



ANNUAL REPORT

2015/2016

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.

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.



“Diversifying the Sydney Showground offering over the past few years has been a tremendous success. A strong client retention strategy is seeing return business, new high-calibre exhibitions and conferences are being secured, and uniquely, Spotless Stadium is now home base for sporting teams representing three different codes.”

Throughout 2015/16 the RAS continued developing its master plan for Sydney Showground in collaboration with Sydney Olympic Park Authority and Transport for NSW. According to research undertaken on the Society's behalf by Deloitte, the plan which directs future developments in the precinct and is consistent with the vision of the Greater Sydney Commission to make Sydney Olympic Park a 'Lifestyle Super Precinct', has the potential to generate an economic contribution uplift of \$505 million toward the NSW economy. That is in addition to the \$617 million the RAS already contribute annually.

Diversifying the Sydney Showground offering over the past few years has been a tremendous success. A strong client retention strategy is seeing return business, new high-calibre exhibitions and conferences are being secured, and uniquely, Spotless Stadium is now home base for sporting teams representing three different codes.

The RAS charter is championed by senior Government officials to whom we are extremely grateful. His Excellency General The Honourable David Hurley AC DSC, Governor of NSW, is both Vice Regal Patron of the RAS and Sydney Royal Honey exhibitor. The Honourable Niall Blair MLC, Minister for Primary Industries, Lands and Water supports RAS functions throughout the year and based his ministerial office at the 2016 Show for two weeks – the first Minister to do so.

I wish to thank the RAS Council and Board, all of whom generously volunteer their time to provide guidance and expertise to the Society. I also want to personally thank the dedicated staff along with the many volunteers who work collaboratively to ensure the ongoing development and success of the RAS.

Finally, to Members and key stakeholders, thank you for your continued support of the RAS and commitment to our focus to promote agricultural excellence and build strong rural communities in NSW.

Robert Ryan OAM, President
Royal Agricultural Society of NSW

The 2015/16 financial year was positive for primary production. In general, conditions improved right across NSW; we had favourable rains, and commodity prices were buoyant. The 2017 Sydney Royal Easter Show will not only be a glorious celebration of the strength and commitment of those who produce our food and fibre, it will also provide a magnificent showcase of all the state has to offer. With considerable global interest in Australian produce and more broadly, food production, it's an exciting time to be in agriculture.

Maintaining, indeed improving, standards of excellence is reliant on seasoned professionals handing down their knowledge and skills to the next generation. Succession planning is just as important at the Royal Agricultural Society of NSW (RAS) as it is on the land which is why we have established a rigorous process to recruit RAS Councillors. This review system has recently contributed to attracting nine highly capable individuals who will provide fresh approaches and ideas to benefit the Society, which will in turn benefit our regional communities.

Year-round engagement of youth in agriculture continued to be a key focus of the RAS in 2015/16. We encouraged young people's involvement in primary production and supported their endeavours to build strong rural communities: primary school children visited Sydney Showground for Farm Days excursions; teenagers participated in Sydney Royal competitions and careers expos; young adults competed all over the state in farmer challenges, Showgirls and Rural Achievers; and the RAS Foundation provided scholarships to those wishing to fulfil tertiary training goals.

ROYAL AGRICULTURAL SOCIETY OF NSW

The core objective of the Royal Agricultural Society of NSW (RAS) is to support sustainable agricultural development and rural communities in New South Wales. In 2015/16, the RAS invested \$6.1 million in activities designed to promote agricultural excellence and keep our rural communities strong.

AGRICULTURAL DEVELOPMENT

The year-round delivery of agricultural education and youth programs continued to be a key focus of the Society in 2015/16.

Throughout the year, Primary Farm Days brought more than 650 students to The Stables, the RAS education hub at Sydney Showground.

In August the RAS became a new member and partner of Primary Industries Education Foundation Australia (PIEFA). The Society and PIEFA share common goals to foster knowledge about food and fibre, to imbed agriculture into the K-12 curriculum, and ultimately to increase uptake of students choosing careers in agriculture.

In September, the RAS welcomed eight students and three mentors from Work Inspiration, engaging them in several activities in the Sydney Showground commercial kitchen. The Australia-wide, employer-led program is set to transform work experience for Indigenous students.

Educators also benefit from training provided by the RAS throughout the year. In 2015/16 two RAS Teacher Professional Development courses received formal endorsement from the Board of Studies Teaching and Educational Standards NSW (BOSTES).

With the 2016 Sydney Royal Easter Show (SRES) falling outside the school holidays, the education program was strengthened to attract school groups. Over 18,900 students and teachers took part in education sessions to learn about agriculture and food production. NSW Minister for Agriculture, the Honourable Niall Blair MLC, joined 700 primary school children at Sydney Showground the day prior to the Show opening to the public. This event was developed in consultation with education stakeholders to deliver curriculum aligned activities while providing a unique hands-on element to Agriculture and Food Week in 2016.

The Australian Young Farmer Challenge (AYFC) and State Young Farmer Challenge returned to the Show, highlighting the skills of youth in agriculture. Victoria took out top honours in the AYFC and a team of farmers from the Canberra area won the NSW title. Throughout the year, the RAS Youth Group shared knowledge from their management of the event with local show societies such as Cobar and Armidale, which have now delivered successful Challenges.

Grace Eppelstun, Grenfell, won the 2016 The Land Sydney Royal Showgirl Competition. All Showgirl finalists were introduced to business leaders through 'Interconnections', a new mentor program set to become a year-long initiative. From a field of eight RAS Rural Achiever award recipients, Emily Ryan of Coonamble was selected to be an RAS ambassador for a year, and will represent NSW in the 2017 National Rural Ambassador Awards.

SYDNEY ROYAL

The Sydney Royal Wine, Cheese & Dairy Produce, Fine Food, Beer & Cider and Chocolate Shows attracted more than 5,600 catalogued

entries in 2015/16. The competitions evolved while continuing to celebrate and reward excellence in agricultural produce.

The Wine Show moved from judging in February to July. The change was endorsed by the industry and supported by a new naming rights partner. The 2016 KPMG Sydney Royal Wine Show attracted 2,285 entries from 369 exhibitors. The quality of exhibits was high with more than 1,122 medals awarded.

The Chocolate Show separated from the Cheese & Dairy Produce Show becoming its own stand-alone event in August supported by a naming rights partner. The Callebaut Sydney Royal Chocolate Show received 122 catalogued entries from 38 Exhibitors.

Exceptional results were achieved at the Sydney Royal Cheese and Dairy Produce Show which received 889 catalogued entries. From 81 Exhibitors, 599 medals were awarded. The outstanding quality of entries was reflected in the near 68 per cent of exhibitors who received a medal.

The Summer and Spring Sydney Royal Fine Food Shows include aquaculture, professional bakery, coffee, deli meat, pasta, olive oil, regional food, branded beef and branded lamb. Of the 2,120 entries received, 46 champions, 148 gold medals, 457 silver medals and 683 bronze medals were awarded.

The Sydney Royal Beer & Cider Show received 206 entries from 38 exhibitors. The excellent calibre of exhibits resulted in 6 champions, 6 gold medals, 52 silver medals and 73 bronze medals.

The prestigious annual President's Medal award expanded with all Sydney Royal Trophy and Champion winners eligible for consideration. As a result, announcement of the 2016 President's Medal winner moved from its traditional July timing to take place during the 2017 Sydney Royal Easter Show.

OPERATIONS

Following the resignation of Michael Kenny in June 2016 and subsequent promotion of Brock Gilmour to Chief Executive, the RAS Executive Management Team welcomed Ronald Lee, General Manager, Finance and Administration, to their ranks.

The 2016 Employee Attitude Survey, now in its tenth year, received the highest number of responses to date. The survey highlighted 96 per cent of respondents enjoyed working at the RAS.

Professional development opportunities were offered to staff in partnership with TAFE NSW. In all, over \$140,000 was awarded to the RAS in educational grants covering study of Responsible Service of Alcohol, Leadership, First Aid, Cellar Operations, Barista and Food Safety Supervision.

The RAS volunteer program delivered almost 16,000 event volunteer hours at the 2016 Show. Ten volunteers were inducted into the SRES Volunteers Alumni in recognition of their significant contribution and retirement from active Show duties.

The RAS welcomed 2,603 new Members in 2015/16 making a total of 15,000. Members were able to enjoy benefits at the SRES along with a range of year-round benefits and discounts.

The Australasian Animal Registry (AAR) continued to be a revenue generator for the RAS with 191,000 new animal registrations and 52,000 change of ownerships received. The AAR currently maintains records for 2 million animals across Australia and New Zealand.



SYDNEY ROYAL EASTER SHOW

Traditionally it is challenging to attract large attendance to the Sydney Royal Easter Show when it falls outside the New South Wales school holiday period, and 2016 was no different attracting 753,000 people from 17 to 30 March.

While overall visitation was disappointing, Sydney Showground experienced the second highest holiday crowd recorded in ten years during the Easter long-weekend. The Twilight Ticket (after 4pm entry) proved popular over the course of the 14-day event and facilitated record numbers coming to enjoy an evening under the stars.

As term 1 was in full-swing, the Royal Agricultural Society of NSW (RAS) Education team geared up to ensure students and teachers got the most out of the hands-on education experience that is the Show. The inaugural Primary Preview Day gave hundreds of pupils a crowd-free opportunity to learn how food and fibre is produced in Australia. Workshops linked to syllabus outcomes provided an ideal introduction to the newly instituted Agriculture and Food Week. Over the course of the Show, 283 school groups cultivated their agricultural knowledge.

With over 1,700 head of cattle in one convenient location, buyers from North America, New Zealand, Asia and the United Kingdom voiced their interest in doing business at the Show. This led to the development of an International Delegate Program, providing networking opportunities for local exhibitors interested in selling livestock and genetics through the Sydney Royal Easter Show. The premiere program received marketing support from Tourism Australia through Business Events Australia, which saw over 605 delegates welcomed from around the world.

Celebrating the country in the city has huge appeal for international holidaymakers. RAS marketing efforts continue to position the Show and agricultural technical tours as itinerary essentials. This not only drives ticket sales, but also provides promotional and commercial outcomes for the state's primary producers. In 2016 a total of 24,013 globetrotters were exposed to excellence in agriculture through the event, along with Australian cultural, cuisine, retail and lifestyle highlights.

In recognition of the iconic nature of the event, along with the economic, social and community benefits it delivers to the state, the RAS was successful in securing Hallmark status through the NSW Department of Premier and Cabinet for the 2016, 2017 and 2018 Sydney Royal Easter Shows.

The 2016 Show's multi-platform advertising campaign encouraged decision makers to bring children to the event and 'Show them amazing'. New FM radio partner, ARN (KIISFM and WSFM), along with long-term media partners Macquarie Media Limited, Channel 9 and News Corp Australia added weight to the RAS media spend. The latter

committed to a three year contract enabling The Sunday Telegraph 2016 Official Show Guide to be distributed to over 410,000 people, with a readership of more than 1 million (sources: emmaTM conducted by Ipsos MediaCT, 12 months ending June 2016, 14+; and Audited Media Association of Australia (AMAA), ABC, June 2016). A variety of tactics was deployed during the campaign period with emphasis on digital media, which continues to experience growth.

As part of the RAS digital transformation project, a new-improved Sydney Royal Easter Show website was created with user-friendly design, enhanced search functions and tools to encourage data capture. During the campaign period, the site received 1.195 million visitors. The Sydney Royal Easter Show smartphone app was also refreshed and was downloaded by 90,000 users. In May the app won Gold in the family category at The Design 100 World App Awards 2016.

Sydney Royal Easter Show competitions attracted almost 30,000 catalogued entries from across Australia, including over 16,000 animal entries; 4,911 arts and craft entries and; 1,582 flower and garden displays and specimens. Feature breeds in 2016 included African Lovebirds in the Cage Bird section, Red Angus in the Cattle section, and in the Sheep section, the Corriedale was featured to celebrate 100 years of exhibition at the Show. More than 50,000 pieces of fruit and vegetables from NSW and South East Queensland were judged during the District Exhibits Competition with Northern NSW winning The District Exhibits Perpetual Shield. Hurlstone Agricultural High School won the Schools District Exhibits Display Competition.

Sponsorship revenue continues to grow. The positive result was highlighted by Woolworths (Grand Champion Partner) renewing their Show partnership for a further three years, Unilever also signed a three year contract after a long absence, and Dairy Farmers signed-on for two years. They, along with other partners such as Destination NSW, Department of Primary Industries, Purina Pet Care, NRMA Motoring & Services and Steggles, provide over \$3.248 million in revenue for the RAS.





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, winning industry awards and hosting a wide variety of major national and international events, while continuing to develop as one of Australia's premier multi-purpose venues.

A total of 179 events were held during the 2015/16 financial year including corporate events, large concerts, festivals, exhibitions and sporting matches. Revenue generated by Sydney Showground allows the RAS to continue investment in agricultural programs.

Among the diverse range of new events held at Sydney Showground over the 2015/16 year were: Good Life - a festival for those under 18 years of age; the first Sydney Meatstock - a music and barbecued meat festival; the first stand-alone concert in Halls 5 and 6 featuring English rock sensation The 1975; and the gala dinner for Chinese direct selling company Nu Skin.

AWARDS OF DISTINCTION

In December 2015, research released by the AFL on match day and customer experience revealed Spotless Stadium to be Australia's premier AFL venue for the year.

Shortly after that announcement, Sydney Showground won Best Venue Team at the Exhibition & Event Association of Australasia. It was the first of two major event industry victories in the 2015/16 year as Sydney Showground was also awarded Best Achievement in Venue Management at the Australian Event Awards in September 2016.

SPORTING GREATS

Sydney Showground and Cricket NSW celebrated the first of a ten year partnership with Twenty20 cricket team Sydney Thunder calling Spotless Stadium home. Both the Thunder's Big Bash League and Women's Big Bash League squads were crowned premiers in 2016.

AFL's the Greater Western Sydney Giants had an outstanding year achieving their first home Preliminary Final.

Due to the rebuilding of Parramatta's Pirtek Stadium, the Western Sydney Wanderers announced in March 2016 that Spotless Stadium would be home for the majority of their 2016/2017 season matches.

With AFL, cricket and football being played on Spotless Stadium's turf, the venue is now operating 12 months of the year.

ASSET INVESTMENT

In 2015/16, Sydney Showground rolled out the second of a three year capital investment strategy to reduce operating costs and improve facilities. A significant \$4 million capital investment has been made to boost infrastructure including a site-wide upgrade of the CCTV system and communication cabling, sustainable LED lighting throughout all the exhibition halls and additional exhibition hall amenities to ensure Sydney Showground continues to be a venue of choice.

WARM WELCOME

Sydney Showground appointed Andrew Roberts to the role of Head of Event Sales in August 2016. Roberts has more than 15 years' experience in the exhibition and event industry. He most recently spent four years with American Express Meetings and Events as Business Development Manager.

ROYAL AGRICULTURAL SOCIETY OF NSW FOUNDATION

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

From its early beginnings to today, the RASf has invested over \$2.4 million into country NSW through a range of targeted grants and scholarships. This includes support of over 300 rural scholarship students to reach their educational dreams, and the awarding of vital community building grants in 31 communities.

GRANTS AND SCHOLARSHIPS 2015/16

In 2015/16, the RASf distributed a record \$417,500 through grants and scholarship programs to foster vibrant, strong and sustainable rural communities in NSW.

RASf Rural Scholarships assist students who demonstrate a passion for rural issues and who are committed to playing a part in shaping the future of rural and regional areas of the state. This year 58 such scholarships were bestowed, representing the highest number in a year to date and enabling a wide variety of students living in rural areas to fulfil an even broader range of tertiary goals. Scholarship recipients reflected the diversity of NSW's regional and rural communities, for instance; a single father studying veterinary science, a budding country doctor from a Vietnamese refugee family, and a young Indigenous woman who is the first of 52 grandchildren to attend university.

The Sydney Royal Wine Scholarship was awarded to viticulture and oenology student Alex Beckett of Maitland. Emma Lee, a veterinary science and biology honours student from Cobargo was the recipient

of the Sydney Royal Dairy Produce Scholarship. Both students received financial support for their studies, as well as the opportunity to steward at the KPMG Sydney Royal Wine Show and Sydney Royal Cheese and Dairy Produce Show respectively. The JB Fairfax Award for Rural Journalism was awarded to Hannah Southcott, a talented journalism student from Comboyne, NSW. As the award recipient, Hannah received a \$10,000 scholarship along with internships at Fairfax Agricultural Media and the Sydney Royal Easter Show.

COMMUNITY PROGRAMS

This year, four RASf Community Futures Grants were presented to inspiring young people from Ivanhoe, Warren, Cudal and Taree. RASf Community Futures Grants champion young rural leaders by providing up to \$25,000 funding for innovative projects that will result in improved social and economic outcomes for the wider community.

The RASf Community Kitchen Grant provided a boost to the small town of Bourke in the state's west, while runner-up, The Wellington Men's Shed received new whitegoods and appliances donated by Euromaid.

AG BAG

The RASf raised \$65,000 through the Ag Bag fundraising initiative at the 2016 Sydney Royal Easter Show. The showbags, which were first introduced at the 2014 Show, once again represented great value, with all products made in Australia by Australian farmers.

RAS BOARD MEMBERS

As at 30 September 2016



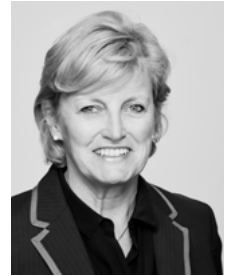
Robert M Ryan OAM, *President*



Brock Gilmour, *Chief Executive*



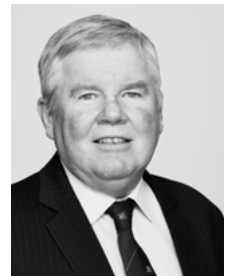
John C Bennett*



Robyn Clubb*, *Treasurer*



Alison M Kirk*



Michael J Millner



Denise E Ovens*



Tim Slack-Smith



Hunter B White+

RAS COUNCILLORS

As at 30 September 2016



Greg D Andrews*



James Angus



Geoff W Bell



Scott V Davenport



Graham J Davey



David M Davidson



Alison J Hamilton*



Sharon L Hannigan



Elizabeth A Hastings



Duncan F Macintyre



Brendan P Maier*



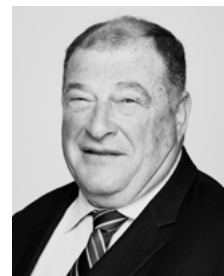
Geoffrey W Mason*



Kathy Reidy



Alison A Renwick*



Adrian K Saines*



Glen Best



Lachlan B Bowtell



John G Bryson



Joseph Byrnes



Christopher P Carter*



Geoff R Cochrane



Stuart J B Davies



Glenn B Dudley OAM*



Sally P Evans*



John E Fairley



Janie M Forrest*



Warwick B Giblin



Charlie A Hooke



Evan E Hughes



Gary Johnston



Kerry Little



Adam W Lucas*



Michael MacCue



Kevin J Mathie



Lyndey S Milan OAM*



Marianne Paynter



William (Bill) A Picken



Alastair J Rayner



Gary R Reid*



Mark A Schembri*



Grahame N Sharpe



Sam J Walker



Greg R Watson*



Kate E Wickson*



Claudia A Wythes

+Vice-President
*Committee Chair

RAS EXECUTIVE MANAGEMENT TEAM

As at 30 September 2016



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

*Brock commenced this position in June 2016 following the resignation of Michael Kenny.



REBECCA BARRY
General Manager, Human Resources

Staff retention
Learning and development
Performance management
Organisational capacity building



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



RONALD LEE
General Manager, Finance & Administration

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

*Ronald replaced Brock Gilmour in this position in June 2016 following his promotion to Chief Executive.



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 2016

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

OFFICE HOLDERS

President

Mr R M Ryan OAM

Treasurer

Mrs R Clubb

Vice Presidents

Ms A M Kirk
Ms L S Milan OAM
Mr H B White

BOARD MEMBERS

Mr R M Ryan OAM
Mr J C Bennett
Mrs R Clubb

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

Mr T Slack-Smith
Mr H B White
Mr B Gilmour, Chief Executive

OFFICE BEARERS

Mr G D Andrews
Mr J Angus
Mr G W Bell
Mr J C Bennett
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 V Davenport
Mr G J Davey
Mr D M Davidson
Mr S J B Davies
Mr G B Dudley OAM
Ms S P Evans
Mr J E Fairley

Ms J M Forrest
Mr W B Giblin
Mrs A J Hamilton
Mrs 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 B P Maier
Mr G W Mason
Mr K J Mathie
Ms L S Milan OAM
Mr M J Millner

Ms D E Ovens
Mrs M Paynter
Mr W A Picken
Mr A J Rayner
Mr R G Reid
Mrs K Reidy
Ms A A Renwick
Mr R M Ryan OAM
Mr A K Saines
Dr M A Schembri
Mr G N Sharpe
Mr T Slack-Smith
Mr S J Walker
Mr G R Watson
Mr H B White
Mrs K E Wickson
Ms C A Wythes

Chief Executive

Mr B Gilmour

General Manager, Finance & Administration

Mr R Lee

Auditors

Ernst & Young

CORPORATE GOVERNANCE STATEMENT

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

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

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

- The roles and responsibilities of the Council, Board and Management.
- The composition and size of the 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.
- 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 2016

	Note	2016 (\$'000's)	2015 (\$'000's)
Revenue			
Members' Subscriptions		1,426	1,441
Ground Operations, Building & Space Rentals		38,510	40,995
Gate Receipts		15,721	16,379
Sponsorships & Donations		4,132	3,997
Entry Fees & Commissions		3,200	3,021
Interest		307	448
Other Revenue		1,746	1,742
Total Revenue		65,042	68,023
Expenses			
Sydney Royal Easter Show		18,189	17,951
Operations		33,596	37,496
Administration		10,827	12,160
Depreciation and Amortisation	11	1,852	1,757
Loss on Sale of Non-current Assets	4	-	32
Interest Expenses		96	127
Donations to the RAS of NSW Rural Fund		260	250
Total Expenses		64,820	69,773
Surplus / (Deficit) Before Tax		222	(1,750)
Income Tax Expense		-	-
Surplus / (Deficit) After Tax		222	(1,750)
Other Comprehensive Income (Net of Tax)		-	-
Total Comprehensive Income		222	(1,750)

The accompanying notes form part of this financial report.

STATEMENT OF FINANCIAL POSITION

As at 30 September 2016

	Note	2016 (\$'000's)	2015 (\$'000's)
CURRENT ASSETS			
Cash – Bank and on Hand		2,322	1,781
Cash – Reserves, Trust & Endowment Funds		10,127	9,855
Trade and Other Receivables	5	3,730	4,280
Inventories	6	346	278
Prepayments	7	445	396
TOTAL CURRENT ASSETS		16,970	16,590
NON-CURRENT ASSETS			
Property, Plant and Equipment	11	21,498	22,376
TOTAL NON-CURRENT ASSETS		21,498	22,376
TOTAL ASSETS		38,468	38,966
CURRENT LIABILITIES			
Trade and Other Payables	8	4,340	5,046
Provisions	9	1,836	1,637
Deferred Revenue	10	8,921	8,191
TOTAL CURRENT LIABILITIES		15,097	14,874
NON-CURRENT LIABILITIES			
Payables	12	965	1,898
Provisions	13	276	276
Deferred Revenue	14	292	313
TOTAL NON-CURRENT LIABILITIES		1,533	2,487
TOTAL LIABILITIES		16,630	17,361
NET ASSETS		21,838	21,605
EQUITY			
Retained Earnings		11,711	11,750
SRES Interruption Reserve		9,031	8,786
Maintenance Reserve		601	585
Trust & Endowment Funds		495	484
TOTAL EQUITY		21,838	21,605

The accompanying notes form part of this financial report.

STATEMENT OF CASH FLOWS

For the year ended 30 September 2016

	2016 (\$'000's)	2015 (\$'000's)
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers & Members	65,983	67,029
Payments to Suppliers & Employees	(63,525)	(67,777)
(Repayment) / Advance from the Major Repair Fund	(1,000)	(1,000)
Interest Received	306	474
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,764	(1,274)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property Plant & Equipment	(970)	(1,745)
Proceeds from Sale of Property Plant & Equipment	8	20
Proceeds from Bequests and Endowments	11	23
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(951)	(1,702)
NET INCREASE / (DECREASE) IN CASH ASSETS	813	(2,976)
Add opening Cash Assets Brought Forward	11,636	14,612
CLOSING CASH ASSETS CARRIED FORWARD	12,449	11,636
RECONCILIATION WITH OPERATING EARNINGS		
Total Comprehensive Income	222	(1,750)
Depreciation - Plant & Equipment	1,852	1,757
(Profit) / Loss on Disposal of Property, Plant & Equipment	(12)	32
CHANGE IN ASSETS AND LIABILITIES		
Receivables	550	(707)
Inventory	(68)	19
Prepayments	(49)	(28)
Payables	(1,639)	(614)
Deferred Revenue	709	192
Provisions	199	(175)
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,764	(1,274)
CASH ASSETS COMPRISES		
Cash – Bank and on Hand	2,322	1,781
Cash – Reserves, Trust and Endowment Funds	10,127	9,855
	12,449	11,636

The accompanying notes form part of this financial report.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2016

	Retained Earnings (\$'000's)	SRES Interruption Reserve (\$'000's)	Maintenance Reserve (\$'000's)	Trust & Endowment Funds (\$'000's)	Total Equity (\$'000's)
As at 30 September 2014	13,784	8,520	567	461	23,332
Bequests & Endowments	-	-	-	23	23
SRES Interruption Reserve	(266)	266	-	-	-
Maintenance Reserve	(18)	-	18	-	-
Total Comprehensive Income for the Year	(1,750)	-	-	-	(1,750)
As at 30 September 2015	11,750	8,786	585	484	21,605
Bequests & Endowments	-	-	-	11	11
SRES Interruption Reserve	(245)	245	-	-	-
Maintenance Reserve	(16)	-	16	-	-
Total Comprehensive Income for the Year	222	-	-	-	222
As at 30 September 2016	11,711	9,031	601	495	21,838

The accompanying notes form part of this financial report.

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2016

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). 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 2016. 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 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 2016 (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:

	2016	2015
Buildings	50 years	50 years
Site Improvements	13 to 40 years	13 to 40 years
Plant & Equipment	3 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 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.

Other financial liabilities, including loans payable, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

(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

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2016 (continued)

of serious interruptions to revenue from the Sydney Royal Easter Show and will ensure a continuation of business without a reliance on borrowing or operating funds.

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

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

Cash – Reserve 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.

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 (2015: approximately \$2.4 million) per annum.

At the end of the financial year the total amount paid by the RAS to SOPA was \$2,982,000 (2015: \$2,923,274), 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 third repayment of \$1,000,000 was made to the \$5,000,000 interest free advance from 2013 for the construction of an exhibition hall. In addition to the repayment, RAS utilised \$2,698,443 (2015: \$3,281,483) on various approved major repair projects.

The balance of the Major Repair Fund at 30 September 2016 was \$11,926,548 (2015: \$10,875,173). This cash balance is held by SOPA for the purpose of significant repairs and structural alterations in respect of the Sydney Showground.

	2016 (\$'000's)	2015 (\$'000's)
4. DISPOSAL OF ASSETS		
Proceeds from the disposal of assets	12	20
Written down cost of assets	-	(52)
Profit / (Loss) on disposal of assets	12	(32)

5. TRADE AND OTHER RECEIVABLES (CURRENT)		
Trade Debtors	3,751	4,568
Less Provision for Doubtful Debts	(21)	(288)
	3,730	4,280
Movement in provision for doubtful debts		
Balance at beginning of year	(288)	(3)
Movement during the year	267	(285)
Balance at the end of the year	(21)	(288)

6. INVENTORIES (CURRENT)		
Stock at cost	346	278

7. PREPAYMENTS (CURRENT)		
Prepaid Insurance	148	175
Prepaid Other	297	221
	445	396

8. TRADE AND OTHER PAYABLES (CURRENT)		
Trade Creditors	1,111	2,231
GST Payable (Net)	132	106
Accruals	1,792	1,641
Loans Payable	932	900
Other	373	168
	4,340	5,046

9. PROVISIONS (CURRENT)		
Long Service Leave	854	758
Annual Leave	975	872
Public Liability Claims	7	7
	1,836	1,637

10. DEFERRED REVENUE (CURRENT)		
Prepaid Membership Fees	486	426
Prepaid Exhibition Rent, Bonds and Disbursements	8,022	7,415
Other Deferred Revenue / Contribution	413	350
	8,921	8,191

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT

For the year ended 30 September 2016 (continued)

11. PROPERTY, PLANT AND EQUIPMENT	2016 (\$'000's)	2015 (\$'000's)
Capital work in progress	40	471
Administration Building, Sydney Olympic Park	6,440	6,440
Less Accumulated Depreciation	(2,319)	(2,189)
	4,121	4,251
Site Improvements	14,673	14,650
Less Accumulated Depreciation	(1,819)	(1,348)
	12,854	13,302
Plant and Equipment	14,969	14,258
Less Accumulated Depreciation	(10,983)	(10,582)
	3,986	3,676
Computer & Office Equipment	1,680	2,204
Less Accumulated Depreciation	(1,501)	(1,911)
	179	293
Motor Vehicles	793	812
Less Accumulated Depreciation	(557)	(511)
	236	301
Heritage Collection	82	82
Less Accumulated Depreciation	-	-
	82	82
Property Plant and Equipment at net book value	21,458	21,905
Total Property Plant and Equipment	21,498	22,376

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	14,673	14,969	1,680	793	82	38,637
Less Accumulated Depreciation	(2,319)	(1,819)	(10,983)	(1,501)	(557)	-	(17,179)
	4,121	12,854	3,986	179	236	82	21,458
Reconciliation of Carrying amounts							
Carrying amount at start of year	4,251	13,302	3,676	293	301	82	21,905
Capital Additions	-	23	1,318	64	-	-	1,405
Capital Disposals	-	-	-	-	-	-	-
Depreciation expense	(130)	(471)	(1,008)	(178)	(65)	-	(1,852)
Carrying amount at end of year	4,121	12,854	3,986	179	236	82	21,458

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 2016 (continued)

	2016 (\$'000's)	2015 (\$'000's)
12. PAYABLES (NON-CURRENT)		
Loans Payable	965	1,898
13. PROVISIONS (NON-CURRENT)		
Long Service Leave	276	276
14. DEFERRED REVENUE (NON CURRENT)		
Prepaid Membership Fees	262	220
Deferred Contribution	30	93
	292	313

The deferred contribution arises as a result of the interest free advance from the Major Repairs Fund described in Note 3.

15. COMMITMENTS AND CONTINGENCIES		
Operating Lease Commitments		
Non-cancellable operating leases contracted but not capitalised in the financial statements.		
Payable:		
-not later than 1 year	7	44
-later than 1 year but not later than 5 years	-	7
	7	51

16. 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 2.79% (2015: 3.12%).

Receivables

The majority of trade receivables as at 30 September 2016 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.

Loans Payable

Loans payable are recognised initially at fair value, subsequently measured at amortised cost using the effective interest method.

17. AUDITORS REMUNERATION	2016 (\$)	2015 (\$)
Amount received or due and receivable by Ernst & Young:		
Fees for auditing the financial report	88,488	85,908
Other assurance services	50,751	62,840
	139,239	148,748

18. 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 (Australian Wool & Pastoral), Mr G Cochrane (Illawarra Cattle Society of Australia, Reg Cochrane Pastoral Pty Ltd, Eagle Park Farming Pty Ltd, Cochrane Wogamia Dairy Pty Ltd), Mrs R Clubb (Elders Ltd, Australian Wool Exchange Ltd), Ms S Evans (Len Evans Tutorial), Ms A Hamilton (AJM Livestock Solutions), Mr E Hughes (Shed Enterprises), Mr M MacCue (MacCue Trading Pty Ltd), Mr D Macintyre (Invermian Pastoral), Mr B Maier (CBP Lawyer), and Mr R Ryan (Schute Bell Badgery Lumby, NSW Wool Selling Brokers Association).

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 2016 financial year, RAS donated \$260,000 (2015: \$250,000) 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 2016 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
9 December 2016



R Clubb, Treasurer
9 December 2016



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

We have audited the accompanying 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 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the declaration by the Board.

BOARD'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The Board of the Society is responsible for the preparation of the financial report and has 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 the *Australian Charities and Not-for-Profits Commission Act 2012* and is appropriate to meet the needs of the members.

The Board is also responsible for such internal 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 have 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 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 the auditor's 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, the auditor considers internal controls relevant to the entity's preparation of the financial report that gives a true and fair view 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 Board, 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.

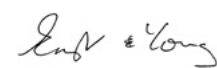
OPINION

In our opinion the financial report of the Royal Agricultural Society of NSW 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 2016 and of its performance for the year ended on that date; and
- b. complying with Australian Accounting Standards to the extent described in Note 2, and complying with the *Australian Charities and Not-for-Profits Commission Regulation 2013*.

BASIS OF ACCOUNTING

Without modifying our opinion, we draw attention to Note 2 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the Board's financial reporting responsibilities under the Rules of the Society and the *Australian Charities and Not-for-Profits Commission Act 2012*. As a result, the financial report may not be suitable for another purpose.



Ernst & Young



Daniel Cunningham
Partner
Sydney
9 December 2016

Liability limited by a scheme approved under Professional Standards Legislation

2015-2016 COMPETITION ENTRIES

Sydney Royal Shows

COMPETITIONS	Catalogued Entries		Livestock Exhibits	
	2016	2015	2016	2015
SYDNEY ROYAL WINE, DAIRY AND FINE FOOD SHOWS				
AQUACULTURE (SUMMER SHOW)	143	109		
AQUACULTURE (SPRING SHOW)				
BEER & CIDER	206	225		
BRANDED BEEF	39	38		
BRANDED LAMB	17	18		
PROFESSIONAL BAKERY (BREAD, CAKE & PIE)	494	507		
CHEESE AND DAIRY PRODUCE	889	806		
CHOCOLATE	122	119		
COFFEE	301	281		
DELI MEAT	612	675		
OLIVE OIL	145	143		
PASTA	110	Cancelled		
REGIONAL FOOD	259	274		
WINE	2,285	2,331		
TOTAL WINE, DAIRY & FINE FOOD SHOWS	5,622	5,526		

SYDNEY ROYAL EASTER SHOW				
ALPACAS				
Suri	15	26	*	*
Huacaya	246	305	*	*
Breeds	261	331	259	331
Paraders	58	95		
ALPACA FLEECE				
	180	212		
ARTS & CRAFTS				
Art - Open	1,478	1,611		
Craft - Open	1,502	1,504		
Cake Decorating & Sugar Art - Open	205	193		
Cookery - Open	1,011	1,037		
Art - Under 20's	570	538		
Craft - Under 20's	88	130		
Cake Decorating - Under 20's	14	22		
Cookery - Under 20's	43	69		
	4,911	5,104		
CAGE BIRDS				
	474	555	474	555
CATS				
Open Championship Cat Show	255	315	120	154
Cat & Kitten Carnival	240	255	114	124
Companion Cat Shows (2015: Two Shows)	29	20	13	5
	524	590	180	240
Handlers	6	7		
CATTLE - BEEF				
Angus	196	237	167	201
Australian Lowline	20	20	20	20
Beef Shorthorn	13	13	12	12
Belted Galloway	11	15	11	15
Brahman (Feature Breed 2014)	56	39	45	36
Charolais (Feature Breed 2013)	102	123	84	107
Devon	29	41	23	34
Galloway	16	20	15	19

* No data
This information does not form part of the financial report.

COMPETITIONS	Catalogued Entries		Livestock Exhibits	
	2016	2015	2016	2015
SYDNEY ROYAL EASTER SHOW (Cont.)				
Hereford	46	58	39	48
Limousin	169	142	152	124
Maine Anjou	11	22	10	20
Murray Grey	66	37	55	33
Piedmontese		14		11
Poll Herefords	110	111	98	96
Red Angus	198	66	155	54
Red Poll (Feature Breed 2015)	39	88	37	64
Santa Gertrudis	59	58	49	45
Shorthorn	79	108	65	86
Simmental	68	74	55	63
Speckle Park	45	54	41	49
Other Recognised Breeds	19	14	19	14
Breeds	1,352	1,354	1,152	1,151
Paraders (Incl. 2015 FCAS National finals)	172	200		
Young Auctioneers	18	18		
CATTLE - DAIRY				
Ayrshire	79	94	60	70
Brown Swiss	28	30	24	25
Guernsey	45	23	34	19
Holstein	63	148	57	123
Illawarra	50	45	38	36
Jersey	94	79	79	67
Breeds	359	419	292	340
Paraders (Incl. 2015 FCAS National finals)	37	60		
Youth Competition	38	47	38	47
CATTLE - HEIFER SHOW				
Paraders	63	92		
Judging Competition	66	92		
	129	184		
CATTLE - HEIFER FITTING CHALLENGE				
	38	82		
CATTLE - PUREBRED STEER & CARCASE				
	208	310	208	310
CATTLE - TRADE HOOF & CARCASE				
	50	65	50	65
DOGS				
Breed	3,632	3,404	3,632	3,404
Sweepstakes	121	200	121	200
Obedience Trial	45	44	33	34
Agility Trial	340	381	100	104
	4,138	4,029	3,767	3,626
Handlers	42	46		
FLOWER & GARDEN				
	1,582	1,865		
FROG & REPTILE				
	120	83	*	*
GOATS				
Angora Goats	146	208	85	114
Boer Goats	307	304	244	249
Dairy Goats	220	268	150	177
Breeds	673	780	479	540
Paraders	23	29		
Mohair Fleece	35	34		

2015-2016 COMPETITION ENTRIES

Sydney Royal Shows (continued)

COMPETITIONS	Catalogued Entries		Livestock Exhibits	
	2016	2015	2016	2015
SYDNEY ROYAL EASTER SHOW (Cont.)				
GREAT BACKYARD PUMPKIN COMPETITION	83	84		
HORSES				
Arabian Derivatives	174	222	130	160
Arabians		26		16
Aust. National Saddlehorses	150	200	102	128
Aust. Stock Horses	481	412	168	141
Station Horse Challenge	75	59	75	59
Time Trial	59	47	59	47
Aust. Stock Horse Small Arena Campdraft	42	35	36	31
RM Williams Trophy	78	62	71	60
Aust. Ponies	64	74	51	58
APSB Part Breds & APSB Riding Ponies	53	53	42	42
Aust. Miniature Ponies	70	88	54	63
Aust. Saddle Ponies	184	214	123	134
Buckskins	53	43	40	32
Clydesdales	68	77	52	58
Hackneys	3	9	3	9
Hackney Ponies	3	2	3	2
Palominos	65	59	37	36
Percherons	4	8	4	8
Pintos	65	79	39	43
Riding Ponies	150	208	113	145
Shetland Ponies	123	118	96	86
Shires	30	42	23	33
Welsh Mountain Ponies	81	91	44	84
Welsh Ponies Section B	53	54	53	54
Welsh Ponies Section C & D	9	12	9	12
Part Bred Welsh Ponies	120	161	95	115
Hacks (over 15 hands)	391	472	122	139
Galloways (over 14hh & under 15hh)	207	210	81	81
Ponies	253	291	113	129
Show Hunter	509	519	202	211
Thoroughbreds	48	55	48	55
Working Hunter	45	56	45	56
Breeds	3,710	4,058	1,242	1,325
Light Harness	280	341	90	101
Business Delivery & Turnout	102	167	28	47
Heavy Harness Obstacle	51	64	25	29
Leading Rein	23	24	23	24
Police Horses	64	64	16	16
Riding	463	513		
Pony Club Events	158	160	103	104
Jumping Competitions	572	670	149	170
Team Yarding & Association		32		21
Equestrian Vaulting (New in 2015)	41	29	41	29
Campdrafting	53	50	48	38
Riding for Disabled	25	20	25	20
Horses In Action	1,832	2,134		
JUDGING COMPETITIONS	233	290		
(Incl. 2015 FCAS National finals)				
NATIONAL HONEY SHOW	371	381		
(incl. Commercial Classes)				

* No data

This information does not form part of the financial report.

COMPETITIONS	Catalogued Entries		Livestock Exhibits	
	2016	2015	2016	2015
SYDNEY ROYAL EASTER SHOW (Cont.)				
PIGEONS (Competition cancelled for 2014)	217	392	217	392
PIGS	101	108	94	98
POULTRY				
Birds	2,407	3,113	2,407	3,113
School Egg Laying	89	70	89	70
Eggs	128	113		
	2,624	3,296	2,496	3,183
Poultry Youth Showmanship	45	64		
POULTRY & PIGEON ART	39	47		
RABBITS	180	115	*	*
RATS & MICE	361	465	*	*
SCHOOL DISTRICT DISPLAY	5	5		
SHEEP FLEECE	110	88		
SHEEP FLEECE - NSW/QLD Classes	76	74		
SHEEP - MEAT & DUAL PURPOSE BREEDS				
Australian White	41	55	36	51
Border Leicester	120	94	102	82
Corriedale (Feature Breed 2016)	103	89	91	79
Dorper	42	31	30	23
Dorset Horn	11	7	9	6
Hampshire Down	25	27	19	21
Poll Dorset	82	116	67	96
Southdown	13	14	9	9
Suffolk	62	54	42	34
Texel	28	15	19	12
White Dorper	12	19	9	16
White Suffolk (Feature Breed 2015)	49	57	38	44
Wiltshire Horn	23		19	
School's Interbreed	84	80		
Breeds	695	658	490	473
SHEEP - MERINO				
Merino and Poll Merino	358	422	314	363
Breeds	358	422	314	363
SHEEP - HANDLERS				
SHEEP - WOOLLEN GARMENT	6	9		
WOODCHOPPING AND SAWING	3,259	3,159		
TOTAL ROYAL EASTER SHOW	29,766	32,401		
TOTAL SYDNEY ROYAL SHOWS*				
	35,388	37,927		

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. Adjustment made to 2015 figures for Poultry.

**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. Adjustment made to 2015 figures for Poultry.

*** Cats - entries counted once regardless of number of rings competed in, and include Side Classes; Alpaca & Fleece, Frog & Reptile, Rabbit, Rat & Mouse - self administered. 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 School Meat Bird Pair Carcase Classes & School Egg Laying component Classes. Judging Competitions - entries deducted where recorded absent. Horse Rodeo, Polo, Polocrosse Class entries excluded.



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