

ANNUAL REPORT

2017/2018

Royal Agricultural
Society of NSW



Royal Agricultural Society of NSW

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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



As we edge ever closer to our milestone bicentenary and mark the end of our twentieth year in a 'new' home at Sydney Olympic Park, it is a pleasure to present our 2017/18 Annual Report. It has been twelve months of mixed emotion for many in the world of Australian agriculture; nevertheless, it has served to bring out the best in the Royal Agricultural Society of NSW (RAS). We have not only continued to promote and encourage excellence in agriculture but also realised a renewed vigour to plough much-needed funds back into agricultural activities and communities.

The 2017/18 financial year was one in which we invested \$7 million in support of sustainable agriculture, award quality produce and keeping our rural communities strong.

With a 12-day Sydney Royal Easter Show, in a non-school holiday period, we relied on the heavy promotion of new activations and keeping early bird ticket prices frozen at the 2017 price. We were confident in our message of '12 hours of free entertainment packed into every ticket' and the attendance figures, sitting above budget forecasts, supported our belief.

Sydney Showground had another big year, with new and returning clients taking advantage of the award-winning team and facilities. From a Christmas Wonderland late last year to thousands of concert-goers, expo attendees and a milestone anniversary with our first client, the team also secured big-name first time events for the 2018/19 financial year.

Our prestigious Sydney Royal competitions, from wine and beer to cheese and charcuterie, attracted record numbers, the highest ever

The RAS values the contributions of all volunteers and staff... and the way in which our Councillors and Office Bearers give their time in a voluntary capacity is incredibly heartening.

in beer and cider and the maximum allowable in wine. Despite the drought-induced strain on many primary producers and exhibitors, Sydney Royal success stories included lamb taking out the title of Champion Branded Meat for the first time and our dairy industry triumphing with approximately eighty percent of entries in the Cheese and Dairy Produce show collecting awards.

Marking ten years in existence, the RAS Foundation supported fifty-seven individuals and eight community organisations this past year. Kitchens, stables, water tanks, psychologists, nurses and wool classers amongst others all received a much-deserved boost from our generous supporters and donations received.

As an organisation comprising 54 Councillors and over 150 permanent staff, the RAS values the contributions of all volunteers and staff and the individual commitments made by all. Without the ability to work together as teams and to follow through with strong performances, we would be unable to fulfil our mission. It is incredibly heartening to see the way in which our Councillors and Office Bearers across Committees and the Board give their time and expertise in a voluntary capacity.

I'd like to acknowledge not only Council but all who volunteer, ensuring the success of our competitions and events. I am proud of all that we have achieved over the past year, and thank you all for the privilege of being President of the RAS.

A handwritten signature in black ink that reads "Robert M. Ryan".

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

The RAS Annual of 1918 made special mention of the world's struggle and terrible consequences of war with a ruthless enemy and declared "... our institutions have needed stout hearts and resourceful brains to preserve their existence and continue their usefulness... The usefulness of the Society is in proportion to the degree in which it can cause the people to realise the greatness of the producing interests and their immense value to the country."

One hundred years later and the ruthless enemy has been drought and the effects on our producing interests have been just as damaging. In this climate, the RAS has again supported and endorsed the greatness of our producers through competitions and our Sydney Royal Easter Show.

With a core objective to support sustainable agricultural development and rural communities in NSW, we have invested \$7 million in activities, competitions and programs to promote agricultural excellence and keep our rural communities strong.

AGRICULTURAL DEVELOPMENT

Readying teachers and students for the introduction of compulsory agriculture lessons in the school curriculum, our Education and AG Development teams had a busy year, hosting 108 primary and 177 secondary schools throughout the year. All up, 13,326 students learnt about fibres, food and farming with hands-on experiences and small-group rotation through our on-site education hub. On top of this, 1,000 students attended the Sydney Royal Easter Show on Primary School Preview day.

The RAS Education team took a few excursions of their own, exhibiting at the Australian Museum during Science Week, hosting activities at Mudgee Small Farm Field days and at Watershed Landcare Green Day in Mudgee. They travelled to Lismore and ran Teacher Professional Development for Catholic Education teachers, and exhibited at the Primary Principals Conference for 3 days in Sydney with 300 principals in attendance. They also took a dairy cow to 10 schools across Sydney for education sessions.

SYDNEY ROYAL

For the first time in thirteen years of the competition a professional bakery was awarded the President's Medal – Brasserie Bread of Banksmeadow, using wheat from the Flinders Ranges, received the prestigious honour for their Flinders Ranges Sprouted Wheat Loaf.

The Sydney Royal Beer & Cider Show judges tasted 239 entries, with an increase of 14 entries this is the highest figure recorded. The 2018 KPMG Sydney Royal Wine Show reached the maximum capacity

of 2300 entries, the ease with which entries were received was due to the change in format – all deliveries were accepted in Hall 6, a change from previous years utilising the cellar.

The Grape, Grain & Graze Festival was launched, replacing The Wine Experience. Attendance was up by 12%, drawn to the new name and the addition of a dedicated beer garden pouring Champions from the Sydney Royal Beer & Cider Show.

The Callebaut Sydney Royal Chocolate Show was held onsite during the smooth Festival of Chocolate, opening judging to an audience and showcasing our excellence in competitions and our venues. Moving forward, the Chocolate Show will become the Chocolate & Confectionary Competition within the Sydney Royal Fine Food Show and will be managed by the Fine Food Committee.

The Deli Meat Competition, within the Sydney Royal Fine Food Show, rebranded as the Smallgoods & Charcuterie Competition, whilst the Beef, Pork & Lamb competitions merged to become the Branded Meat Competition.

Entries across all Fine Food competitions were steady, with many seeing a good increase.

The 2018 Taste of Excellence Awards night, celebrating the Champions across the Fine Food and Chocolate competitions, was a sell-out event again, prompting a move to a larger and more industry focussed event in 2019.

OPERATIONS

The RAS has joined a Volunteering Pilot program lead by the NSW peak body for volunteering – the NSW Centre for Volunteering. This program promises to streamline the volunteer recruitment process for SRES volunteers and assist in the development of a network for collaboration and support with major event volunteer programs in NSW.

HERITAGE

The Heritage department recorded 183 hours of research conducted on behalf of Councillors and staff, and another 58 hours of research for external clients. Increasingly, the Heritage department is assisting with family history projects, publications and media. In addition, 22 researchers attended the Heritage Centre Reading Room for research purposes.

Heritage Manager, Karen Finch, presented at the ASC Country Shows Conference, offering advice to Regional Show representatives about managing heritage collections. The Heritage team also hosted a workshop at the Sydney Royal Easter Show on the same topic.

The Heritage Pavilion at the Show focussed on the 1950s and was well received by Showgoers and the media. The pre-Show publicity led to many donations from the public eager to see family heirlooms become part of our collection.

The Heritage team continued to assist Hawkesbury Show Committee as they carry on with listing and rehousing their heritage collection.



SYDNEY ROYAL EASTER SHOW

The Show is the biggest celebration of the country coming to the city in Australia, and with huge crowds in a year where Easter and school holidays didn't line up, we couldn't be happier. We thank the people of Sydney for supporting Australian agriculture and Australian farmers.

CROWDS

Despite the non-school holiday dates and the unseasonably warm weather, the final number of attendees at the 2018 Sydney Royal Easter Show was 791,106. This figure is 5% up on 2016, the last non-school holiday show. It was a 12-day Show whereas 2016 was a 14-day Show, making the figure even more impressive. The highest attendance again was on Good Friday, with 128,212 Showgoers experiencing all on offer on a day when the temperature hit 32 degrees.

COMPETITIONS

Best told in figures, our Competitions tested the skills and training of 29,000+ entries including 3,266 in woodchop, 5,368 in horse, 168 rabbits and 3,863 in the dog show. We also judged 1,323 sheep entries, 377 alpaca & fleece entries, 1,787 beef cattle, and 515 dairy cattle entries (including youth shows). The full breakdown of entry and exhibitor numbers are listed at the back of this Report, but it is worth noting we have seen an increase of entries in Arts & Crafts, Flower & Garden and our Young Judges competitions.

The School's Commercial Pig Competition doubled entry numbers from 2017, and Alpaca Suri exhibits experienced a 60% increase. The Cavy Competition made a return, with 152 entries and seven countries were represented at the Woodchop – Australia, New Zealand, USA, Canada, Wales, Czech Republic, and Switzerland.

The Horse Competition received an excellent number of entries, further boosting its standing as one of the largest in the Southern Hemisphere. We accommodated over 1600 horses from all over Australia and New Zealand across the 12 days of the Show.

The District Exhibits Perpetual Shield was awarded to South East Queensland for the second year in a row, winning with a display designed by Court Manager Col Dabelstein. The 2018 Show Legend Award, recognising outstanding service and commitment to the Show, was presented to Bruce White for his long-standing involvement with the apiculture competition and honey in general.

SPONSORSHIP

We welcomed 13 new sponsors this year including Mars Petcare Australia as the naming rights sponsor of our Dog and Cat shows – the ADVANCE™ Sydney Royal Dog Show and the CATSAN™ Sydney Royal Cat Show, Jaguar Land Rover came in and took Showgoers for

a ride – breaking their own record for number of people through their Land Rover terrapod experience. Australian Eggs had naming rights to the Cooking with Kids Kitchen in the Food Farm and the layers in the poultry pavilion. Nickelodeon came on board with the daily street parades, NSW Health contributed to our largest government presence in ten years. Channel 7 expanded their support to include our Volunteers/ information booth whilst Woolworths expanded their support with a donation for the Big Bush BBQ and Little Hands on the Land (handing out samples to children after they completed their farm to fresh food supermarket experience).

COVERAGE

Pre-Show media coverage focused on participants and performers and generated 7,670 mentions from 15 February – 22 March. The Show period, 23 March – 3 April generated 4,806 media mentions with a leaning towards results. Post-Show coverage, 4 April – 14 April generated 2,765 mentions again focussing on results. Television coverage increased by 137.5% compared to 2017 whilst print coverage increased by 166.7% compared to 2017. Relationships with media partners contributed to the increase in media coverage particularly the presence of media personalities at the Show.

However, social media made up the majority of mentions for the Show with 20,741 mentions led by Instagram and Twitter. The hashtag 'fun' was second to #myeastershow and #eastershow, spreading the word and promoting the Show.

The Sydney Royal Easter Show website traffic reached 21 million views and the app was utilised by 66,000 users.

ATTRACTIONS

It was all about the future – the Farm of the Future. Working closely with the University of New England and Sydney University, this brand new agricultural attraction highlighted the role technology and innovation play, enhancing Australia's farming techniques and production. Located in the Hordern Sprung, the Farm of the Future featured drones, sensors, virtual fencing, agricultural robots, precision farm technology, and urban farming advancement. The activation also featured eminent Academics, Scientists, Technology Developers, and Start-ups, interacting with Showgoers and inspiring young people to consider for careers in these emerging fields.

The management of the Theatre Kitchen was brought in-house delivering a better experience for the audience and sponsors. The focus on television and sports personalities helped draw in a larger audience and social media coverage – satisfying sponsors and boosting interest amongst Showgoers.

The Big Bush BBQ, held at the Show for the first time, delivered over \$40,000 to seventeen regional Show Societies including Bellingen, Dorrigo, Milton and Walcha.





SYDNEY SHOWGROUND

Sydney Showground is the venue and event management business of the Royal Agricultural Society of NSW (RAS). The world-class site experienced an exceptional year, twenty years after Bob Carr handed the keys of the brand-new Sydney Showground to the RAS (January 24 1998).

ANNIVERSARY

The first ever event held at Sydney Showground was the AGHA Sydney Gift Fair, an event which marked its twentieth year at the venue this year, a testament to the success of the Sydney Showground venue and team nurturing relationships and continually delivering the finest facilities and service.

"No other venue caters for the AGHA Sydney Gift Fair with such a consistent level of outstanding facilities and service in the geographic heart of Sydney", said Dr Wayne Castle from the Australian Gifts & Homewares Association.

BIG EXPERIENCES

Throughout this year Sydney Showground has hosted more than 180 events and exhibitions, from gala dinners and industry expos to holiday shows and religious conferences. The inaugural Caravan and Camping Lifestyle Expo took place across four big days, whilst international chart-topping duo the Chainsmokers entertained thousands of concert-goers inside the Dome and adjoining halls.

The Jeunesse Greater China Incentive Dinner had the Showground team cater for 6,000 people over two nights, and Flight Centre travel expos helped more than 30,000 people plan their perfect trip away. There has been tremendous growth in repeat business, with the Meatstock festival and the GABS beer festival returning and both attracting record crowds.

The Christmas Wonderland 'pop up Christmas carnival' at Sydney Showground was created as an end-of-year offering for business clients and then open to the public for a week of festive cheer. The success of the event saw 3,000 guests across seven corporate Christmas parties, ensuring the Christmas Wonderland will return.

SPORT

Sport continues to grow, with four games of T20 cricket for the Sydney Thunder, five games of football (soccer) for the Western Sydney Wanderers and eight games of AFL for the Greater Western Sydney Giants (GWS). One of only a handful of stadiums across Australia that is home to three codes of professional sport, Spotless Stadium welcomed 217,958 sports fans in total, including 21,859 for AFL's Battle of the Bridge when the GWS Giants took on the Sydney Swans.

Spotless Stadium was voted the Number 1 AFL Stadium in the country for Fan Experience for the third year running.

PROJECTS

Investment has been heavy, including \$600,000 into a state-of-the-art Wi-Fi system throughout the Dome and exhibition halls and more than \$2 million across front and back of house areas including roofing, mechanical services, lighting, blinds and carpets. It is anticipated another \$3 million will be spent installing high density public Wi-Fi into Sydney Showground stadium, providing an even more satisfying experience for all attendees.



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 \$3.33 million into country NSW through a range of targeted grants and scholarships. This includes support of over 400 rural scholarship students to reach their educational dreams and the awarding of vital community building grants in 45 communities.

GRANTS AND SCHOLARSHIPS 2017/18

Assisting students who demonstrate a passion for rural issues and a commitment to shaping the future of rural and regional NSW, RASf Rural Scholarships provide a financial helping hand. Open to students of any age, and embracing a diverse range of tertiary and training studies, in 2017/18 \$328,000 in scholarship funds made a difference to the lives of sixteen young men and forty young women. From an aspiring Primary School Teacher in Boorowa to a student Nurse in Ulladulla, a Wool Classer in Wagga Wagga to an Apprentice Butcher in Lightning Ridge, each Scholarship recipient has had financial stress eased thanks to our supporters and donors. Other Scholarships have gone to those studying Veterinary Science, Agriculture, Speech Pathology, Dental Sciences, Medicine, Mechanical Technology and Journalism. They cover most of regional NSW, including Dunedoo, Nyngan, Mangoplah, Uki, and Moree.

The JB Fairfax Award for Rural and Regional Journalism went to a fourth-year Bachelor of Laws/Bachelor of Communications (Journalism) student from Cudal. Studying at Newcastle University, Katrina Nash hopes to return to the Central West as a rural affairs journalist.

Supporting students who demonstrate passion, strong leadership qualities and a commitment to the Australian wine industry, the Sydney Royal Wine Scholarships provide financial assistance and study

opportunities. Recipients are also invited to steward at the Sydney Royal Wine Show. Tim Dexter of Merricks North was awarded the Sydney Royal Wine Study Scholarship, whilst Thomas Colman of the Blue Mountains received the Sydney Royal Wine Assessment Scholarship.

The Sydney Royal Dairy Produce Scholarship went to Sarah White of Coolah. Her commitment to the NSW dairy produce industry and desire to work closely with farmers to improve viability was highly regarded by the Committee.

COMMUNITY PROGRAMS

RAS Foundation Community Futures Grants encourage and champion rural leadership by providing each successful grant applicant up to \$25,000 to fund a community project that addresses a need or issue in their local community and that, once complete, will result in enhanced social and economic outcomes for the wider community. In 2017/18 Grants, totaling \$108,000 went to six very different groups in Leeton, Crookwell, Walbundrie, Gunnedah, Condobolin and Gresford.

The RAS Foundation distributed kitchen cabinetry, appliances and financial assistance to Cudal, along with cabinetry and appliances to Hay, Tooraweenah Memorial Hall and Picton, and 12 mini Kubota tractors to 12 regional Show Societies.

AG BAG

Sold at the 2018 Sydney Royal Easter Show, the AG Bag raised over \$50,000, proving the attraction of all-Australian produce sold for a good cause. All funds raised by the sale of the Ag Bag go towards the Community Futures Grant Program.

OTHER

RAS Foundation Manager, Cecilia Logan attended the Nuffield Conference in Melbourne and awarded the RASf's first Nuffield Scholarship to Thomas Moore of Tenterfield to investigate Australia's free-range egg industry.

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.

RAS EXECUTIVE MANAGEMENT TEAM

As at 30 September 2018



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 2018

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

His Excellency General The Hon. David Hurley AC DSC (Retd)
Governor of New South Wales

Vice Patron

Mr G B Dudley OAM

OFFICE HOLDERS

President

Mr R M Ryan OAM

Treasurer

Mr G N Sharpe

Vice Presidents

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

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 Gilmour, 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
Mr G R Cochrane
Mr S G Dadd
Mr S V Davenport
Mr D M Davidson
Mr S J B Davies
Dr E 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 MacCue
Mr D F Macintyre
Mr G W Mason
Mr K J Mathie
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
Mr G N Sharpe
Mr S J Walker
Mr G R Watson
Mr H B White
Mrs K E Wickson
Ms C A Wythes
Dr R A Zammit

Chief Executive

Mr B E Gilmour

General Manager Finance & Administration

Mr R Lee

Auditors

Ernst & Young

RAS BOARD MEMBERS

RAS COUNCILLORS

As at 30 September 2018

As at 30 September 2018



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



Mr S J Walker



Greg D Andrews*



James Angus



Mr J D W Bell



Glen Best*



Stephen G Dadd



Scott V Davenport



David M Davidson*



Stuart J B Davies*



Sharon L Hannigan



Elizabeth A Hastings



Charlie A Hooke



Evan E Hughes



Kevin J Mathie



Yvette G McKenzie



Lyndey S Milan OAM



Marianne Paynter



Mark A Schembri*



Greg R Watson*



Hunter B White



Kate E Wickson*



Lachlan B Bowtell*



John G Bryson*



Joseph Byrnes



Christopher P Carter



Robyn Clubb



Geoff R Cochrane



Ellen M Downes



Sally P Evans*



John E Fairley



Janie M Forrest



Warwick B Giblin



Alison J Hamilton



Gary R Johnston



Kerry Little



Adam W Lucas*



Michael MacCue



Duncan F Macintyre



Geoffrey W Mason



Rowena L Petrie



William (Bill) A Picken



Alastair J Rayner



Gary R Reid*



Kathy Reidy



Alison A Renwick*



Claudia A Wythes



Robert A Zammit

+Vice-President
*Committee Chair

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 September 2018

	Note	2018 (\$'000's)	2017 (\$'000's)
Revenue			
Members' Subscriptions		1,396	1,435
Ground Operations, Building & Space Rentals		37,790	40,867
Gate Receipts		16,937	19,874
Sponsorships & Donations		4,631	4,356
Entry Fees & Commissions		3,700	3,409
Interest		410	327
Other Revenue		1,747	1,635
Total Revenue		66,611	71,903
Expenses			
Sydney Royal Easter Show		18,448	18,299
Operations		34,525	35,484
Administration		10,622	10,931
Depreciation and Amortisation	12	1,535	1,697
Loss on Sale of Non-Current Assets	4	4	-
Interest Expenses		30	63
Donations to the RAS of NSW Rural Fund		260	260
Total Expenses		65,424	66,734
Surplus Before Tax		1,187	5,169
Income Tax Expense		-	-
Surplus After Tax		1,187	5,169
Other Comprehensive Income (Net of Tax)		-	-
Total Comprehensive Income		1,187	5,169

The accompanying notes form part of this financial report.

STATEMENT OF FINANCIAL POSITION

As at 30 September 2018

	Note	2018 (\$'000's)	2017 (\$'000's)
CURRENT ASSETS			
Cash – Bank and on Hand		3,631	6,250
Cash – Reserves, Trust & Endowment Funds		10,610	10,367
Trade and Other Receivables	5	9,283	5,453
Inventories	6	335	313
Prepayments	7	1,105	819
TOTAL CURRENT ASSETS		24,964	23,202
NON-CURRENT ASSETS			
Trade and Other Receivables	11	403	402
Property, Plant and Equipment	12	20,646	20,365
Property, Plant and Equipment Investment	13	4,934	-
TOTAL NON-CURRENT ASSETS		25,983	20,767
TOTAL ASSETS		50,947	43,969
CURRENT LIABILITIES			
Trade and Other Payables	8	3,224	3,429
Provisions	9	2,009	1,928
Deferred Revenue	10	16,318	10,107
TOTAL CURRENT LIABILITIES		21,551	15,464
NON-CURRENT LIABILITIES			
Provisions	14	361	312
Deferred Revenue	15	830	1,180
TOTAL NON-CURRENT LIABILITIES		1,191	1,492
TOTAL LIABILITIES		22,742	16,956
NET ASSETS		28,205	27,013
EQUITY			
Retained Earnings		17,595	16,646
SRES Interruption Reserve		9,474	9,250
Maintenance Reserve		630	616
Trust & Endowment Funds		506	501
TOTAL EQUITY		28,205	27,013

The accompanying notes form part of this financial report.

STATEMENT OF CASH FLOWS

For the year ended 30 September 2018

	2018 (\$'000's)	2017 (\$'000's)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers & Members	68,213	71,544
Payments to Suppliers & Employees	(64,104)	(66,135)
Repayment for the Major Repair Fund	(1,000)	(1,000)
Interest Received	420	313
NET CASH FLOWS FROM OPERATING ACTIVITIES	3,529	4,722
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & Equipment	(917)	(564)
Investment	(5,000)	-
Proceeds from Sale of Property, Plant & Equipment	7	4
Proceeds from Bequests and Endowments	5	6
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(5,905)	(554)
NET INCREASE IN CASH ASSETS	(2,376)	4,168
Add opening Cash Assets Brought Forward	16,617	12,449
CLOSING CASH ASSETS CARRIED FORWARD	14,241	16,617
RECONCILIATION WITH OPERATING EARNINGS		
Total Comprehensive Income	1,187	5,169
Depreciation - Property, Plant & Equipment	1,535	1,697
(Profit)/Loss on Disposal of Property, Plant & Equipment	4	(4)
Unrealised Loss on Investment	66	-
CHANGE IN ASSETS AND LIABILITIES		
Increase in Receivables	(3,830)	(2,125)
(Increase)/Decrease in Inventories	(22)	33
Increase in Prepayments	(286)	(374)
Decrease in Payables	(1,116)	(1,876)
Increase in Deferred Revenue	5,861	2,074
Increase in Provisions	130	128
NET CASH FLOWS FROM OPERATING ACTIVITIES	3,529	4,722
CASH ASSETS COMPRISE		
Cash - Bank and on Hand	3,631	6,250
Cash - Reserves, Trust and Endowment Funds	10,610	10,367
	14,241	16,617

The accompanying notes form part of this financial report.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2018

	Retained Earnings	SRES Interruption Reserve	Maintenance Reserve	Trust & Endowment Funds	Total Equity
	(\$'000's)	(\$'000's)	(\$'000's)	(\$'000's)	(\$'000's)
As at 30 September 2016	11,711	9,031	601	495	21,838
Bequests & Endowments	-	-	-	6	6
SRES Interruption Reserve	(219)	219	-	-	-
Maintenance Reserve	(15)	-	15	-	-
Total Comprehensive Income for the Year	5,169	-	-	-	5,169
As at 30 September 2017	16,646	9,250	616	501	27,013
Bequests & Endowments	-	-	-	5	5
SRES Interruption Reserve	(224)	224	-	-	-
Maintenance Reserve	(14)	-	14	-	-
Total Comprehensive Income for the Year	1,187	-	-	-	1,187
As at 30 September 2018	17,595	9,474	630	506	28,205

The accompanying notes form part of this financial report.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2018

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 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 2018. 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 amortisation 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 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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2018 (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:

	2018	2017
Buildings	50 years	50 years
Site Improvements	13 to 40 years	13 to 40 years
Plant & Equipment	3 to 10 years	3 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 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 (the 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 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, accommodation 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 salaried staff are paid to ANZ SmartChoice 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.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2018 (continued)

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 2017. For comparative purposes, certain amounts in the comparative period have been reclassified.

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 \$2,682,017 (2017: \$3,531,851) 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. During the year, a final repayment of \$1,000,000 was made to the \$5,000,000 interest free advance from 2013 for the construction of an exhibition hall. Additionally, in relation to a proposed upgrade of Sydney Showground facilities, a \$1,000,000 funding has been received in the MRF from the NSW Government for the preparation of a joint RAS/SOPA final business case for submission through the Infrastructure NSW Infrastructure Assurance Framework. RAS utilised \$1,340,217 (2017: \$3,045,687) on various approved major repair projects.

The balance of the Major Repair Fund at 30 September 2018 was \$17,360,413 (2017: \$13,995,345). This cash balance is held by SOPA for the purpose of significant repairs and structural alterations in respect of the Sydney Showground.

	2018 (\$'000's)	2017 (\$'000's)
4. DISPOSAL OF ASSETS		
Proceeds from the disposal of assets	7	4
Written down cost of assets	(11)	-
Profit/(Loss) on disposal of assets	(4)	4

5. TRADE AND OTHER RECEIVABLES (CURRENT)		
Trade Debtors	9,453	5,924
Less Provision for Doubtful Debts	(170)	(69)
	9,283	5,855
Movement in provision for doubtful debts		
Balance at beginning of year	(69)	(21)
Movement during the year	(101)	(48)
Balance at the end of the year	(170)	(69)

6. INVENTORIES (CURRENT)		
Stock at cost	335	313

7. PREPAYMENTS (CURRENT)		
Prepaid Insurance	166	135
Prepaid Other	939	684
	1,105	819

8. TRADE AND OTHER PAYABLES (CURRENT)		
Trade Creditors	376	576
GST Payable (Net)	84	94
Accruals	2,499	1,625
Loans Payable	-	965
Other	265	169
	3,224	3,429

9. PROVISIONS (CURRENT)		
Long Service Leave	979	939
Annual Leave	982	982
Public Liability Claims	48	7
	2,009	1,928

10. DEFERRED REVENUE (CURRENT)		
Prepaid Membership Fees	442	476
Prepaid Exhibition Rent, Bonds and Disbursements	13,505	9,267
Other Deferred Revenue / Contribution	2,371	364
	16,318	10,107

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2018 (continued)

	2018 (\$'000's)	2017 (\$'000's)
11. TRADE & OTHER RECEIVABLES (NON-CURRENT)		
Trade Debtors	403	402

12. PROPERTY, PLANT AND EQUIPMENT		
Capital work in progress	995	21
Administration Building, Sydney Olympic Park	6,440	6,440
Less Accumulated Depreciation	(2,576)	(2,447)
	3,864	3,993
Site Improvements	14,701	14,673
Less Accumulated Depreciation	(2,701)	(2,285)
	12,000	12,388
Plant and Equipment	15,646	15,296
Less Accumulated Depreciation	(12,346)	(11,752)
	3,300	3,544
Computer & Office Equipment	1,527	1,556
Less Accumulated Depreciation	(1,324)	(1,425)
	203	131
Motor Vehicles	791	815
Less Accumulated Depreciation	(589)	(609)
	202	206
Heritage Collection	82	82
Less Accumulated Depreciation	-	-
	82	82
Property Plant and Equipment at net book value	19,651	20,344
Total Property Plant and Equipment	20,646	20,365

Reconciliation of Carrying Amounts

Property, Plant & Equipment	Admin. Building (\$'000's)	Site Improve- ments (\$'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	14,701	15,646	1,527	791	82	39,187
Less Accumulated Depreciation	(2,576)	(2,701)	(12,346)	(1,324)	(589)	-	(19,536)
	3,864	12,000	3,300	203	202	82	19,651
Reconciliation of Carrying amounts							
Carrying amount at start of year	3,993	12,388	3,544	131	206	82	20,344
Capital Additions	-	69	533	168	83	-	853
Capital Disposals	-	-	(6)	-	(5)	-	(11)
Depreciation expense	(129)	(457)	(771)	(96)	(82)	-	(1,535)
Carrying amount at end of year	3,864	12,000	3,300	203	202	82	19,651

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 2018 (continued)

	2018 (\$'000's)	2017 (\$'000's)
13. INVESTMENT (NON-CURRENT)		
Investment	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.

14. PROVISIONS (NON-CURRENT)		
Long Service Leave	361	312

15. DEFERRED REVENUE (NON-CURRENT)		
Prepaid Membership Fees	222	210
Deferred Bonds and Disbursements	608	970
	830	1,180

16. COMMITMENTS AND CONTINGENCIES		
Operating Lease Commitments		
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	213	307
	307	401

17. 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 2.42% (2017: 2.42%).

Receivables

The majority of trade receivables as at 30 September 2018 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.

18. AUDITORS REMUNERATION	2018 (\$'000's)	2017 (\$'000's)
Amount received or due and receivable by Ernst & Young:		
Fees for auditing the financial report	88	90
Other assurance services	45	55
	133	145

19. 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 (Illawarra Cattle Society of Australia, Livestock & Breeding Centre, Reg Cochrane Pastoral Pty Ltd), Mr S Dadd (Boral Timber Division), Ms S Evans (Len Evans Tutorial Foundation), Mrs A Hamilton (AJM Livestock Solutions), Mr M MacCue (MacCue Trading), Mr D Macintyre (DF & JF Macintyre Invermien Pastoral), Ms Y McKenzie (Agricultural Societies Council of NSW, NSW Stud Merino Breeders), Ms R Petrie (Royston Petrie Seeds Pty Ltd), Mr R Ryan (Schute Bell Badgery Lumby), and Ms C Wythes (Watershed Landcare).

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 2018 financial year, RAS donated \$260,000 (2017: \$260,000) to the RAS of NSW Rural Fund. Operating through three funds, the trustee is RAS of NSW Foundation Limited which comprises of eight directors, four of whom are Councillors of the RAS of NSW and four 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 2018 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
17 January 2019



G Sharpe, Treasurer
17 January 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 2018, 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 2018 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*. 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

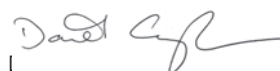
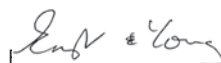
Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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.



Partner
Sydney
17 January 2019

Liability limited by a scheme approved under Professional Standards Legislation

2017-2018 COMPETITION ENTRIES

Sydney Royal Shows

	Catalogued Entries*		Catalogued Livestock Exhibits**	
COMPETITIONS	2018	2017	2018	2017
SYDNEY ROYAL WINE, BEER & CIDER, DAIRY, CHOCOLATE AND FINE FOOD SHOWS				
AQUACULTURE	137	131		
BEER & CIDER	239	225		
BRANDED MEAT				
Beef	31	30		
Lamb	12	15		
Pork (New in 2017)	14	9		
<i>Total Branded Meat</i>	57	54		
CHEESE AND DAIRY PRODUCE	708	811		
CHOCOLATE	129	132		
COFFEE	342	301		
OLIVE OIL	177	183		
PASTA	85	79		
PROFESSIONAL BAKERY	362	348		
REGIONAL FOOD	390	246		
SMALLGOODS & CHARCUTERIE (Previously Deli Meat)	459	568		
WINE	2,373	2,230		
TOTAL	5,458	5,308		

SYDNEY ROYAL EASTER SHOW				
ALPACA & FLEECE				
Suri	33	13	No data	No data
Huacaya (incl. Halter Classes in 2017)	198	180	No data	No data
Breeds	231	193	231	193
Paraders	No data	32		
Alpaca Fleece	146	225		
<i>Total Alpaca & Fleece</i>	377	450	231	193
ARTS & CRAFTS				
Art - Open	1,627	1576		
Craft - Open	1,558	1526		
Cake Decorating & Sugar Art - Open	134	178		
Cookery - Open	945	1015		
Art - Under 20's	502	462		
Craft - Under 20's	99	98		
Cake Decorating - Under 20's	19	17		
Cookery - Under 20's	100	63		
<i>Total Arts & Crafts</i>	4,984	4,935		
AVIARY BIRD (Previously Cage Bird)	493	505	493	505
CAT				
Open Championship Cat Show	182	243	94	125
Cat & Kitten Carnival	122	221	60	116
Companion Cat Shows	23	50	7	11
	327	514	127	#193
Handlers (No Classes in 2018)		0		
<i>Total Cat</i>	327	514	127	#193
CATTLE - BEEF				
Angus	202	197	162	159
Australian Lowline	22	34	21	31
Beef Shorthorn		28		22
Belted Galloway		12		12
Brahman	47	56	35	44
Charolais	97	96	77	80
Devon	31	43	23	34

	Catalogued Entries*		Catalogued Livestock Exhibits**	
COMPETITIONS	2018	2017	2018	2017
SYDNEY ROYAL EASTER SHOW (Cont.)				
Galloway (Merged in 2018)		16		14
Hereford - Horned & Polled (Feature Breed 2018)	377	148	297	122
Limousin (Feature Breed 2017)	144	313	120	254
Maine Anjou	31	18	25	17
Murray Grey	37	56	31	48
Red Angus	62	75	50	58
Red Poll	38	41	36	37
Santa Gertrudis	63	51	51	40
Shorthorn	103	79	83	66
Simmental	103	78	82	60
Speckle Park	79	70	63	59
Other Recognised Breeds	8	6	8	6
Breeds	1,444	1,417	1,164	1,163
Paraders	181	205		
CATTLE - BEEF - YOUTH SHOW				
Paraders	62	86		
Judging Competition	62	86		
	124	172		
CATTLE - HEIFER FITTING CHALLENGE				
<i>Total Beef Cattle</i>	1,787	1,851	1,164	1,163
CATTLE - DAIRY				
Ayrshire	75	73	55	59
Brown Swiss	37	32	29	27
Guernsey	44	28	34	21
Holstein	115	94	99	82
Illawarra	22	35	20	30
Jersey	101	82	85	71
Breeds	394	344	322	290
Paraders	55	56		
Youth Competition	66	38	3	38
<i>Total Dairy Cattle</i>	515	438	325	#328
CATTLE - PUREBRED STEER & CARCASE	204	252	204	252
CATTLE - TRADE HOOF & CARCASE	44	43	44	43
CATTLE - YOUNG AUCTIONEERS	18	18		
CAVY (Re-introduced in 2018)	152		76	
DOG				
Breeds	3,413	3439	3,413	3439
Sweepstakes	176	159	176	159
Obedience Trial	22	38	15	30
Agility Trial	252	345	86	85
	3,863	3,981	3,510	#3603
Handlers	42	52		
<i>Total Dog</i>	3,905	4,033	3,510	3603
FLOWER & GARDEN	2,128	2,097		
FROG & REPTILE	72	#87	72	#86
GOAT				
Angora Goat (incl. School's Wether Challenge 2017 & 2018)	177	173	85	92
Boer Goat	179	309	152	264
Dairy Goat	206	197	149	148
Breeds	562	679	386	504
Paraders	36	65		
Mohair Fleece	38	35		
<i>Total Goat</i>	636	779	386	504

	Catalogued Entries*		Catalogued Livestock Exhibits**	
COMPETITIONS	2018	2017	2018	2017
SYDNEY ROYAL EASTER SHOW (Cont.)				
GREAT BACKYARD PUMPKIN COMPETITION	76	64		
HORSE				
Arabian Derivatives	136	167	103	122
Aust. National Saddlehorses	155	170	101	123
Aust. Stock Horses	385	380	134	139
Station Horse Challenge	63	55	63	55
Time Trial Challenge	49	40	49	40
Aust. Stock Horse Small Arena Campdraft	41	40	36	32
RM Williams Trophy	53	42	53	42
Aust. Ponies	50	61	41	53
APSB Part Breds & APSB Riding Ponies		59		44
Aust. Miniature Ponies	61	65	41	48
Aust. Saddle Ponies	194	190	128	128
Buckskins	52	47	37	32
Clydesdales	70	72	56	56
Hackneys		6		6
Hackney Ponies		6		6
Palominos	72	56	37	30
Percherons	5	6	5	6
Pintos	79	70	38	41
Riding Ponies	134	139	100	112
Shetland Ponies	95	130	75	103
Shires	27	34	21	26
Welsh Mountain Ponies	81	74	76	69
Welsh Ponies Section B	38	38	38	38
Welsh Ponies Section C & D	8	12	8	12
Part Bred Welsh Ponies	105	118	86	97
Hacks (over 15 hands)	433	412	133	131
Galloways (over 14hh & under 15hh)	202	201	78	82
Ponies	257	272	114	128
Show Hunter	602	572	241	222
Thoroughbreds	56	45	56	45
Working Hunter	44	58	44	58
Breeds	3,547	3,637	1,121	#1,220
Light Harness	279	346	82	99
Business Delivery & Turnout	121	103	35	28
Heavy Horse Obstacle	47	32	21	20
Leading Rein	27	24	27	24
Police Horses	64	64	16	16
Riding	444	511		
Pony Club Events	165	139	103	90
Jumping Competitions	548	689	128	164
Equestrian Vaulting	22	25	7	# 6
Team Penning	18	16	18	16
Campdrafting	16	56	16	47
Riding for Disabled	70	22	16	14
Horses In Action	1,821	2,027		
<i>Total Horse</i>	5,368	5,664	1,558	1,699

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.
 **Catalogued 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 - livestock exhibits counted once regardless of number of rings competed in, and include Side Classes; Alpaca & Fleece, Cavy, Frog & Reptile, Rabbit, Rat & Mouse - self administered. District

	Catalogued Entries*		Catalogued Livestock Exhibits**	
COMPETITIONS	2018	2017	2018	2017
SYDNEY ROYAL EASTER SHOW (Cont.)				
NATIONAL HONEY SHOW (incl. Commercial Classes)	389	389		
PIGEONS (Cancelled in 2017 & 2018)				
PIGS				
Breeds	102	104	94	101
Bacon & Pork Type	6	6		#
Schools Commercial Pig Competition	42	21		7
<i>Total Pig</i>	150	131	94	#108
POULTRY				
Birds (incl. Meat Bird Pair Competition)	2,270	2266	2,054	2086
Egg Laying	69	81	69	81
Eggs	88	96		
	2,427	2,443	2,123	2,167
Poultry Youth Showmanship	29	33		
<i>Total Poultry</i>	2,456	2,476	2,123	2,167
POULTRY & PIGEON ART	40	38		
RABBIT	211	121	168	No data
RAT & MOUSE	331	367	323	354
SCHOOL DISTRICT DISPLAY	5	5		
SHEEP FLEECE	107	105		
SHEEP FLEECE - NSW/QLD Classes	58	73		
SHEEP - MEAT & DUAL PURPOSE BREEDS				
Australian White	44	28	40	24
Border Leicester	55	128	46	107
Corriedale	78	88	64	80
Dorper (Feature Breed 2017)	15	59	11	43
Dorset Horn	8	8	6	6
Hampshire Down (Feature Breed 2018)	55	23	46	17
Poll Dorset	93	130	75	98
Southdown	19	14	13	10
Suffolk	70	64	51	46
Texel	19	17	13	11
White Dorper (Feature Breed 2017)	54	27	45	21
White Suffolk	84	68	62	50
Wiltshire Horn	16	19	11	14
Schools' Interbreed	107	79		
Breeds	717	752	483	527
SHEEP - MERINO				
Merino and Poll Merino	385	344	333	296
Breeds	385	344	333	296
SHEEP - HANDLERS	48	48		
SHEEP - WOOLLEN GARMENT	8	10		
<i>Total Sheep & Fleece</i>	1,323	1,332	816	#823
WOODCHOPPING AND SAWING	3,266	3,821		
YOUNG JUDGES	311	259		
TOTAL ROYAL EASTER SHOW	29,568	#30,669	11,642	12,021
TOTAL SYDNEY ROYAL SHOWS				
	35,026	#35,977		

Exhibits competition is excluded; Purebred Steer & Carcase and Trade Hoof & Carcase - excludes Carcase Class entries. Cattle Beef Challenge excluded. Angora Goats - entries includes School Single & Group Classes. Pig - excludes School Commercial Pig Carcase Classes. Poultry - excludes School Meat Bird Pair Carcase Classes & School Egg Laying component Classes. Horse Rodeo, Polo, Polocrosse Class entries excluded.

Some 2017 figures have been updated since the 2016/2017 Annual Report
 This information does not form part of the financial report.



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