amp; OTHER RECEIVABLES (NON-CURRENT)</b>		
Trade Debtors	1,346	403

## Reconciliation of Carrying Amounts

<b>Property, Plant &amp; Equipment</b>	<b>Admin. Building</b> (\$'000's)	<b>Site Improvements</b> (\$'000's)	<b>Plant &amp; Equipment</b> (\$'000's)	<b>Computer &amp; Office Equipment</b> (\$'000's)	<b>Motor Vehicles</b> (\$'000's)	<b>Heritage Collection</b> (\$'000's)	<b>Total</b> (\$'000's)
At Cost	6,440	14,713	16,109	4,895	830	82	43,069
Less Accumulated Depreciation	(2,704)	(3,156)	(12,959)	(1,622)	(652)	-	(21,093)
	3,736	11,557	3,150	3,273	178	82	21,976
Reconciliation of Carrying amounts							
Carrying amount at start of year	3,864	12,000	3,300	203	202	82	19,651
Capital Additions	-	12	643	3,388	50	-	4,093
Capital Disposals	-	-	(1)	(1)	-	-	(2)
Depreciation expense	(128)	(455)	(792)	(317)	(74)	-	(1,766)
Carrying amount at end of year	3,736	11,557	3,150	3,273	178	82	21,976

The Administration Building at Sydney Olympic Park was valued in January 2014 by an independent valuer, CB Richard Ellis. The valuation amounted to \$14,800,000 based on a discounted cash flow analysis over a 10 year period of net rental income and re-sale value at the beginning of the 11th year.

# NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2019 (continued)

	2019 (\$'000's)	2018 (\$'000's)
<b>12. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Capital work in progress</b>	<b>901</b>	<b>995</b>
Administration Building, Sydney Olympic Park	6,440	6,440
Less Accumulated Depreciation	(2,704)	(2,576)
	3,736	3,864
Site Improvements	14,713	14,701
Less Accumulated Depreciation	(3,156)	(2,701)
	11,557	12,000
Plant and Equipment	16,109	15,646
Less Accumulated Depreciation	(12,959)	(12,346)
	3,150	3,300
Computer & Office Equipment	4,895	1,527
Less Accumulated Depreciation	(1,622)	(1,324)
	3,273	203
Motor Vehicles	830	791
Less Accumulated Depreciation	(652)	(589)
	178	202
Heritage Collection	82	82
Less Accumulated Depreciation	-	-
	82	82
<b>Property Plant &amp; Equip. at net book value</b>	<b>21,976</b>	<b>19,651</b>
<b>Total Property Plant and Equipment</b>	<b>22,877</b>	<b>20,646</b>

	2019 (\$'000's)	2018 (\$'000's)
<b>13. INVESTMENT (NON-CURRENT)</b>		
Investment	4,984	4,934

Investment relates to an unlisted managed fund entered into during the year ended 30 September 2018. The investment has been accounted for at fair value through profit or loss in accordance with Australian Accounting Standards. RAS intends to hold onto this investment for a period greater than 12 months from the reporting date.

<b>14. PROVISIONS (NON-CURRENT)</b>		
Long Service Leave	357	361

<b>15. DEFERRED REVENUE (NON-CURRENT)</b>		
Prepaid Membership Fees	222	222
Deferred Bonds and Disbursements	1,538	608
	<b>1,760</b>	<b>830</b>

<b>16. OTHER REVENUE</b>		
Government Grant	2,900	-
Other revenue	1,943	1,747
	<b>4,843</b>	<b>1,747</b>

RAS received a total of \$2.9 million government funding from Office of Sport for the construction of Wi-Fi infrastructure in the Stadium.

<b>17. COMMITMENTS AND CONTINGENCIES</b>		
<b>Operating Lease Commitments</b>		
Non-cancellable operating leases contracted but not capitalised in the financial statements.		
Payable:		
-not later than 1 year	94	94
-later than 1 year but not later than 5 years	118	213
	<b>212</b>	<b>307</b>

## 18. FINANCIAL INSTRUMENTS

### Cash

Cash comprises cash on hand and cash investments comprising term deposits, cash funds, and short term deposits. All cash is invested in accordance with the RAS's investment policy which seeks to minimise capital risk. The weighted average interest rate on term deposits was 2.92% (2018: 2.42%).

## Receivables

The majority of trade receivables as at 30 September 2019 are for future events. These amounts are payable before the event commences. As such the exposure to bad debts for the RAS is not significant.

## Trade Creditors and Accruals

Trade creditors and accruals are recognised once goods and services are received and whether or not invoiced. Amounts owed to suppliers are settled as specified in the RAS's trading terms.

<b>19. AUDITORS REMUNERATION</b>	2019 (\$'000's)	2018 (\$'000's)
Amount received or due and receivable by Ernst & Young:		
Fees for auditing the financial report	94	88
Other assurance services	63	45
	<b>157</b>	<b>133</b>

## 20. RELATED PARTY TRANSACTIONS

The Office Bearers of the RAS as at this date are set out in this report. Apart from the Chief Executive, members of the Council serve without remuneration, but are eligible for reimbursement of travel and accommodation expenses (where applicable) when attending Council Meetings. Certain Councillors have declared an interest in the RAS's dealings with enterprises associated with them. These include Mr G Andrews (Schute Bell Badgery Lumby), Mrs R Clubb (Australian Wool Exchange Limited, Elders Limited), Mr G Cochrane (Reg Cochrane Pastoral Pty Ltd, Cochrane and Wogamia Dairy Pty Ltd, Milkhaven Pty Ltd), Mr S Dadd (Boral Timber Division), Ms S Evans (Len Evans Tutorial), Mrs A Hamilton (AJM Livestock Solutions), Mr M MacCue (MacCue Trading Pty Ltd), Mr D Macintyre (Invermien Pastoral), Ms Y McKenzie (Agricultural Societies Council of NSW, NSW Stud Merino Breeders), Mrs K Reidy (TAFE NSW), Mr R Ryan (Schute Bell Badgery Lumby), Mr H White (Landcare NSW, Mudgee Show Society Inc), Mr B Wilson (Shirlinn Jerseys), and Ms C Wythes (Landcare NSW).

The RAS deals with other business enterprises associated with Councillors from time to time in the ordinary course of business. All dealings with businesses associated with Councillors are on arms' length commercial terms.

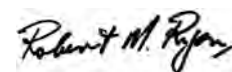
In the 2019 financial year, RAS donated \$560,000 (2018: \$260,000) to the RAS of NSW Rural Fund. Operating through three funds, the trustee is RAS of NSW Foundation Limited which comprises of seven directors, four of whom are Councillors of the RAS of NSW and three are independent directors.

## DECLARATION BY THE BOARD

In accordance with a resolution of the Board of the Royal Agricultural Society of NSW, we state that:

- (a) the Society is not a reporting entity as defined in the Australian Accounting Standards;
- (b) the financial statements and notes of the Royal Agricultural Society of NSW are in accordance with the Rules of the Society and the *Australian Charities and Not-for-Profits Commission Act 2012*, including:
  - (i) giving a true and fair view of the Society's financial position as at 30 September 2019 and of its performance for the year ended on that date; and
  - (ii) complying with Australian Accounting Standards to the extent described in Note 2(a) to the financial statements and complying with the *Australian Charities and Not-for-Profits Commission Regulation 2013*;
- (c) there are reasonable grounds to believe that the Society will be able to pay its debts as and when they become due and payable.

On behalf of the Board



R M Ryan, President  
5 December 2019



G Sharpe, Treasurer  
5 December 2019



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROYAL AGRICULTURAL SOCIETY OF NSW

### OPINION

We have audited the financial report, being a special purpose financial report, of the Royal Agricultural Society of NSW (the "Society"), which comprises the statement of financial position as at 30 September 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the declaration by the Board of the Society (the "Board").

In our opinion, the accompanying financial report of the Society is in accordance with the Rules of the Society and the *Australian Charities and Not-for-Profits Commission Act 2012*, including:

- a. giving a true and fair view of the Society's financial position as at 30 September 2019 and of its financial performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 2, and the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

### BASIS FOR OPINION

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Society in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

### EMPHASIS OF MATTER - BASIS OF ACCOUNTING

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Board's financial reporting responsibilities under the Rules of the Society and the *Australian Charities and Not-for-Profits Commission Act 2012*. Our opinion is not modified in respect of this matter.

### RESPONSIBILITIES OF THE BOARD FOR THE FINANCIAL REPORT

The Board of the Society are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 2 to the financial statements is appropriate to meet the requirements of the Rule of the Society and the *Australian Charities and Not-for-Profits Commission Act 2012* and is appropriate to meet the needs of the members. The Board's responsibility also includes such internal control as they determine are necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

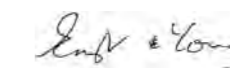
### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL REPORT

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

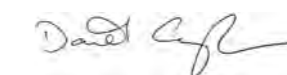
As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.
- Conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young



Daniel Cunningham  
Partner  
Sydney  
5 December 2019

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Royal Agricultural Society of NSW

1 Showground Road  
Locked Bag 4317  
Sydney Olympic Park NSW 2127  
ABN 69 793 644 351  
[www.rasnsw.com.au](http://www.rasnsw.com.au)