

ROYAL
AGRICULTURAL
SOCIETY OF NSW

2011 / 2012

Annual Report



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

OUR MISSION

A not-for-profit organisation, forging the future of agriculture through competition, education and events.

OUR PURPOSE

To encourage the sustainable development of agriculture by holding events and competitions that support agricultural excellence and innovation.

To expand and promote our role as a key constructive influence in Australian agriculture, its development and education.

To manage, market and maintain Sydney Showground effectively to ensure our sustained economic viability.

OUR VALUES

We are proud of our history and achievements.

Our purpose of encouraging the sustainable development of agriculture is fundamental to everything we do.

President’s Review

The 2011/12 financial year marked one of great historical importance and success for the Royal Agricultural Society of NSW. It gives me great pleasure to present this Annual Report which highlights these achievements.

The past year was significant for the RAS as we celebrated reaching the historic milestone of 190 years since the Society was established in 1822. One year later, the first agricultural Show of its kind took place at Parramatta Park. It’s a marvelous feat to see that the legacy of the Society and that first Show have continued for all these years. Everyone that has been associated with the RAS should be proud of their contribution.

2011/12 was also an outstanding year of growth for the RAS and Sydney Showground. The completion of the Main Arena upgrade was significant and will provide a solid foundation for our future. The \$65 million redevelopment, jointly funded by the NSW Government, the Australian Football League and the RAS, was officially opened on May 23, 2012, by the NSW Premier and Minister for Western Sydney, The Hon. Barry O’Farrell.

The redevelopment, which includes new grandstands and seating, the largest video scoreboard in the southern hemisphere and impressive corporate hospitality facilities, now provides a world-class venue for the greater western Sydney precinct. I have no doubt this facility will allow the RAS to attract a greater diversity of events, ultimately generating more income which will be invested back into agricultural programs.

Our showcase event, the Sydney Royal Easter Show, was once again a wonderful success and celebration of agricultural excellence. Attendance figures were strong, with over 840,000 people travelling from far and wide to enjoy the array of unique Show experiences with family and friends. Impressively, 80,000 of these were first-time visitors and some 18,500 were international visitors, primarily from Asia. There is great potential for the Show to continually grow in new international markets and be regarded as a world-class agricultural event.

We also celebrated a special anniversary at the 2012 Show – 50 years of the Sydney Royal Showgirl Competition. Over 400 guests, including past and present showgirl finalists, reunited at the Show for an anniversary cocktail function. This competition has played an important role in developing young rural women and finding a female ambassador for rural NSW and the agricultural show movement.

At the core of the RAS is a commitment to agricultural education and youth engagement. Initiatives in these areas continued to grow including the educational Junior Farm Hands, Food Farm and Schools Program at the Show, as well as the RAS Rural Achiever Award and RAS Youth Group.

The prestigious Sydney Royal competitions, held during the Show and throughout the year, attracted close to 35,000 entries. These strong entry figures highlight the importance of competition to drive agricultural excellence and innovation, and the power of a Sydney Royal win to assist producers commercially.

In July, 2012, I had the honour of awarding the seventh President’s Medal to Milly Hill Lamb for their high quality product and

commitment to sustainable business practices. This award is the highest accolade of the Sydney Royal Wine, Dairy and Fine Food competitions, recognising the best Australian producer of the year.

The charitable arm of the RAS, the RAS Foundation (RASf), continues to grow from strength to strength. Last year, the RASf distributed \$275,000 through their Rural Scholarship, Community Futures Grant and JB Fairfax Award programs. It gives me great pleasure to see communities and individuals in rural Australia benefiting from these initiatives and I look forward to seeing the RASf make an even greater impact in communities over the coming years.

In February, 2012, I was pleased to welcome our new Chief Executive, Michael Kenny, to the organisation. Michael previously held the position of Chief Executive of the Sydney Turf Club and joined the RAS with solid experience in venue and financial management.

I would like to extend my thanks to the RAS Council, Board, staff and valued Members, who have all contributed to the success of the RAS over the past year. I would also like to acknowledge all of the volunteers, judges and stewards who donate their time and energy to ensure the success of our competitions and events.

It is a great privilege to work with RAS Councillors and staff, Government officials, industry organisations and fellow agricultural societies on many worthwhile initiatives that benefit agriculture in Australia.

Glenn Dudley

Glenn Dudley, President, Royal Agricultural Society of NSW



Highlights 2011/2012

ROYAL AGRICULTURAL SOCIETY OF NSW

Corporate Services

NEW CHIEF EXECUTIVE

The RAS welcomed Michael Kenny (pictured below) as the new Chief Executive in February, 2012. Michael joined the RAS from the Sydney Turf Club, where he held the position of Chief Executive Officer for ten years. Previous to this position, Michael was the Finance Manager at the Sydney Turf Club. He has a strong background in venue and financial management, business analysis and strategic planning.



HUMAN RESOURCES

A new Employee Self Service Portal was introduced over the 2011/12 year that involved the transfer of all employee related documentation and processes to online systems. The integration of payroll into the human resource function to improve the centralisation of all employee related services also occurred.

The annual staff survey highlighted that 87.9 per cent were satisfied or very satisfied with the RAS as a place to work, and 95.1 per cent were proud to work at the RAS.

MEMBERSHIP

The RAS welcomed 1,853 new members during 2011/12, bringing the total number of members to 16,141. Members continued to enjoy Sydney Royal Easter Show benefits, including a refurbished Members Stand and facilities at the 2012 Show as a result of the completion of the Main Arena re-development. Members also enjoyed year-round discounts to Sydney Showground events such as Equitana and Better Homes and Gardens Live, as well as access to Gold Members Reserve at ANZ Stadium events.

Agricultural Development

The RAS continued to focus on strengthening existing educational and youth programs, as well as developing new initiatives in this increasingly important area. Building relationships with industry partners and engaging with government to develop solutions to attract participation in agriculture was also a key outcome for the year.

YOUTH

Engaging youth with agriculture and developing future industry leaders remained a key focus for the RAS. In October, 2011, the RAS Youth Group successfully ran a Regional Young Farmer Challenge at the Australian National Field Days in Orange, NSW, to increase exposure of the Youth Group and grow the event regionally. The final took place at Youth in Agriculture Day at the 2012 Show, with 16 teams competing.

A Careers in Agriculture Expo took place at the 2012 Show with advisors from universities, colleges and the industry providing high school students with advice on pathways and career options within the agricultural industry.

The RAS Rural Achiever Award offered eight young leaders with leadership and development training, a nine-day program at the 2012 Sydney Royal Easter Show, networking opportunities and a cash prize. Prue Capp, a 2012 Rural Achiever, was also given the opportunity to travel to Zambia as one of three RAS delegates at the Royal Agricultural Society of the Commonwealth Conference and will represent NSW in the national finals in 2013.

The Sydney Royal Showgirl Competition celebrated its 50th anniversary at the 2012 Show. A cocktail function was held at the Show with over 400 guests, including past and present Showgirl finalists, to celebrate the occasion. A commemorative pin, honour board and photo booklet were developed, and the 2012 Showgirl, Jasmine Nixon, was presented with a replica silver tray, similar to that presented to the first Sydney Royal Showgirl winner in 1962, Margaret McKay.

EDUCATION

The RAS continued to broaden its educational programs and initiatives during 2011/12. The Junior Farm Hands program was strengthened with the development of educational materials for both primary and secondary school children. Over 70,000 educational activity books and 80,000 stamping passports were distributed at the 2012 Show, encouraging children to learn about animals and food production.

The Food Farm was revamped for the 2012 Show and new interactive activities were incorporated, allowing children to learn about the origins of food in a fun and engaging way. Fifty new educational signs were also introduced into pavilions, adding to an existing suite of 60 educational signs.

Over 8,000 primary and secondary school students visited the Show, attending many of the traditional demonstrations such as the Milking Barn and Sheep Shearing, in addition to new pre-booked sessions including cheese judging.

INDUSTRY

The RAS partnered with the National Farmers Federation, and other industry bodies, to form the National Agribusiness Education, Skills and Labour Taskforce (NEST). NEST is working to identify issues critical to the success of the industry, develop solutions to attract participation in agriculture and gain Government support. In line with NEST, the RAS also submitted an independent response to the Federal Government's 'National Food Plan' green paper.

The Woolworths Agricultural Business Scholarship, the NSW Farmer of the Year Award and Art4Agriculture were among other industry programs the RAS supported throughout the year.

FUTURE PLANS

With the 2013 Show taking place outside of school holidays, a comprehensive Schools Program for primary and secondary students has been developed to attract additional school group attendance. The program will feature online syllabus-linked resources, new interactive activities and student competitions. The Food Farm will be enhanced with new industries represented including cotton, aquaculture and rice.

The RAS Youth Group will deliver a new format of Careers Seminars at the 2013 Show. Across four days of the Show, students, teachers and careers advisers will have the opportunity to attend seminars focusing on specific industry themes, tertiary options and career pathways.



Highlights 2011/2012

SYDNEY ROYAL

The Sydney Royal Wine, Dairy and Fine Food Shows continued to recognise and reward Australia's best producers. Each Show implemented new competition elements, such as new classes and judging techniques, to remain relevant in their respective industries and move with consumer trends.

SYDNEY ROYAL CHEESE AND DAIRY PRODUCE SHOW

The Sydney Royal Cheese and Dairy Produce Show received 955 entries in 2012. The calibre of exhibits entered across the competition was high with 75 gold medals and 364 silver medals awarded. All 12 first-time exhibitors were awarded medals, highlighting a promising future for the dairy industry in Australia. The 2012 Show hosted international judge and third-generation French affineur, Hervé Mons.

SYDNEY ROYAL FINE FOOD SHOWS

The Summer and Spring Sydney Royal Fine Food Shows had an exceptional year, with the introduction of new classes, increased entries and outstanding results achieved.

The Summer Show received 870 entries across five competitions, with the Pasta Competition receiving double the entries than the previous year. Excellent results were achieved in the Aquaculture Competition, despite exhibitors facing environmental challenges, with seven gold, 27 silver and 32 bronze medals awarded.

There was a 25 per cent increase in entries in the Spring Show, with notable increases in the Branded Lamb Competition and Regional Food Competition. Solid results were achieved in the ham classes of the Deli Meat Competition, with 22 gold medals awarded, and the Olive Oil Competition saw six gold medals awarded.



PRESIDENT'S MEDAL

The prestigious President's Medal was awarded to Milly Hill Lamb from Armidale, NSW, for their Grass Fed Lamb in July, 2012. This award is the highest accolade of the wine, dairy and fine food competitions and recognises the best Australian producer of the year for their high quality product and sustainable business practices.

JUDGING AND TECHNOLOGY

The 2012 Sydney Royal Fine Food Show introduced digital judging tablets into the competition, leading the way nationwide in the use of technology for judging. The digital tablets allowed for greater efficiency within the judging process and will be rolled out across all Sydney Royal Wine, Dairy and Fine Food Shows in 2013.

TRADE DEVELOPMENT

The RAS participated in an inaugural international trade development mission in August, 2012, to showcase Sydney Royal award-winning products. Two RAS staff members travelled to the Hong Kong Trade Development Council Food Expo with produce from a sample of Sydney Royal winners. The aim of the mission was to support trade of Australian agricultural products, assist NSW food and wine producers in business development through attracting export trade, and promote the Sydney Royal brand.

FUTURE PLANS

Exciting new initiatives will be introduced over the following financial year. A new Sydney Royal Beer and Cider Competition will take place in late 2013, and a Sydney Royal Beer and Wine Garden will be introduced at the 2013 Sydney Royal Easter Show.

To improve the promotion of Sydney Royal Wine, Dairy and Fine Food Show winners to industry and consumers, a new publication will be released in 2013 to highlight medal-winning products.

MACQUARIE GROUP SYDNEY ROYAL WINE SHOW

Entry figures were once again strong for Australia's premier viticulture competition, the 2012 Macquarie Group Sydney Royal Wine Show, with 2241 entries received from 377 exhibitors. Impressively, 60 of these were first time exhibitors. The 2012 Show welcomed international judge, Ned Goodwin, the first Japanese speaking Master of Wine.

New innovative judging practices were trialled and introduced at the 2012 Show. The regional grouping judging system, trialled at the 2011 Show for Named Vineyard Shiraz classes, was extended across all Named Vineyard classes. The 100-point judging system was also trialled to great success, and will be rolled out across the entire Show in 2013.



Highlights 2011/2012

SYDNEY ROYAL EASTER SHOW

The 2012 Sydney Royal Easter Show attracted people from across Australia and overseas to celebrate agricultural excellence and experience unique animal activities and entertainment. Visitors to the Show were also the first to experience many features of the upgraded Main Arena including new grandstands, refurbished member facilities and the largest video scoreboard in the southern hemisphere.

LOCAL AND INTERNATIONAL AUDIENCE

The 2012 Show attracted over 840,000 visitors from NSW, interstate and international destinations, contributing over \$500 million to the NSW economy.

Post-Show research highlighted that 97 per cent of attendees resided in New South Wales, regional visitation grew by two per cent and 11 per cent of visitors were new customers.

Ticket sales to Asian markets increased by 65 per cent with 18,500 tickets sold, highlighting the growing appeal of the Show internationally. Seven media and trade familiarisations were held with over 100 international buyers, airline and media representatives in attendance. Collectively they rated the 2012 Show as one of the top three tourist attractions visited whilst in Australia.

Impressively, 97 per cent of visitors rated the Show as ‘enjoyable’ or ‘very enjoyable’.

SYDNEY ROYAL COMPETITIONS

The 2012 Show received over 29,000 entries across 40 competitions and 5,000 competition classes. The Meat and Dual Purpose Sheep competition witnessed a record number of entries, with significant entry increases also evident in Cage Birds, Cattle, Dogs, Goats, Honey and Rats & Mice competitions.

The Show continued to offer the largest agricultural Show prize pool in Australia. Over \$750,000 in cash prizes and 15,000 trophies, certificates and medals were awarded over the 14 days of the Show.

An inaugural online survey was conducted with competition exhibitors to ascertain what they liked about the 2012 Show and areas they felt required improvement. The survey received an overwhelmingly positive response with an 83 per cent return rate and provided useful information for relevant Committees to analyse.

ENTERTAINMENT, CARNIVAL AND SHOWBAGS

Showgoers were entertained with over 590 hours of free entertainment, featuring close to 10,000 performers. New highlight attractions included the Showtime Spectacular, featuring host James Blundell, the RAS Stockmen’s Ride and the Colours of the Outback Pyromusical; the Sinbad International High Dive Show; and Ashton’s Circus Circus.

The new food and wine garden was a welcome addition to the Show. Showgoers enjoyed tasting the state’s top drops at the NSW Wine Experience, and Café NSW was a crowd favourite for its fresh NSW-sourced produce featuring Sydney Royal award-winning products.

New to the carnival offering was the Super Slide, which attracted 210,000 sliders. The appeal of the showbag was as strong as ever with showgoers purchasing 1.7million showbags from a record 342 bags on offer.

MARKETING, COMMUNICATIONS AND SPONSORSHIP

Innovative marketing and communications strategies were implemented in the lead up to and during the Show to drive attendance and build a strong fan-base to communicate with on an ongoing basis.

The Show website continued to be a key information tool used by customers with website traffic increasing by 13.2 per cent to 943,713 unique visitors. Social media engagement was also on the rise with the Show Facebook fans increasing from 15,811 to 35,733 in 2012.

The 2012 Show iPhone App was offered for free and was downloaded 95,475 times. The App became the most downloaded entertainment App in the Apple iTunes store during the Show period and was featured on the iTunes App store homepage.

An estimated \$22 million in editorial coverage was generated for the 2012 Show, with 25 new media outlets accredited to the event. The Sunday Telegraph Official Guides inserted over two weekends in The Sunday Telegraph increased circulation across both of the newspapers by an average of 34 per cent beyond budgeted circulation uplift. Each Guide had a circulation of 700,000 and a readership of 1.4 million people.

A new sponsorship agreement was secured with Destination NSW to support tourism marketing. Two new major agricultural sponsors were also secured: Steggles for the Poultry Pavilion and Australian Wool Innovation for the Sheep and Wool Pavilion.

FUTURE PLANS

The 2012/13 financial year is forecast to be a challenging year for revenue generation for the RAS as the Sydney Royal Easter Show falls outside of the school holiday period. To counter this, the RAS has focused on developing innovative educational programs to attract more school groups through the Show gates. The comprehensive schools program has strong links to both primary and secondary school syllabuses and teaches children important agricultural lessons.



Highlights 2011/2012

SYDNEY SHOWGROUND

Sydney Showground had an exceptional year with major highlights including launching the upgraded Main Arena, hosting six GWS Giants AFL matches in their debut season, delivering major international and national events, and winning several industry awards.

OVERVIEW

A total of 200 external events were held during the 2011/12 financial year. Sydney Showground generated \$22.54 million in revenue and \$8.05 million in net contribution for the RAS. These financial results represent the highest on record for Sydney Showground and an increase of 15.5 per cent over budgeted revenue for 2011/12.

MAIN ARENA UPGRADE LAUNCH

The upgrade of the Main Arena into a world-class boutique facility began in April, 2011, and was completed in May, 2012. The \$65 million upgrade investment was funded by the NSW Government, the Australian Football League (AFL) and the RAS, to provide a home-ground match venue for the Greater Western Sydney (GWS) Giants AFL team, and a premium multi-purpose facility for the precinct. The redeveloped facility was officially launched by NSW Premier and Minister for Western Sydney, The Hon. Barry O’Farrell, along with AFL and RAS representatives on May 23, 2012. The upgrade features new grandstands to the north-west and south-east, increased capacity from 13,000 to 24,000, the largest video scoreboard in the southern hemisphere, twelve corporate suites, a BBQ terrace, revamped member areas and new media facilities. The boutique facility will allow Sydney Showground to attract even more sporting and entertainment events, including lucrative concerts and festivals, generating substantial revenue for the business and building a solid foundation for the future.

GWS GIANTS DEBUT SEASON

Sydney Showground was the home-ground match venue for the AFL’s newest team, the GWS Giants, in 2012. Their inaugural match was held on May 26 against Essendon and attracted over 11,000 fans. A total of six home games were held at the venue during the season, with over 48,000 people attending and experiencing the boutique facility. Sydney Showground implemented new systems and procedures to ensure the facility met the AFL’s high sporting standards. A turf curator was appointed in early 2012 to manage the transformation of the surface from an equine and entertainment field used during the Sydney Royal Easter Show, to a high-quality sporting surface for the GWS Giants first match. This premium standard was maintained for every following game.

INDUSTRY AWARDS

In October, 2011, Sydney Showground was awarded Best Venue at the Australian Event Awards, one of the most highly acclaimed titles in

the Australian events industry. The Best Venue award recognised the outstanding role Sydney Showground played in facilitating more than 400 exhibitions, conferences, festivals, launches and events. Following on from this success, Sydney Showground won Best Venue Team at the Exhibition and Event Association of Australasia’s Annual Awards for Excellence in December, 2011. This award acknowledged the team’s dedication to customer service and their partnership approach when working with clients. To top off the end of a successful financial year, Sydney Showground took home the prestigious Caterer at a Major Event Award at the Savour Australia Restaurant and Catering Awards for Excellence in September, 2012. The award was judged on the entire event process including sales, planning, operation, food and beverage quality, and presentation, reinforcing Sydney Showground’s industry reputation as a world-class venue with world-class food and service.

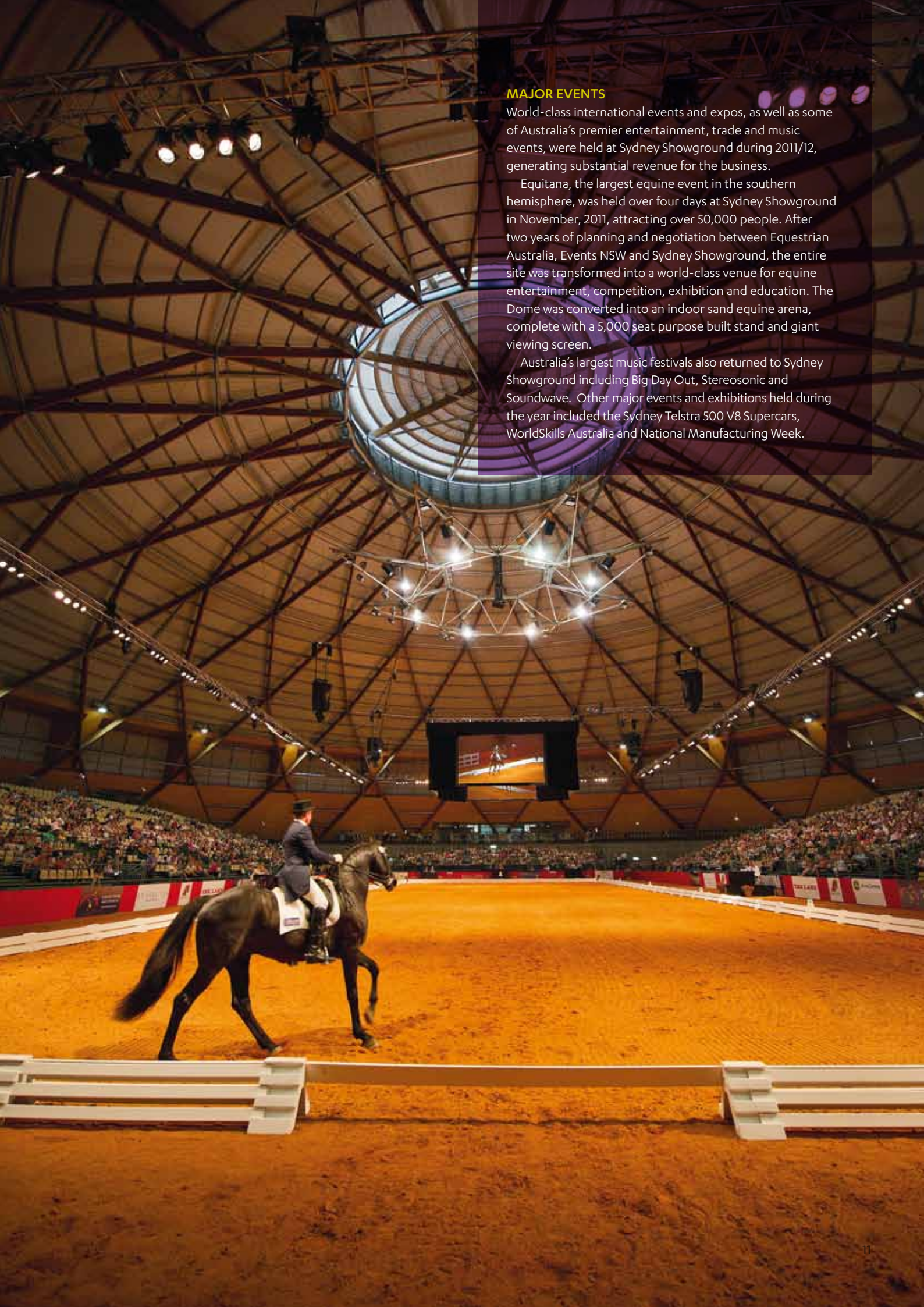
FUTURE PLANS

With the Sydney Convention and Exhibition Centre closing at the end of 2013 for a three year redevelopment, a major opportunity exists for Sydney Showground to attract major events to the precinct. The RAS will be investing in a new exhibition hall onsite to capitalise on attracting new exhibition events to Sydney Showground, which will result in increased revenue for the business during 2014 and beyond. Major events have already been secured for the coming years, including international electro act Swedish House Mafia in 2013; music festival Stereosonic until 2014; international conventions including the International Rotary Convention and World Park Congress; and major exhibitions including the Australian International Motor Show and EB Games Expo.



MAJOR EVENTS

World-class international events and expos, as well as some of Australia’s premier entertainment, trade and music events, were held at Sydney Showground during 2011/12, generating substantial revenue for the business. Equitana, the largest equine event in the southern hemisphere, was held over four days at Sydney Showground in November, 2011, attracting over 50,000 people. After two years of planning and negotiation between Equestrian Australia, Events NSW and Sydney Showground, the entire site was transformed into a world-class venue for equine entertainment, competition, exhibition and education. The Dome was converted into an indoor sand equine arena, complete with a 5,000 seat purpose built stand and giant viewing screen. Australia’s largest music festivals also returned to Sydney Showground including Big Day Out, Stereosonic and Soundwave. Other major events and exhibitions held during the year included the Sydney Telstra 500 V8 Supercars, WorldSkills Australia and National Manufacturing Week.



The RAS Foundation (RASf) increased their reach into rural communities by distributing \$274,500 through their grants and scholarship programs to provide rural Australians with enhanced education, training and skills development opportunities.

Over the 2011/12 year, the RAS increased their contribution by giving \$500,000 to the RASf. In recognition of the successful Community Futures Grant Program, \$250,000 of this donation was allocated to a capital fund with the interest income to be used for the provision of future Community Futures Grants.

There was a change in Chairmanship for the RASf due to the retirement of Mr John Fairfax AO. Mr Fairfax AO served as Chairman for four years and was involved in the formation of the RASf in 2007. Mr Michael Millner, a Councillor of the RAS and Cattle Committee Chairperson, was appointed as the new RASf Chairman in early 2012.

RURAL SCHOLARSHIP PROGRAM

In its second year, the Rural Scholarship Program received a record number of applications, with 865 received from tertiary and vocational students who demonstrated commitment to forging careers that will benefit rural and regional NSW and Australia.

After a rigorous selection process, 40 scholarships were awarded to students undertaking a broad range of education and training pursuits, representing a \$189,500 contribution by the RASf. The scholarships provided \$5,000 for students studying full time or \$1,500 for part time study.

The Rural Scholarship Program aims to grow over the coming years by raising funds to allow even more scholarships to be awarded to NSW students with a passion for rural and regional Australia and who need a financial helping hand to achieve their education and training goals.

JB FAIRFAX AWARD FOR RURAL JOURNALISM

The fourth JB Fairfax Award for Rural Journalism was awarded to Alison Francis (pictured right with John Fairfax AO), a talented and aspiring journalism student from Monto, Central Queensland. As the successful recipient, Alison received a \$10,000 scholarship and internships at Rural Press and the 2012 Sydney Royal Easter Show. Her award-winning article was also included in a major rural publication. This award aims to encourage journalism students to pursue a career in rural journalism upon graduation and contribute to providing quality coverage of rural and regional affairs.

FUTURE PLANS

The RASf will reach an historic milestone in the 2012/13 financial year, donating their millionth dollar to rural Australia through grants and scholarships.

Two additional scholarship programs will be introduced – the Sydney Royal Wine Scholarship and the Sydney Royal Dairy Produce

Scholarship – and will run in partnership with the Sydney Royal Wine, Dairy and Fine Food department. The scholarships will support two individuals who demonstrate a passion for the Australian wine or dairy industries, and who are committed to pursuing careers that will positively contribute to and shape the future of these sectors.

A new RASf Community Kitchen Program will also be launched. Bunnings Warehouse, provider of the Theatre Kitchen for the Sydney Royal Easter Show, will donate the kitchen after the completion of the Show each year. Community groups from rural and regional NSW will be able to apply to receive the kitchen by demonstrating how it will enhance their town and be used by the broader community.



COMMUNITY FUTURES GRANTS

Three Community Futures Grants, totaling \$75,000, were awarded by the RASf to facilitate youth-led community projects in rural NSW. Emma Sellers, from Delegate, used her funding to open an indigenous art gallery to provide social, cultural and economic benefits to her small community.

Nyngan resident Richard Milligan introduced a youth development program using outdoor adventure equipment to empower and up-skill young people within his community.

Ashley Murphy (pictured left), from Narrandera, received funding to renovate his community church hall and kitchen to help expand the community’s existing youth programs, with a focus on improving the nutrition and social skills of young people in the community.

AUSTRALASIAN ANIMAL REGISTRY

The Australasian Animal Registry (AAR), Australasia’s largest not-for-profit animal registration and recovery service, continued to deliver its unique microchipping service for Australian and New Zealand animals.

Accredited by the Australian Veterinary Association, Queensland Government and Victorian Government, the service enables the speedy recovery of missing pets to their rightful owners.

NEW REGISTRATIONS

The AAR experienced continual growth during 2011/12 with 137,000 new animal registrations and 17,500 change of detail or ownership registrations. The AAR currently maintains records for over 1.7 million animals ranging from dogs, cats, birds, horses and reptiles.



RAS Board Members



Glenn B Dudley, *President*



Michael T Kenny, *Chief Executive*



Robyn Clubb*, *Treasurer*



Graham J Davey*



Adrian A Howie*



Bill A Picken*



Robert M Ryan*



Hamish A Turner



Hunter B White*

+ Vice-President
* Committee Chair

RAS Councillors



Gerry J Andersen*



Greg D Andrews



Lorance R J Angus*



Kim C Currie*



Edgar H Downes



Lucille F Ellem



Charlie A Hooke



Gary R Johnston



Patrick R Keast



Alison J McIntosh



Lyndey S Milan**



Michael J Millner*



Gary Reid



Alison A Renwick*



Cecily E Rogers



Tim Slack-Smith*



Sam J Walker



Greg R Watson

+ Vice-President
* Committee Chair



Geoff W Bell*



John C Bennett



Wayne M Burton*



Sally P Evans



Warwick B Giblin



Paul R Hassab



Elizabeth A Hastings



Janie M Hicks



Robert B Kell



Alison M Kirk



Duncan F Macintyre



Geoffrey W Mason*



Kevin J Mathie



Mal Morgan*



John F Mulcahy



Denise E Ovens



Marianne Paynter*



Alastair J Rayner



Lynette A Ross



Adrian K Saines



Mark A Schembri*



Grahame N Sharpe*



Rob J Sinnamon



Kate E Wickson



Murray W Wilton



Claudia A Wythes

RAS Executive Management Team

AS AT 30 SEPTEMBER 2012



MICHAEL KENNY
Chief Executive
Oversees all activities conducted by the RAS
Government relations
Business strategy and development



BROCK GILMOUR
General Manager, Finance and Corporate Services
Financial management
Information technology
RAS Heritage Centre
Administration of the RAS
Membership



GEORGE DAVEY AM
General Manager, Agriculture
Sydney Royal competitions
Agricultural development and youth initiatives
Education programs
Agricultural competitions



PETER THORPE
General Manager, Sydney Showground
Asset and facility management
Business development
Venue operations
Event operations



REBECCA BARRY
General Manager, Human Resources
Staff retention
Learning and development
Performance management
Organisational capacity building
Payroll



CHERIE NICHOLL*
General Manager, Business and Commercial Development, Sydney Royal Easter Show
Marketing, communications and sponsorship
Carnival, catering and showbags
Entertainment
Commercial
**Cherie commenced with the RAS in September, 2012*

RAS Council

AS AT 30 SEPTEMBER 2012

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 RAS Board is an elected body of RAS Councillors that address key financial and business issues of the RAS. The Board is a Standing Committee answerable to the Council, and the Council is answerable to RAS Members.

HONORARY OFFICE BEARERS

Patron
Her Excellency Professor Marie Bashir AC, CVO
Governor of New South Wales

Vice Patron
Mr R T Schmidt AM

OFFICE HOLDERS

President
Mr G B Dudley

Treasurer
Mrs R Clubb

Vice Presidents
Ms L S Milan
Mr R M Ryan
Mr H B White

BOARD MEMBERS

Mr G B Dudley
Mrs R Clubb
Mr G J Davey

Mr A A Howie
Mr W A Picken
Mr R M Ryan

Mr H A Turner
Mr H B White
Mr M T Kenny, Chief Executive

OFFICE BEARERS

Mr G J Andersen
Mr G D Andrews
Mr L R J Angus
Mr G W Bell
Mr J C Bennett
Mr W M Burton
Mr C P Carter
Mrs R Clubb
Mr G R Cochrane
Ms K C Currie
Mr G J Davey
Mr E H Downes
Mr G B Dudley
Mrs L F Ellem
Ms S P Evans
Mr W B Giblin
Mr P R Hassab
Ms E A Hastings

Mrs J M Hicks
Mr C A Hooke
Mr A A Howie
Mr G R Johnston
Mr P R Keast
Mr R B Kell
Mrs A M Kirk
Mr D F Macintyre
Mr G W Mason
Mr K J Mathie
Ms A J McIntosh
Ms L S Milan
Mr M J Millner
Mr M Morgan
Mr J F Mulcahy
Mrs D E Ovens
Mrs M Paynter
Mr W A Picken

Mr A J Rayner
Mr R G Reid
Ms A Renwick
Mrs C E Rogers
Mrs L A Ross
Mr R M Ryan
Mr A K Saines
Dr M A Schembri
Mr G N Sharpe
Mr R J Sinnamon
Mr T Slack-Smith
Mr H A Turner
Mr S J Walker
Mr G R Watson
Mr H B White
Mrs K E Wickson
Mr M W Wilton
Ms C A Wythes

Chief Executive
Mr M T Kenny

General Manager Finance & Administration
Mr B E Gilmour CPA BSc

Auditors
Ernst & Young

Corporate Governance Statement

The Royal Agricultural Society of NSW (RAS) is a not for profit organisation established by an Act of the NSW Parliament in 1869. 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 Standing Committee of Council and as such it is not the peak body of the RAS. Whilst 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 Board. The Council and Board members are listed at the end of 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.
- The Board is 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 and Board members 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 2012

	Note	2012 (\$'000's)	2011 (\$'000's)
Revenue			
Members’ Subscriptions		1,469	1,395
Ground Operations, Building & Space Rentals		35,218	34,255
Gate Receipts		14,025	13,842
Sponsorships & Donations		4,633	4,364
Entry Fees & Commissions		3,016	2,534
Interest		1,207	994
Other Revenue		1,126	1,140
Total Revenue		60,694	58,524
Expenses			
Royal Easter Show		15,653	15,306
Operations		30,791	28,947
Administration		10,621	11,438
Depreciation and Amortisation	10	1,308	1,294
Loss on Sale of Non-current Assets	4	1	9
Donations to the RAS of NSW Rural Fund		500	250
Total Expenses		58,874	57,244
(Deficit) / Surplus Before Tax		1,820	1,280
Income Tax Expense		-	-
(Deficit) / Surplus After Tax		1,820	1,280
Other Comprehensive Income (Net of Tax)		-	-
Total Comprehensive Income		1,820	1,280

The accompanying notes form part of this financial report.

Statement of Financial Position

AS AT 30 SEPTEMBER 2012

	Note	2012 (\$'000's)	2011 (\$'000's)
CURRENT ASSETS			
Cash – Bank and on Hand	2(c)	10,529	8,633
Cash – Reserves, Trust & Endowment Funds	2(l)	8,868	8,446
Trade and Other Receivables	5	3,257	3,869
Inventories	6	213	264
Prepayments	7	403	412
TOTAL CURRENT ASSETS		23,270	21,624
NON-CURRENT ASSETS			
Property, Plant and Equipment	10	11,742	10,227
TOTAL NON-CURRENT ASSETS		11,742	10,227
TOTAL ASSETS		35,012	31,851
CURRENT LIABILITIES			
Trade and Other Payables	8	3,730	3,100
Provisions	9	1,445	1,395
Deferred Revenue	12	5,206	4,688
TOTAL CURRENT LIABILITIES		10,381	9,183
NON-CURRENT LIABILITIES			
Provisions	11	206	199
Deferred Revenue	13	245	134
TOTAL NON-CURRENT LIABILITIES		451	333
TOTAL LIABILITIES		10,832	9,516
NET ASSETS		24,180	22,335
EQUITY			
Retained Earnings		15,312	13,889
RES Interruption Reserve		7,891	7,519
Maintenance Reserve		525	500
Trust & Endowment Funds		452	427
TOTAL EQUITY		24,180	22,335

The accompanying notes form part of this financial report.

Statement of Cash Flows

FOR THE YEAR ENDED 30 SEPTEMBER 2012

	2012 (\$'000's)	2011 (\$'000's)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers & Members	60,632	56,060
Payments to Suppliers & Employees	(56,689)	(54,202)
Interest Received	1,174	952
NET CASH FLOWS FROM OPERATING ACTIVITIES	5,117	2,810
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipment	(2,824)	(684)
Proceeds from Sale of Property Plant & Equipment	-	1
Proceeds from Bequests and Endowments	25	26
NET CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES	(2,799)	(657)
NET INCREASE / (DECREASE) IN CASH ASSETS	2,318	2,153
Add opening Cash Assets Brought Forward	17,079	14,926
CLOSING CASH ASSETS CARRIED FORWARD	19,397	17,079
RECONCILIATION WITH OPERATING EARNINGS		
Total Comprehensive Income	1,820	1,280
Depreciation – Plant & Equipment	1,308	1,294
Loss on Disposal of Property, Plant & Equipment	1	9
CHANGE IN ASSETS AND LIABILITIES		
Receivables	612	554
Inventory	51	(19)
Prepayments	9	(8)
Payables	630	(131)
Deferred Revenue	629	(250)
Provisions	57	81
NET CASH FLOWS FROM OPERATING ACTIVITIES	5,117	2,810
CASH ASSETS COMPRISES		
Cash – Bank and on Hand	10,529	8,633
Cash – Reserves, Trust and Endowment Funds	8,868	8,446
	19,397	17,079

The accompanying notes form part of this financial report.

Statement of Changes in Equity

FOR THE YEAR ENDED 30 SEPTEMBER 2012

	Retained Earnings	RES Interruption Reserve	Maintenance Reserve	Trust & Endowment Funds	Total Equity
	(\$'000's)	(\$'000's)	(\$000's)	(\$'000's)	(\$'000's)
As at 30 September 2010	13,515	7,113	-	401	21,029
Bequests & Endowments	-	-	-	26	26
RES Interruption Reserve	(406)	406	-	-	-
Maintenance Reserve	(500)	-	500	-	-
Total Comprehensive Income for the Year	1,280	-	-	-	1,280
As at 30 September 2011	13,889	7,519	500	427	22,335
Bequests & Endowments	-	-	-	25	25
RES Interruption Reserve	(372)	372	-	-	-
Maintenance Reserve	(25)	-	25	-	-
Total Comprehensive Income for the Year	1,820	-	-	-	1,820
As at 30 September 2012	15,312	7,891	525	452	24,180

The accompanying notes form part of this financial report.

Notes to and forming part of the Financial Report

FOR THE YEAR ENDED 30 SEPTEMBER 2012

1. INCORPORATION

The Royal Agricultural Society of NSW (RAS) is incorporated in Australia under the Royal Agricultural Society Act 1869.

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. 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 members.

Accordingly, the financial report has been prepared in accordance with the measurement requirements of applicable Accounting Standards and other mandatory professional reporting requirements.

The financial report complies with Australian Accounting Standards, which includes Australian equivalents to International Financial Reporting Standards (AIFRS). 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 accounting policies adopted are consistent with those of the previous financial year.

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

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Society for the annual reporting period ended 30 September 2012. 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 139 Financial Instruments: Recognition and Measurement are categorised as either financial assets at fair value through profit or loss, loans and receivables,

held-to-maturity investments, or available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Designation is re-evaluated at each financial year end, but there are restrictions on reclassifying to other 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.

(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. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are 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. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortization process.

(e) Trade and Other Receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any uncollectible debts. An assessment for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

(f) Inventories

Inventories represent food and beverage stock and have been valued at the lower of cost and net realisable value. Cost is determined on the average cost basis and comprises the cost of the purchase including the costs of bringing the inventories to location.

Notes to and forming part of the Financial Report

FOR THE YEAR ENDED 30 SEPTEMBER 2012 (continued)

(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:

	2012	2011
Buildings	50 years	50 years
Site Improvements	13 to 25 years	13 years
Plant & Equipment	7 to 10 years	7 to 10 years
Computer & Office Equipment	2 to 5 years	2 to 5 years
Motor Vehicles	5 years	5 years
Heritage Assets	Not depreciated	Not depreciated

Impairment
The carrying values of 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 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 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

Royal Easter Show (the RES) 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 revenue is recognised at the time the event occurs. Sponsorship and donation revenue is recognised when the right to receive payment is established.

Membership revenue is recognised in the year to which it relates. Interest revenue is recognised on an accrual basis.

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, travel and accommodation charges.

(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 entitled to be paid 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 salaried staff are paid to OnePath Superannuation (a Public Offer “Master Trust”) 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 RES Interruption Reserve. The reserve is available for use in the case of serious interruptions to revenue from the Royal Easter Show and will ensure a continuation of business without a reliance on borrowing or operating funds.

Notes to and forming part of the Financial Report

FOR THE YEAR ENDED 30 SEPTEMBER 2012 (continued)

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 RES Interruption Reserve and Maintenance Reserve will be reviewed annually. Board approval is required for any decision in relation to the two Reserves.
The Cash – Reserve and Endowment Funds asset includes the cash balances of the RES Interruption Reserve, Maintenance Reserve and Trust and Endowment Funds. The RES 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.

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 RES revenue and a percentage of the turnover from other activities. Dependent upon certain terms and conditions, this obligation is approximately \$2.4 million per annum.

At the end of the financial year the total amount paid by the RAS to SOPA was \$2,447,733 (2011: \$2,464,081), the majority of this amount was contributed to the Major Repair Fund based on the terms and conditions of the lease agreement. The balance of this Fund at 30 September 2012 was \$13,301,462 (2011: \$12,328,624). This balance is held in a separate bank account by SOPA for the purpose of significant repairs and structural alterations in respect of the showground. During the year the RAS utilised \$2,041,856 (2011: \$795,711) on various approved major repair projects and \$nil on the Main Arena Expansion Project (2011: \$3,500,000).

4. DISPOSAL OF ASSETS	2012 (\$’000’s)	2011 (\$’000’s)
Proceeds from the disposal of assets	-	1
Written down cost of assets	(1)	(10)
Loss on disposal of assets	(1)	(9)

5. RECEIVABLES (CURRENT)		
Trade Debtors	3,266	3,912
Less Provision for Doubtful Debts	(9)	(43)
	3,257	3,869
Movement in provision for doubtful debts		
Balance at beginning of year	(43)	(21)
Movement during the year	34	(22)
Balance at the end of the year	(9)	(43)

6. INVENTORIES		
Stock at cost	213	264
7. PREPAYMENTS		
Prepaid Insurance	207	214
Prepaid Other	196	198
	403	412

8. ACCOUNTS PAYABLE (CURRENT)		
Trade Creditors	770	936
GST Payable (Net)	43	97
Accruals	2,624	1,811
Other	293	256
	3,730	3,100

9. PROVISIONS (CURRENT)		
Long Service Leave	688	609
Annual Leave	738	762
Public Liability Claims	19	24
	1,445	1,395

Notes to and forming part of the Financial Report

FOR THE YEAR ENDED 30 SEPTEMBER 2012 (continued)

	2012 (\$'000's)	2011 (\$'000's)
10. PROPERTY, PLANT AND EQUIPMENT		
Administration Building, Sydney Olympic Park at cost	6,440	6,440
Less Accumulated Depreciation	(1,803)	(1,674)
	4,637	4,766
Site Improvements	3,343	1,317
Less Accumulated Depreciation	(471)	(348)
	2,872	969
Plant and Equipment at cost	13,203	12,609
Less Accumulated Depreciation	(9,383)	(8,582)
	3,820	4,027
Computer & Office Equipment	1,900	1,928
Less Accumulated Depreciation	(1,570)	(1,561)
	330	367
Motor Vehicles	549	536
Less Accumulated Depreciation	(511)	(483)
	38	53
Heritage Collection	45	45
Less Accumulated Depreciation	-	-
	45	45
Total Property Plant and Equipment at net book value	11,742	10,227

Reconciliation of Carrying Amounts

Property, Plant & Equipment	Admin. Building \$'000's	Site Improvements \$'000's	Plant & Equipment \$'000's	Computer & Office Equipment \$'000's	Motor Vehicles \$'000's	Heritage Collection \$'000's	Total \$'000's
At Cost	6,440	3,343	13,203	1,900	549	45	25,480
Less Accum Depn	(1,803)	(471)	(9,383)	(1,570)	(511)	-	(13,738)
	4,637	2,872	3,820	330	38	45	11,742
Reconciliation of Carrying amounts							
Carrying amount at start of year	4,766	969	4,027	367	53	45	10,227
Capital Additions	-	2,026	624	161	13	-	2,824
Capital Disposals	-	-	-	(1)	-	-	(1)
Depreciation expense	(129)	(123)	(831)	(197)	(28)	-	(1,308)
Carrying amount at end of year	4,637	2,872	3,820	330	38	45	11,742

The Administration Building at Sydney Olympic Park was valued in 2007 by an independent valuer, CB Richard Ellis. The valuation amounted to \$13,100,000 based on the specialised nature of the building and current market value of commercial space in the surrounding area.

Notes to and forming part of the Financial Report

FOR THE YEAR ENDED 30 SEPTEMBER 2012 (continued)

	2012 (\$'000's)	2011 (\$'000's)
11. PROVISIONS (NON-CURRENT)		
Long Service Leave	206	199

12. DEFERRED REVENUE (CURRENT)		
Prepaid Membership Fees	520	328
Prepaid Exhibition Rent, Bonds and Disbursements	4,531	4,069
Prepaid Other Revenue	155	291
	5,206	4,688

13. DEFERRED REVENUE (NON CURRENT)		
Prepaid Membership Fees	245	134

14. COMMITMENTS AND CONTINGENCIES

Operating Lease Commitments

Non-cancellable operating leases contracted but not capitalised in the financial statements.

Payable:

-not later than 1 year	44	-
-later than 1 year but not later than 5 years	177	-
	221	-

15. 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 4.95%.

Receivables

The majority of trade receivables as at 30 September 2012 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.

16. AUDITORS REMUNERATION (NOT ROUNDED)	2012 (\$)	2011 (\$)
Amount received or due and receivable by Ernst & Young:		
Fees for auditing the financial report	77,765	75,190
Other assurance services	51,200	43,079
	128,965	118,269

17. 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 expenses 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), Mr G Bell (Australian Year of the Farmer Ltd), Mr W Burton (Dogs NSW), Ms K Currie (Lowe Wines, NSW Wine Industry Association), Ms S Evans (Len Evans Tutorial), Mrs J Hicks (Australian Alpaca Association, Coolaroo Alpaca Stud), Mr K Mathie (Beinda Pty Ltd), Ms A McIntosh (AJM Livestock Solutions), Ms L Milan (Shriro Everdure), Mr J Mulcahy (Dogs NSW), Mr R Ryan (Schute Bell Badgery Lumby, NSW Wool Selling Brokers Association, ALPA), Mr R Sinnamon (Yulgilbar Pastoral Company), Mr H Turner (R. M. Williams Pty Ltd, R. M. Williams Tea & Coffee & Tourism & Transport Forum), Mr M Wilton (Radio 2UE Sydney, Agricultural Societies Council of NSW) and Ms C Wythes (Australian Wool Innovation).

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 2012 financial year, RAS donated \$500,000 (2011: \$250,000) to the RAS of NSW Rural Fund. Operating through three funds, the trustee is RAS of NSW Foundation Limited which comprises of four directors who are also Councillors of the RAS of NSW.

18. MAIN ARENA EXPANSION PROJECT

During 2011, RAS, Sydney Olympic Park Authority and Australian Football League entered into a Deed of Agreement to redevelop the Sydney Showground Main Arena for it to continue to attract and retain major sporting and leisure events, as well as becoming the home base for the newly formed Western Sydney AFL Team.

The parties agree that while RAS will have overall responsibility for the management of the redevelopment project and project cash flows, all aspects, including design and expenditure of the project are to be approved by a Joint Steering Committee. The Joint Steering Committee is made up of voting members from each of the three parties.

Declaration by the Board

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

In the opinion of the Directors:

- (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:
 - (i) present fairly the Royal Agricultural Society of NSW's financial position as at 30 September 2012 and its performance for the year ended on that date; and,
 - (ii) comply with Australian Accounting Standards (including the Australian Accounting Interpretations) to the extent described in Note 2(a) to the financial statements; and

(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

G B Dudley *R Clubb*

G B Dudley, President
6 December 2012

R Clubb, Treasurer
6 December 2012



Independent auditor's report to the members of the Royal Agricultural Society of NSW

We have audited the accompanying special purpose financial report of the Royal Agricultural Society of NSW, which comprises the statement of financial position as at 30 September 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL REPORT

The directors of the Society are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 2 to the financial report is appropriate to meet the financial reporting requirements of the Rules of the Society and is appropriate to meet the needs of the members. The directors are also responsible for such controls as they determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENCE

In conducting our audit we have complied with the independence requirements of the Australian professional accounting bodies.

OPINION

In our opinion the financial report presents fairly, in all material respects, the financial position of the Royal Agricultural Society of NSW as of 30 September 2012 and its financial performance and its cash flows for the year then ended in accordance with the accounting policies described in Note 2 to the financial statements.

BASIS OF ACCOUNTING

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements are prepared to assist the Royal Agricultural Society of NSW to meet the requirements of the Rules of the Society. As a result the financial statements may not be suitable for another purpose.

Ernst & Young

Ernst & Young
Sydney, 6 December 2012

2011-2012 Competitive Entries

SYDNEY ROYAL SHOWS

COMPETITIONS	Catalogued Entries		Livestock Exhibits	
	2012	2011	2012	2011
SYDNEY ROYAL WINE, DAIRY AND FINE FOOD SHOWS				
AQUACULTURE (SUMMER SHOW)	90	92		
AQUACULTURE (SPRING SHOW)	25	21		
BEER	73	98		
BRANDED BEEF	33	25		
BRANDED LAMB	48	29		
BREAD, CAKE AND PIE	381	412		
CHEESE AND DAIRY PRODUCE	955	980		
COFFEE	244	245		
DELI MEAT	742	616		
OLIVE OIL	119	152		
PASTA	77	40		
REGIONAL FOOD	480	316		
WINE	2236	2377		
TOTAL WINE, DAIRY & FINE FOOD SHOWS	5,503	5,403		
SYDNEY ROYAL EASTER SHOW				
ALPACAS				
Suri	31	48	*	*
Huacaya	271	309	*	*
Breeds	302	357	*	*
Handler				
ALPACA FLEECE	151	180		
ALPACA & FLEECE ART COMPETITION		11		
ARTS & CRAFTS				
Art – Open	1626	1611		
Craft – Open	1288	1359		
Cake Decorating & Sugar Art – Open	201	184		
Cookery – Open	834	816		
Art – Under 17s	472	403		
Craft – Under 17s	90	72		
Cake Decorating – Under 17s	27	15		
Cookery – Under 17s	80	101		
	4,618	4,561		
CAGE BIRDS	582	322	582	322
CATS				
Open Championship Cat Show (2011)		299		299
Kitten Carnival (2011)		150		150
Open Championship Cat Show (2012)	219		219	
Cat & Kitten Carnival (2012)	119		119	
Companion Cat Show (2012)	16		16	
	354	449	260	*
CATTLE – BEEF				
Angus (Feature Breed 2008)	220	228	195	204
Australian Lowline (Feature Breed 2010)	39	48	36	47
Bazadais				
Beef Shorthorn	13	2	11	2
Belted Galloway	14	25	13	23
Brahman	35	20	30	18
Charolais	137	170	126	152
Devon (Feature Breed 2012)	73	28	49	25
Dexter	13	20	12	17
Droughtmaster				
Galloway	25	17	24	17
Gelbvieh		4		4

* no data

COMPETITIONS	Catalogued Entries		Livestock Exhibits	
	2012	2011	2012	2011
SYDNEY ROYAL EASTER SHOW (Cont.)				
CATTLE – BEEF (Cont.)				
Hereford	49	43	45	40
Limousin (Feature Breed 2006)	151	153	139	143
Lincoln Red	23	22	21	20
Maine Anjou	18	22	15	17
Murray Grey	32	33	31	30
Piedmontese	26	23	23	20
Poll Herefords	141	136	128	121
Red Angus	62	45	54	41
Red Poll	40	38	36	34
Santa Gertrudis	48	33	45	30
Shorthorn (Feature Breed 2007)	53	51	48	44
Simmental	48	40	42	38
Speckle Park	34	36	31	29
Square Meaters		6		5
Other Recognised Breeds	1	6	1	6
Breeds	1,295	1,249	1,155	1,127
Paraders	185	161		
Young Auctioneers				
CATTLE – DAIRY				
Ayrshire	89	74	68	56
Brown Swiss	46	50	37	41
Guernsey	6	7	4	5
Holstein	120	167	102	145
Illawarra	60	61	43	46
Jersey	104	96	82	78
Breeds	425	455	336	371
Paraders	58	41		
Youth Competition	37	31	37	31
CATTLE – HEIFER SHOW				
Paraders	74	67		
Judging Competition	74	67		
	148	134		
CATTLE – HEIFER FITTING CHALLENGE	55	23		
CATTLE – PUREBRED STEER & CARCASE	253	279	253	228
CATTLE – TRADE HOOF & CARCASE	42	47	42	47
DOGS				
Breed (Includes Breeders Group except 2010)	3586	3284	3586	3284
Breeders Group (2010 only)		44		
Sweepstakes	176	151	176	152
Obedience Trial	31	45	25	34
Agility Trial	357	346	110	112
	4,150	3,870	3,797	3,540
Handlers	60	68		
FLOWER & GARDEN				
FROG & REPTILE (New in 2011)				
GOATS				
Angora Goats	119	119	87	93
Boer Goats	253	232	201	188
Dairy Goats	308	214	210	182
Breeds	680	565	498	463
Paraders	62	68		
Mohair Fleece	23	38		

2011-2012 Competitive Entries

SYDNEY ROYAL SHOWS (continued)

COMPETITIONS	Catalogued Entries		Livestock Exhibits	
	2012	2011	2012	2011
SYDNEY ROYAL EASTER SHOW (Cont.)				
GREAT BACKYARD PUMPKIN COMPETITION	66	44		
HORSES				
Arabian Derivatives	179	198	133	150
Aust. National Saddlehorses	142	141	99	95
Aust. Stock Horses	407	518	144	141
Station Horse Challenge	67	56	67	56
Time Trial	55	50	55	50
Aust. Stock Horse Small Arena Campdraft	52	58	43	49
RM Williams Trophy	65	69	57	62
Aust. Ponies	80	85	60	61
APSB Part Breds & APSB Riding Ponies	68	73	44	48
Aust. Miniature Ponies	76	81	64	73
Aust. Saddle Ponies	176	193	119	133
Buckskins	38	46	27	37
Clydesdales	50	45	43	41
Cremellos/Perlino				
Hackneys		13		13
Hackney Ponies		6		6
Led Galloways (over 14hh & under 15hh)	24	20	24	20
Miniature Horses	21	29	21	28
Little Ponies	6	6	6	5
Palominos	66	69	35	31
Percherons	5	8	5	8
Pintos	48	61	29	35
Riding Ponies	188	188	129	146
Shetland Ponies	95	97	73	72
Shires	49	37	37	30
Welsh Mountain Ponies	105	91	100	87
Welsh Ponies Section B	44	56	44	56
Welsh Ponies Section C & D	8	9	8	9
Part Bred Welsh Ponies	142	129	97	98
Hacks (over 15 hands)	375	352	121	109
Galloways (over 14hh & under 15hh)	226	225	86	83
Ponies	261	274	120	127
Sidesaddle Classes	13	10	13	10
Show Hunter	348	355	149	154
Thoroughbreds	49	49	49	49
Working Hunter	44	47	44	47
Breeds	3,572	3,744	1,181	1,247
Light Harness	377	358	108	115
Business Delivery & Turnout	139	139	37	38
Leading Rein	20	21	20	21
Police Horses	64	64	16	16
Riding	364	375		
Pony Club Events	94	78	83	66
Exhibition Eventing	18	15	18	15
Jumping Competitions	556	526	143	121
Cutting Horse Challenge	51	100	20	24
Team Yarding & Association	53	39	53	35
Campdrafting	71	66	57	52
Riding for Disabled	28	16	28	16
Horses In Action	1,835	1,797		
JUDGING COMPETITIONS	215	278		
NATIONAL HONEY SHOW	243	210		
PIGEONS	395	486	395	486

* no data

COMPETITIONS	Catalogued Entries		Livestock Exhibits	
	2012	2011	2012	2011
SYDNEY ROYAL EASTER SHOW (Cont.)				
PIGS	103	93	94	85
POULTRY				
Birds	2650	2751	2650	2751
Egg Laying (New in 2012)	28		28	
Eggs	70	60		
	2,748	2,811	2,678	2,751
Poultry Youth Showmanship	50	19		
POULTRY & PIGEON ART	51	11		
RABBITS	255	239	*	181
RATS & MICE	305	194	*	*
SCHOOL DISTRICT DISPLAY	4	4		
SHEEP FLEECE	166	175		
SHEEP – MEAT & DUAL PURPOSE BREEDS				
Australian White (New in 2012)	20		19	
Border Leicester	158	136	128	123
Corriedale	32	23	29	22
Dorper	72	63	54	56
Dorset Horn (Feature Breed 2010)	9	9	7	8
Hampshire Down	23	42	17	38
Poll Dorset (Feature Breed 2010)	85	87	63	76
Southdown (Feature Breed 2011)	8	9	5	7
Suffolk (Feature Breed 2012)	76	26	50	19
Texel	14	12	11	11
White Dorper	38	20	32	18
White Suffolk	33	14	23	12
School’s Interbreed	59	47	59	47
Breeds	607	488	478	437
SHEEP – MERINO				
Merino and Poll Merino	308	295	281	255
Breeds	308	295	281	255
SHEEP – HANDLERS	56	53		
SHEEP – WOOLLEN GARMENT	6	5		
WOODCHOPPING AND SAWING	2,179	2,357		
TOTAL SYDNEY ROYAL EASTER SHOW	28,024	27,818		
TOTAL SYDNEY ROYAL SHOWS	33,527	33,221		

Assumptions
*Catalogued Entries indicates the number of Class entries published in a sectional catalogue or other official documentation or calculated at for/a date prior to judging. Entries which were withdrawn, absent or disqualified during the Show are not deducted from the figures.
**Livestock Exhibits indicates the number of Exhibits (containing animals or birds) which are entered in Competitions. Exhibits may consist of one or more animal/ bird and may be entered into more than one Class or Competition. Figures do not represent actual animals on the Showground. The sum of livestock figures within a section does not represent the total livestock count where a Livestock Exhibit may be entered into more than one Class or Class range.
***Cats – entries counted once regardless of number of rings competed in (excludes CCC of A & Side Classes). Alpaca & Fleece, Frog & Reptile, Rabbit, Rat & Mouse – self administered in 2012. Purebred Steer & Carcase – excludes Carcase Class entries and includes Group Classes. Trade Hoof & Carcase – excludes Carcase Class entries. Angora Goats – excludes School Single & Group Classes. Poultry – excludes Meat Bird Pair Carcase Classes.



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