



ROYAL AGRICULTURAL & HORTICULTURAL SOCIETY  
OF SOUTH AUSTRALIA INCORPORATED

# THE SOCIETY

## ANNUAL REPORT 2014







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Crowd in the grandstand in 1948

# board of management



(Top L - R) Robert Hunt / Charlie Downer / Trevor James / Belinda Cay / Andrew Hardy / Hamish Findlay / Bruce McFarlane

(Bottom L - R) Robert Snewin - Treasurer / John Rothwell - Chief Executive / Richard Fewster - President

Robert Hart - Chairman / Keith McFarlane - Deputy Chairman / Jock Duncan AM

# president's report



Richard Fewster President, RA&HS of SA Inc.

2014 was a year of reflection and achievement for the Royal Agricultural & Horticultural Society of South Australia, our 175<sup>th</sup> anniversary providing the ideal opportunity to consider past accomplishments and to plan for the future. From the launch of the Society's official history in March to the stunning gala celebration dinner in July, the 175<sup>th</sup> year has been a year to remember.

Fittingly, the centrepiece of our 175<sup>th</sup> year was the Royal Adelaide Show, which took place from September 5 to 14. The Society's 175<sup>th</sup> anniversary saw a record-breaking number of competitive entries recorded, with an amazing 33,688 entries received across 64 competitive sections - a 7.5% increase on the previous year and the fourth time in ten years that this record has been broken. Attracting the second highest number of competitive entries of any Show in Australia, the Royal Adelaide's outstanding performance in this area can be attributed to the great work done by our sectional committees in promoting their competitions to industry bodies and members, along with our promotion of competitions at the Show which have attracted many first-time entrants and younger people.

Records were also broken in terms of attendance, with 510,492 people visiting the 2014 Show - a 7.7% increase on the previous year. This outstanding achievement, largely driven by the move to a ten-day Show and increased interest in the event due to the Society's 175<sup>th</sup>, is worth noting given that some public events nationally have experienced decreases in attendance figures of up to 30% in recent years. The 2014 Show's excellent attendance figures were also indicative of the strong public support for the Show throughout South Australia, with high numbers of patrons attending on the second weekend, despite the fatal incident in the Carnival area on Friday, September 12, which cast a dark shadow over the remainder of the Show. Our thoughts continue to be with the young child's family. At time of writing, this matter was still the subject of a Safework SA and SA Police investigation.



*MOST OUTSTANDING WHITE WINE IN SHOW* Graeme Lowe, Managing Director, F Miller & Co Pty Ltd presenting to Joel Tilbrook, collecting for Brown Brothers Milawa Vineyard

The Show continued to make a significant economic contribution to South Australia, injecting an estimated gross economic contribution of \$183.7million to the State. Feedback from commercial exhibitors, food and beverage traders, showbag hall operators and carnival operators was exceedingly positive. The majority supported the move to a ten-day event and earlier closing times in the Jubilee and Goyder Pavilions with many reporting better sales than previous years. In the catering area, the total-spend on food and beverage at the Show increased by a substantial 14%.

Independent research conducted during the Show helped the Society gain valuable insight into showgoers' experiences, perceptions and advertising recall. This research found that the average attendee is a family with preschool and/or primary school-aged children, with parents in the 30-49 year-old age group. Interestingly, 70% of those surveyed said that the Show's move to a ten-day event, encompassing two full weekends, would make it easier for them to attend in the future.

The 2014 Royal Adelaide Wine Show also enjoyed a good year, attracting 2,843 entries from 363 Australian wine producers - an increase of over 200 on the previous year and one of the highest in the history of the event. Brown Brothers won the most outstanding white wine trophy for their 2012 Patricia Chardonnay, while Margaret River's Deep Woods Estate won the most outstanding red trophy for their 2012 Reserve Cabernet Sauvignon. The Gramp, Hardy, Hill Smith Prize for Outstanding Wine of Provenance was won by Tyrrells Vineyards for their Vat 1 Semillon - the first time a white wine has won this award.



*RA&HS Gala Celebration, Photographer of images: Andrew Beveridge, asbCreative*

Giving back to the community is at the centre of what we do, and the Society provided over \$200,000 in cash and goods to scholarship recipients and charitable organisations in 2014. Likewise, encouraging young people to pursue careers in agriculture remained a key focus of the Society, with the Society's Education Foundation providing financial support to a range of programs including the Rural Ambassadors Program, Junior Heifer Expo, Rural Media Awards and the University of Adelaide agricultural scholarship programs, amongst others. We thank the many businesses and individuals who contribute to the Education Foundation, along with the Archives Foundation, and look forward to launching our Bequest Program in 2015.

The Adelaide Showground exhibition facility enjoyed a strong 2014, despite a global weakening in the event and exhibition market in recent years. Several new events, including the SACE Research Project Student Expo, LambEx, Future Music Festival, Adelaide Sports and Fitness Expo and Australian Tattoo and Body Art Expo, joined regular events Carnevale, the Pregnancy, Babies and Children's Expo, Caravan and Camping Show, Bridal Expos, Steresonics and Oz Comic-Con, among others, to create a busy year for the venue. The Adelaide Event & Exhibition Centre team also implemented improvements to the food and beverage offering in the Goyder Pavilion, including a range of healthier catering options; improved the venue's recycling processes; and implemented a Facebook marketing campaign for events held at the venue.



*The Royal Adelaide Show now holds the Guinness World Record for the largest performing anklung ensemble.*

From an infrastructure perspective, the Society was delighted to see the new state-of-the-art Adelaide Showground railway station opened in time for the 2014 Royal Show. Funded from the Australian-State Government co-funding for the Goodwood Junction upgrade, this permanent station will help the Society to achieve our strategy of encouraging more Show patrons to use public transport to get to and from the Show. Likewise, it will improve access to the Showground year-round, benefiting the many other events that are held at the venue and boosting our appeal to event organisers.

Finally, on behalf of the Royal Agricultural & Horticultural Society Board I would like to thank the Society staff, sponsors, volunteers, committee members, exhibitors and media partners for their support in 2014 – we look forward to working with you in 2015 and beyond.

*Richard W Fewster, President  
Adelaide, 13 March 2015*



*LambEx, 2014 at the Adelaide Showground*

# chairman's report



*Robert R Hart Chairman of Council, RA&HS of SA Inc.*

Fine weather, excellent attendance figures and a record-breaking year of competitive entries, not to mention the excitement of the Society's 175<sup>th</sup> anniversary, resulted in an enjoyable and highly successful 2014 Royal Adelaide Show. Despite the tragic incident in the Carnival area, the Show's staff, councillors, exhibitors and volunteers, along with the South Australian public, came together to ensure the continued success of the Show in recognition of the countless South Australians who work tirelessly throughout the year to contribute to our State's largest event.

Recognising excellence in agriculture, horticulture and its associated endeavours remains a key objective of the Royal Adelaide Show, and we are delighted to have received a record number of competitive entries in 2014. From cooking and cake decorating to poultry and pigs, the amazing level of support shown for competitions at the Show is a key ingredient in its continued success. While several categories experienced increases in 2014, several sections, including the Art Purchase Exhibition, Led Steers, Beer, Cooking - Open, Dogs - Obedience and Agility, Girl Guides, Angora Goats, Horses - Led Stock and Woodcutting, achieved a record number of entries. Strong numbers were also achieved in the Sheep, Beef Cattle, Cats, Cavies, Cooking - Junior, Dairy Cattle, Dairy Products, Horticulture, Photography and Pigeons sections.



*2014 Beer & Cider Awards - Emma Walton-West End Brewery, Jon Meneses-Coopers Brewery, Corinna Steeb-Prancing Pony Brewery, James Collison-Barossa Valley Brewing, Kathryn Tanner-Sidewood Estate, Nick Sterenberg-Coopers Brewery, John Stallwood-Nail Brewing, Simon Fahy-Chief Judge RABA.*

The 2014 Show attracted 510,492 visitors – an increase of 7.70% on the previous year. This can largely be attributed to the introduction of a ten-day show and the increased profile of the event due to the Society's 175<sup>th</sup> anniversary. Apart from strong winds on Tuesday, September 9, excellent weather was experienced throughout the 2014 Show, with temperatures in the high teens and low 20s and only 7.2mm of rain recorded.

In 2014 an Annual General Meeting and four Council meetings were held. Regular competitive section meetings were also held and over 700 judges and stewards were engaged to help adjudicate and administer the Show's 64 competitive sections. Their work was recognised at the annual Judges and Stewards dinner, held on the Tuesday of the Show and a more casual event held in the Bull Bar on the Thursday evening prior to the Show.

The Royal Adelaide Show would not be possible without the 100-plus volunteer councillors who graciously give their time and expertise to the Society, both during the Show and throughout the year, along with the 841 judges and stewards who volunteer their expertise and time each year. Special mention should also be made of the 133 volunteer helpers who worked during the 2014 Show, launched in 2011 the volunteer program has enjoyed tremendous growth.



*Image Courtesy of photographer Ian Turner, Superior Selections*



Winning entry at the Royal Adelaide Show



Hard working Volunteer helping out in the Show information booth

## CHANGES TO THE SOCIETY'S COUNCIL IN 2014 INCLUDE;

### CHANGES TO PATRON

#### Appointment

His Excellency the Honourable Hieu Van Le AO, Governor of South Australia

### CHANGES TO BOARD OF MANAGEMENT

Belinda A Cay – Board Member

Robert J Hunt – Trustee

### CHANGES TO EXECUTIVE COMMITTEE

#### Appointments

Ray L Fiebiger (Dairy Cattle)

Allan M Piggott (Council Representative)

Michael P Siebert (Commerce)

### CHANGES TO COUNCIL

#### Appointments

David V Kerber (Dairy Cattle & Pig)

David R Shannon (Grains & Fodder)

Bruce WA Redpath (Horse)

Geoffrey Fuller (Horticulture from Ex-Officio to full Council member)

Heather Robertson (Ex-officio Horticulture)

Anne Fletcher (Horticulture)

Robert W Burdon (Poultry & Pigeon)

Allan J Potter (Woodcutting)

#### Resignations

Ian B Digby (Commerce)

David W Fechner (Dairy Cattle & Pig)

Dr John C Radcliffe AM (Grains & Fodder)

Robert J Hunt (Horse)

Trevor M Ranford (Horticulture)

Leith C Jenkins OAM (Poultry & Pigeon)

Philip L Laffer AM (Wine)

Royce A Bowyer (Woodcutting)

## CHANGES TO HONORARY COUNCILLORS

#### Appointments

Ian B Digby (Commerce)

David W Fechner (Dairy Cattle & Pig)

Dr John C Radcliffe AM (Grains & Fodder)

Trevor M Ranford (Horticulture)

Leith C Jenkins OAM (Poultry & Pigeon)

Philip L Laffer AM (Wine)

Royce A Bowyer (Woodcutting)

#### Bereavements

It is with sadness that we record the passing of three of our councillors during the year. We extend our sincere sympathy to their families.

Robyn Muster

Grains & Fodder (1997-2014)

Peter Ferris

Poultry & Pigeon (1985-2004)

Robert Crawford

Poultry & Pigeon (1969 – 1990)

## CHANGES TO HONORARY LIFE MEMBER

#### Appointment

The Honourable Rear Admiral Kevin Scare AC, CSC, RANR

## LONG SERVING VOLUNTEER AWARDS

Mark Halls, Peter Flieg, Catherine Botchen – Art, Craft, Cookery & Technology Committee

I would like to thank all Councillors and Society staff, in particular Chief Executive John Rothwell, for their ongoing commitment and effort during the year.

I congratulate John and the team on a milestone year.

Robert R Hart, Chairman  
Adelaide, 13 March 2015

# chief executive's report



John W Rothwell Chief Executive, RA&HS of SA Inc.

## ROYAL ADELAIDE SHOW

The introduction of a ten-day Show, encompassing two full weekends, a diverse marketing campaign including television, online and direct mail, and heightened excitement about the Show due to the Society's 175<sup>th</sup> anniversary, saw the 2014 Royal Adelaide Show become one of the biggest yet.

Reflecting the Society's 175<sup>th</sup> anniversary, the theme for this year's Show was '175 years of happiness'. Many competitive sections ran special events as part of the celebrations, and a Society birthday party was held on the final Sunday, complete with giant birthday cake, party games and free animal masks for the children. The Society was also delighted to present 365 babies born in South Australia during the Show with free life entry to the Show. We look forward to seeing these youngsters and their families at the Show in coming years.



Learning Centre, Royal Adelaide Show



Tinker Tailor Fashion-Maker production

On the entertainment front, thousands flocked to the Tinker Tailor Fashion-Maker production which was staged four times daily in the Goyder Pavilion. Designed to showcase the fashions and music of the past 175 years, this spectacular show won praise from all who watched it. Continuing the 175<sup>th</sup> anniversary theme was the popular Vintage Machinery Trail, which featured a first-class display of vintage engines, power units, machinery and equipment from the Barossa Valley Machinery Preservation Society.

In the Main Arena, Oz Rocketman David Clarke, who took flight twice daily, proved to be a popular attraction, as did the return of Speedway to the Adelaide Showground, wood-chopping in the Main Arena and the world-record breaking performance of the Indonesian instrument, the Anklung, on the last Saturday night of the Show.

Food and wine has an increasing presence at the Royal Show and the IGA Demonstration Kitchen in the Goyder Pavilion and IGA Meeting Place Kitchen in the Taste SA Pavilion tempted showgoers with their delicious creations and innovative use of South Australian produce. Also popular was the introduction of nightly beer and cider tastings, including winners from the Royal Adelaide Beer Awards, in the Taste SA pavilion.

The Natural Resource Management Board exhibition in the Farm Expo Marquee and the Learning Centre did a great job in teaching young people about the importance of agriculture and our natural environment, as did the Golden Grains, Ground to Grub and Farmyard Nursery exhibitions which attracted many patrons. Likewise, livestock, animal and horticultural displays drew many crowds, as did the Art, Photography and Cookery displays in the Goyder.



Crowd around *Titan the Robot* in the Kingsway at the 2014 Royal Adelaide Show



Crowds at the Adelaide Showground Station, heading to the Royal Adelaide Show



2014 Royal Adelaide Show Commercial Exhibitors in the Jubilee Pavilion

The Youth in Agriculture Day, held on the first Saturday of the Show, was presented in conjunction with the SA Country Shows Next Generation Group. Designed to promote sustainable agriculture to young people from both country and metropolitan areas, the day culminated in the State Young Farmer Challenge. The 2014 SA Rural Ambassador Award was also announced as part of the Youth in Ag Day festivities, with Brooke Harvie, from Naracoorte, winning the title, and well known Show identity Colin Lienert OAM, from Sheo-Oak Log was named RA&HS 'Show Legend'.

A comprehensive and targeted marketing program evoked a sense of nostalgia about the Royal Adelaide Show, and encouraged families to rediscover the event. Campaign elements included an extensive television and radio advertising schedule, outdoor advertising and production of The Show Magazine, which was distributed to 400,000 households in Adelaide and regional South Australia. Extensive media coverage was also secured across print, radio, TV and online. The Show's website continued to grow in popularity, with many showgoers using this resource to research and plan their visit. Web sessions in 2014 continued to grow with users increasingly viewing the site via their phone/tablet, rather than from a PC.

Likewise, the Show App grew in popularity, with 12,706 new downloads in 2014, bringing the total to just under 50,000 since 2012. The Show's social media footprint also increased, with Facebook 'fans' up by 77%, Twitter followers by 48% and Instagram by 429%. The move toward technology-based marketing is also evident in the competitions arena, with 43% of entry forms submitted online in 2014.

In regard to ticketing, 61% of show-goers pre-purchased their tickets, an increase of 7% on the previous year. The Family Value Pack option, introduced in 2013, also grew in popularity, with 1,961 packs sold - an increase of 30%. The introduction of a \$10 re-entry ticket for the final Sunday was also successful with 2,896 pre-purchased. The new permanent Adelaide Showground railway station was well-patronised, with many show-goers using the train and other forms of public transport to get to and from the Show. Carparking in the parklands was well-patronised but never full and 3,203 vehicles took advantage of parking in the Netball Stadium and at ETSA - an increase of 451 on the previous year.

Over 400 commercial exhibitors took space at the 2014 Show, the overwhelming majority providing excellent feedback on the event and expressing support for the ten-day Show. Showbag and catering operators reported increases in sales, while Carnival operators reported a slight drop.

However, it should also be noted that the 2014 Royal Adelaide Show was also one of great sadness due to the tragic passing of eight-year-old Adelene Leong following a fatal incident in the Carnival area. The Society, once again, extends its deepest and sincere sympathies to Adelene's family. We also thank all authorities, Showground staff and members of the public who have contributed to the SA Police and Safework SA investigations into the incident, which (at time of writing) was ongoing.

# chief executive's report

## ROYAL ADELAIDE WINE SHOW

The 2014 Royal Adelaide Wine Show attracted 2,843 entries from 368 wineries and schools - an increase of 200 on the previous year and one of the highest numbers of entries in the history of the event.

Victorian-based winery Brown Brothers won the most outstanding white wine trophy for its 2012 Patricia Chardonnay, while best red wine went to Margaret River's Deep Woods Estate for their 2012 Reserve Cabernet Sauvignon. Tyrrells Vineyards' Vat 1 Semillon (2013, 2005 and 1998) won the Gramp, Hardy, Hill Smith Prize for Outstanding Wine of Provenance, which recognises three vintages of one wine that display outstanding lineage, regionality and longevity.

Other trophy winners included Norfolk Rise Vineyard (Mount Benson), O'Leary Walker (Clare Valley), Brookland Valley (Margaret River), Bleasdale (Langhorne Creek), Bay of Fires (Tas), McWilliams Wines (Riverina) and Evans & Tate (Margaret River).

In the schools wine competition, which attracted 53 entries from ten schools, Nuriootpa High School won two of the three trophies on offer, their Barossa Scholar Shiraz 2013 winning the TAFESA Trophy for best school-made wine and their ten-year tawny winning the trophy for best fortified. Urrbrae Agricultural College won the trophy for best commercially produced wine for the Urrbrae Estate Shiraz 2012.



*MOST OUTSTANDING RED WINE IN SHOW* John Beukema, Drinks & Training Specialist, SA, Dan Murphy's presenting to Richard Porter, collecting for Deep Woods Estate



*Nuriootpa High School, 2014 schools wine competition*

## ADELAIDE EVENT & EXHIBITION CENTRE (AEEC)

More than 100 events were presented at the Adelaide Showground in 2014, reinforcing its position as South Australia's premier exhibition venue. The Showground hosted events diverse as the Italian cultural festival, Carnevale, two major Caravan & Camping events, pop culture expos Oz Comic-Con (featuring international star Benedict Cumberbatch) and Supanova, bridal fairs and traditional home and craft events. The Adelaide Showground also continued to be a popular venue for markets, with design market Bowerbird Bazaar and the regular Adelaide Showground Farmers Market joined by a regular weekend antiques market.

As the business events arm of the Adelaide Showground, the AEEC operates to support existing events and secure new ones to the venue. 2014 saw the successful staging of LambEx, the national conference for the lamb industry, in addition to launch of annual events, SACE Research Project Student Expo, Future Music Festival, and the Adelaide Sports and Fitness Expo. The AEEC continues to support community organisations again hosting the Variety Club Christmas lunch for nearly 3,000 people, Cancer Council's Relay for Life and provided free facilities to the Smith Family and the Salvation Army to collate Christmas gifts for South Australian underprivileged families.

Committed to continuous improvement of the facility, the AEEC team introduced new food and beverage offerings; improved the venue's recycling processes and implemented a Facebook marketing campaign for events held at the venue.



*Future Music Festival*

## INDUSTRY ASSOCIATIONS

The Society continues to provide support and secretarial services, through its Rural Services division, to 24 industry associations which included;

Agricultural Societies Council of SA,  
Angus Society of Australia (SA Branch),  
Australian Dohne Breeders Association,  
Australian Dorper and White Dorper, Association Inc,  
Australian Poll Dorset Association (National),  
Australian White Suffolk Association,  
Australian White Suffolk Association – Superwhites,  
Australian White Sheep Breeders Association,  
Australian Pig Breeders Association - SA Branch,  
Australia Poll Dorset Association (Adelaide Region),  
Australia Stud Sheep Breeders Association - SA Branch,  
Australian Red Poll Cattle Breeders Inc - SA Branch,  
Charolais Society of Australia (SA Branch),  
Damara Sheep Breeders Society,  
National Council of Agricultural Societies Inc,  
Prime SAMM Sheep Breeders Association - Central Division,  
Simmental Australia - SA Branch,  
South Australian Beef Cattle Breeders Association,  
South Australian Poll Hereford Association,  
South Australian Young Beef Breeders Association,  
South Australian Junior Heifer Expo Council Inc,  
South Australian Potato Industry Trust,  
South Australian Grain Industry Trust and  
The Shorthorn Society of Australia - SA Branch.

## ACKNOWLEDGEMENTS

I would like to acknowledge ongoing support from Society councillors, members, volunteers, community organisations, committed sponsors and the media. Likewise, the many Government agencies which assist in keeping the Royal Show and the many other events held at the venue each year, a safe and pleasant environment to be a part of.

## MAJOR SPONSORS

Royal Show Presenting Partner – IGA

Royal Show Premier Partners - Coca-Cola Amatil, Channel Seven Adelaide and BankSA

PRESENTING PARTNER



How the locals like it



## Royal Adelaide Show and Royal Adelaide Wine Show sponsors:

Australian Broadcasting Corporation, Mars Petcare Australia,  
Chifley on South Terrace, Primary Industries &  
CNH Australia, Regions SA,  
Coopers Brewery Ltd, Rabobank,  
Dairy Australia, Sita,  
Dan Murphys, Solstice Media,  
Isuzu Ute Australia, Vilis,  
Laucke Flour Mills, Wallis Cinemas.  
Lion Dairy & Drinks,

## SUPPORTERS

The Society acknowledges and thanks the following organisations for their ongoing commitment to the Society, covering all aspects of operation;

City of Unley,  
Adelaide City Council,  
Department of Education & Children's Services,  
Department of Transport,  
Energy & Infrastructure – Public Transport Division,  
Girl Guides Association (SA) Inc,  
Lions International,  
Office of Consumer & Business Affairs,  
Primary Industries & Resources SA (PIRSA),  
Rotary Club of Stirling,  
Scouts Australia,  
SA Ambulance Service,  
SA Metropolitan Fire Service,  
SafeWork SA,  
The Showmen's Guild of SA,  
South Australian Police,  
South Australian Wine Industry Association,  
St John Operations Branch,  
State Emergency Services,  
TafeSA (Douglas Mawson Institute of Technology – School of Wool and Textiles),  
TafeSA (Regency Institute – Regency Hotel School),  
The University of Adelaide and  
Urrbrae Agricultural High School.

John W Rothwell, *Chief Executive*  
Adelaide, 13 March 2015

# treasurer's report



Robert Snewin Treasurer, RA&HS of SA Inc.

The operational result of \$2,077,409 after adjusting for investment results, amortisation of government grants (\*) and depreciation is detailed below. Depreciation for the year of \$3,403,086 includes \$1,058,443 relating to assets funded by government grants. With sound financial management, the Society has been able to achieve a positive operational result in challenging economic conditions.

The net deficit for the year of \$989,411, includes the impacts of unrealised losses on investments and annual depreciation on fixed assets.

	<u>2014</u> \$'000	<u>2013</u> \$'000
Net (Deficit)/ Profit	(989)	1,214
Deduct investment results:		
Unrealised (loss)/ gain	(174)	1,185
Realised (loss)/ gain	(2)	7
Dividend Income	572	509
	(1,385)	(487)
Amortisation of Govt Grant over estimated life cycle of related assets (*)	1,058	1,083
Operational Result	(327)	596
Deduct depreciation on assets not funded by Govt Grant	2,345	2,365
Operational Result before depreciation	2,018	2,961

(\*) In accordance with relevant accounting standards (AASB 120 'Accounting for Government Grants'), government grants received in 2007 and 2008 were recognised as income in the year the grants were received. However for analysis purposes these grants are amortised to income over the expected life of the related asset.

The results for 2014 include the impacts of the extension of the Royal Adelaide Show to 10 days and various activities undertaken to celebrate the Society's 175<sup>th</sup> anniversary.

Revenue for 2014 grew by \$1,560,899 (8%) in comparison to 2013 with solid growth in Royal Show related income. The notable increase in 2014 includes one-off activities relating to the 175<sup>th</sup> anniversary which will not be replicated in future years.

Total expenditure in 2014, excluding unrealised loss, increased by 13% or \$2,391,447 against 2013 expenditure levels, reflecting the additional expenses incurred to support the growth in key income streams including investment into 175th Anniversary activities.

The Society's strong operational result is reflected in the significant cash inflow achieved from operating activities. This positive cashflow supported further investment and repayment of borrowings.

This cash outflow on investing activities comprises the net investment in capital infrastructure and listed securities. Capital expenditure included the acquisition of a property on Leader Street (\$1,006,000) and refurbishment of the 2<sup>nd</sup> floor of the Secretary's Office (Administration Building) (\$325,000).

## INVESTMENTS

The Society's investment portfolio recorded an unrealised loss of \$173,787 for the year, reflecting the uncertainty in regional and global share markets. Subsequent to the end of the financial year, confidence has grown and by the end of January 2015 the portfolio had recovered the loss incurred during 2014. The portfolio is held as a hedge against extreme adverse Show conditions, recognising the importance of the Show to the Society's operations.

The Investment Committee met regularly during the year and, after considering advice from Macquarie Equities Limited, made a further net investment of \$556,000 in listed shares, consistent with the Society's policy to reinvest dividend and sales proceeds over time to continue to build and strengthen the investment portfolio. Gross dividends of \$571,896 were received during the year.

The Board approved donations of \$15,140 to the Archives and Education Foundations, representing 5% of dividend franking credits received in 2014 for each foundation in addition to other donations made by the Society to the foundations.

## INSURANCE

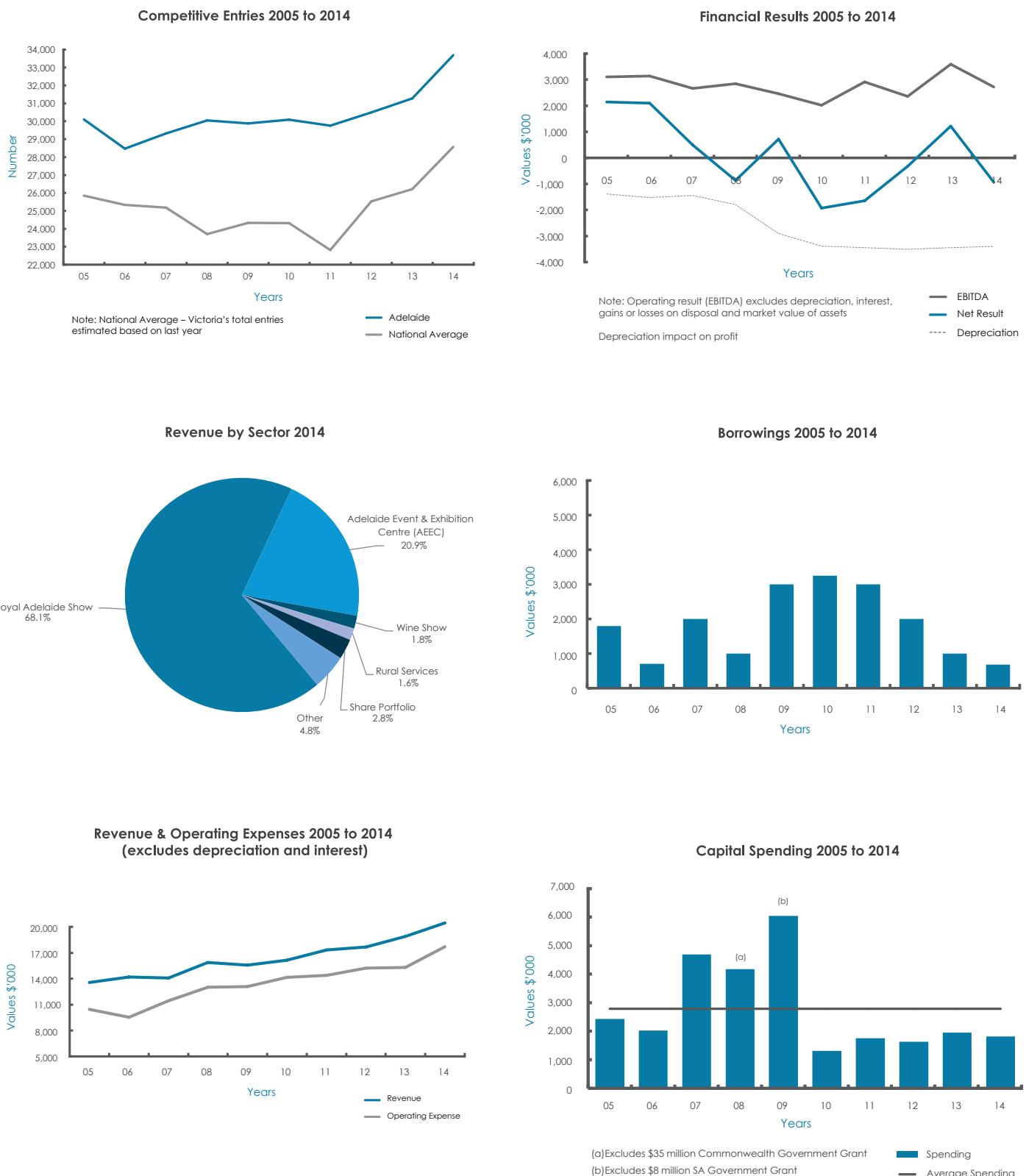
Premiums for 2014 were \$314,380, 2% below 2013 levels, primarily due to reduced rates on certain policies. Premiums for 2015 have now been finalised and have decreased by a further 7% as a result of securing competitive rates on key policies.

## MANAGEMENT

The Society is committed to sound financial management which allows it to fulfil its Charter and maximise its contribution to the success and promotion of Primary Industries in South Australia through the staging of events and rewarding excellence.

Robert Snewin, Treasurer  
Adelaide, 13 March 2015

# key statistics & achievements



# financial statements

## Statement of Profit or Loss and other Comprehensive Income For the year ended 31 December 2014

	<u>Notes</u>	<b>Year ended 31/12/2014</b> \$	<b>Year ended 31/12/2013</b> \$
Revenue from continuing operations	3	20,463,071	18,902,182
Other gains and losses	4	(175,059)	1,197,434
Administration expenses		(1,926,166)	(1,292,348)
Advertising and promotion expenses		(681,700)	(596,741)
Depreciation expenses		(3,403,086)	(3,448,635)
Employee benefits expense		(4,446,648)	(4,077,823)
Event expenses		(7,559,097)	(6,341,229)
Finance costs		(88,763)	(151,133)
Maintenance and service of grounds		(2,222,931)	(2,028,115)
Other expenses		(949,032)	(949,952)
 (Deficit) / Profit for the year from continuing operations		 (989,411)	 1,213,640
 <b>(Deficit) / Profit For The Year</b>		 (989,411)	 1,213,640
 <b>Total Comprehensive (Deficit) / Profit For The Year</b>		 (989,411)	 1,213,640

*Notes to the financial statements are included on pages 19 to 23*

**Statement of Financial Position**  
As at 31 December 2014

	<u>Notes</u>	<u>As at 31/12/2014</u> \$	<u>As at 31/12/2013</u> \$
<i>Current assets</i>			
Cash and bank balances	15	335,316	336,819
Trade and other receivables	5	728,162	709,208
Other assets	6	124,409	65,883
<b>Total Current Assets</b>		<b>1,187,887</b>	<b>1,111,910</b>
<i>Non-current assets</i>			
Other financial assets	7	8,703,302	8,320,696
Property, plant and equipment	8	86,215,495	87,791,314
<b>Total Non-Current Assets</b>		<b>94,918,797</b>	<b>96,112,010</b>
<b>Total Assets</b>		<b>96,106,684</b>	<b>97,223,920</b>
<i>Current liabilities</i>			
Trade and other payables	9	1,250,671	1,215,934
Provisions	11	458,353	239,322
<b>Total Current Liabilities</b>		<b>1,709,024</b>	<b>1,455,256</b>
<i>Non-current liabilities</i>			
Borrowings	10	680,000	1,000,000
Other liabilities	12	97,498	82,236
Provisions	11	469,159	546,014
<b>Total Non-Current Liabilities</b>		<b>1,246,657</b>	<b>1,628,250</b>
<b>Total Liabilities</b>		<b>2,955,681</b>	<b>3,083,506</b>
<b>Net Assets</b>		<b>93,151,003</b>	<b>94,140,414</b>
<b>Equity</b>			
Reserves	17	148,069	-
Retained surplus	18	93,002,934	94,140,414
<b>Total Equity</b>		<b>93,151,003</b>	<b>94,140,414</b>

*Notes to the financial statements are included on pages 19 to 23*

# financial statements

## Statement of Cash Flows

For the year ended 31 December 2014

	<u>Notes</u>	<u>Year ended 31/12/2014</u> \$	<u>Year ended 31/12/2013</u> \$
<b>Cash flows from operating activities</b>			
Receipts from customers		21,573,773	19,808,095
Payments to suppliers and employees		(19,366,753)	(16,838,290)
Cash generated from operations		2,207,020	2,969,805
Interest paid		(88,763)	(151,133)
<b>Net cash generated by operating activities</b>		<b>2,118,257</b>	<b>2,818,672</b>
<b>Cash flows from investing activities</b>			
Payments to acquire financial assets		(712,632)	(346,411)
Proceeds on disposal of financial assets		154,396	12,818
Interest received		13,276	20,466
Dividends received		571,896	508,742
Payments for property, plant and equipment		(1,837,605)	(1,974,777)
Proceeds from disposal of property, plant and equipment		10,909	8,182
<b>Net cash used in investing activities</b>		<b>(1,799,760)</b>	<b>(1,770,980)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		5,280,000	2,800,000
Repayment of borrowings		(5,600,000)	(3,800,000)
<b>Net cash used in financing activities</b>		<b>(320,000)</b>	<b>(1,000,000)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(1,503)</b>	<b>47,692</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>336,819</b>	<b>289,127</b>
<b>Cash and cash equivalents at end of the year</b>	15	<b>335,316</b>	<b>336,819</b>

## Statement of Changes in Equity

for the year ended 31 December 2014

	<u>Notes</u>	<u>Retained Earnings</u>	<u>Donations &amp; Bequests</u>	<u>Total Equity</u>
As At 31 December 2012		92,926,774	-	92,926,774
Total Comprehensive Profit for the Year		1,213,640	-	1,213,640
<b>As At 31 December 2013</b>		<b>94,140,414</b>	-	<b>94,140,414</b>
Total Comprehensive Deficit for the Year	18	(989,411)	-	(989,411)
Donations & Bequests	17	(148,069)	148,069	-
<b>As At 31 December 2014</b>		<b>93,002,934</b>	<b>148,069</b>	<b>93,151,003</b>

Notes to the financial statements are included on pages 19 to 23

**Notes to the financial statements**  
**For the year ended 31 December 2014**

**1. Significant Accounting Policies**

**1.1 Financial Reporting Framework**

The Royal Agricultural & Horticultural Society of SA Inc. (Society) is not a reporting entity because in the opinion of the Board of Management there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs.

Accordingly, these special purpose financial statements have been prepared to satisfy the Board of Management's reporting requirements under the Associations Incorporation Act 1985.

For the purpose of preparing the financial statements the Society is a not-for-profit entity.

**1.2 Statement of Compliance**

The financial report has been prepared in accordance with the Associations Incorporation Act 1985, and the recognition and measurement requirements, but not the disclosure requirements, specified by all Australian Accounting Standards and Interpretations.

**1.3 Basis of Preparation**

The financial report has been prepared on the basis of historical cost, except for certain non-current assets that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

**Adoption of new and revised Accounting Standards**

The Society has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. Various other Standards and Interpretations were in issue but not yet effective at the date of authorisation of the financial report. The issue of these Standards and Interpretations will not affect the Society's present policies and operations. The Board of Management anticipate that the adoptions of these Standards and Interpretations in future periods will not materially affect the amounts recognised in the Financial Statements of the Society.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

**a) Borrowings**

Commercial Bills are recorded at an amount equal to the gross proceeds received. Interest expense is recognised on an accrual basis. Ancillary costs incurred in connection with the arrangement of borrowings are deferred and amortised over the period of borrowing. Commercial Bills, where the facility term is greater than twelve months and that are due to be repaid within the next twelve months, but that will be rolled over at the discretion of the Society, are considered to form part of the Society's long term financing and are recognised as non-current. Borrowing costs are recognised in profit or loss in the period in which they are incurred.

**b) Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Society in respect of services provided by employees up to reporting date.

**c) Financial assets**

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value, net of transaction costs.

*Financial assets at fair value through profit or loss*

The Society has classified certain shares as financial assets at fair value through surplus or loss. The financial asset is managed and its performance is evaluated on a fair value basis, in accordance with the Society's investment strategy and information is provided internally on that basis

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the 'other gains and losses' line item in the statement of comprehensive income. Fair value is determined in the manner described below.

*Fair value of financial assets*

The fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market price.

# financial statements

## d) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- (i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- (ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

## e) Impairment of assets

At the end of each reporting period, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Society estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

## f) Income Tax

The Society is exempt from Income Tax.

## g) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

### *Society as lessor*

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### *Society as lessee*

Operating lease payments are recognised as an expense on a straight-line basis over the lease Term.

## h) Life Membership

The Society receives subscriptions from Life Members in full and recognises subscription income over a ten year period. The unearned portion of Life Membership income is recorded as a non-current liability.

## i) Trade & other payables

Trade payables and other accounts payable are recognised when the Society becomes obliged to make future payments resulting from the purchase of goods and services.

## j) Property, plant and equipment

Property, leasehold improvements, plant and equipment are measured at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item. Depreciation is provided on property, plant and equipment, including freehold buildings but excluding freehold land.

Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

The following estimated useful lives are used in the calculation of depreciation:

Buildings.....	20 to 50 years
Leasehold improvements .....	20 to 50 years
Plant and equipment.....	3 to 20 years

There were no changes to residual values of existing property,

**k) Provisions**

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that the Society will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

**l) Receivables**

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'receivables'. Receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

**m) Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue from events is recognised only when the event has been presented.

*Rendering of Services, including events*

Revenue from rendering of services is recognised in the accounting period in which the services are rendered or the event is held. Royal Show gate revenue is recognised on the period when the Show is held.

*Sponsorship and prizes*

Income from sponsorships is recognised on an accrual basis in accordance with the substance of the relevant agreement.

*Dividend and Interest revenue*

Dividend income from investments is recognised when the Society's right to receive payment has been established. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate.

*Donations and Bequests*

Donations and bequests, including cash and assets, are recognised as revenue when the Society gains control, economic benefits are probable and the amount of the donation can be measured reliably.

**n) Reserves – Trust and Bequest Funds**

This reserve comprises balances of cash held in the bequests and prizes funds. Movement in the funds is represented by interest earned, payments of prizes and utilisation of bequests funds.

**2. Critical accounting judgments and key sources of estimation uncertainty**

In the application of the Society's accounting policies, which are described in note 1, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of the Society's accounting policies that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

**3. Revenue**

The following is an analysis of the Society's revenue for the year from continuing operations, including investment income.

	<u>31/12/2014</u>	<u>31/12/2013</u>
	\$	\$
Exhibition space rental & selling rights	3,148,132	3,088,588
Royal Show space rental, selling rights etc	4,358,709	4,022,520
Royal Show ticket sales	5,348,748	5,128,180
Competitive entry fees & related charges	1,526,393	1,312,716
Catering & car parking	2,370,679	2,299,638
Rental income-property	220,676	239,540
Sponsorship & prizes	1,747,311	1,620,387
Interest received	13,276	20,466
Dividends received	571,896	508,742
Other	1,157,251	661,405
	<b>20,463,071</b>	<b>18,902,182</b>

**4. Other gains and losses**

Gain on disposal of property, plant and equipment	571	5,155
Net (loss) / gain arising on investment in shares	(175,630)	1,192,279
	<b>(175,059)</b>	<b>1,197,434</b>

# financial statements

## 5. Trade and other receivables

	<u>31/12/2014</u> \$	<u>31/12/2013</u> \$
Trade receivables	573,101	522,098
Allowance for doubtful debts	(41,779)	(20,000)
	<u>531,322</u>	<u>502,098</u>
Goods and services tax (GST) recoverable	83,020	97,886
Dividend Imputation Credits receivable	112,419	97,751
Other	1,401	11,473
	<u>728,162</u>	<u>709,208</u>

### Trade receivables

Allowances for doubtful debts are recognised against trade receivables over 90 days based on estimated irrecoverable amounts determined by reference to reasons behind default, past default experience of the counterparty and an analysis of the counterparty's current financial position.

## 6. Other current assets

Prepayments	50,588	25,023
Other	73,821	40,860
	<u>124,409</u>	<u>65,883</u>

## 7. Other non-current financial assets

Quoted investments carried at fair value	8,703,302	8,320,696
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Quoted investments are held for long term value appreciation as an informal security against adverse Royal Show event conditions.

Investment selection criteria focuses on stability and long term growth, with dividend income generally reinvested each year. The Society seeks advise from independent professional advisors prior to acquisitions. If the level of investment held is considered to be greater than that considered necessary to support the Society in the event of adverse conditions constraining operations, then funds may be invested in capital development projects.

## 8. Property, plant and equipment

<i>At carrying amount:</i>		
Freehold land and buildings	20,953,912	19,956,652
Leasehold improvements	52,534,603	54,126,351
Plant and equipment	12,726,980	13,708,311
	<u>86,215,495</u>	<u>87,791,314</u>

	Freehold land & buildings	Leasehold improvements	Plant & equipment	Total
<i>Cost</i>				
Balance at 31 December 2013	20,043,279	80,414,784	23,041,494	123,499,557
Additions	1,042,445	457,059	338,101	1,837,605
Disposals	-	-	(62,226)	(62,226)
Balance at 31 December 2014	<u>21,085,724</u>	<u>80,871,843</u>	<u>23,317,369</u>	<u>125,274,936</u>
	Freehold land & buildings	Leasehold improvements	Plant & equipment	Total
<i>Accumulated depreciation</i>				
Balance at 31 December 2013	(86,627)	(26,288,433)	(9,333,183)	(35,708,243)
Depreciation expense	(45,185)	(2,048,807)	(1,309,094)	(3,403,086)
Elimination on disposal of assets	-	-	51,888	51,888
Balance at 31 December 2014	<u>(131,812)</u>	<u>(28,337,240)</u>	<u>(10,590,389)</u>	<u>(39,059,441)</u>

Certain freehold land and buildings have been pledged to secure borrowings of the Society (see note 10). The Society is not allowed to pledge these assets as security for other borrowings or to sell them to another entity without prior consent of the lender.

## 9. Trade and other payables

	<u>31/12/2014</u> \$	<u>31/12/2013</u> \$
Trade payables	332,693	331,596
Goods and Services Tax (GST) payable	52,261	56,751
Other	865,717	827,587
	<u>1,250,671</u>	<u>1,215,934</u>

The Society has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

## 10. Non-current borrowings

<i>Secured at amortised cost</i>		
Commercial bills	680,000	1,000,000

Secured by a mortgage over certain of the Society's freehold land and buildings (see note 8). The weighted average effective interest rate on the commercial bills is 3.59% per annum (31 December 2013: 5.73% per annum).

## 11. Provisions

	<u>31/12/2014</u> \$	<u>31/12/2013</u> \$
Employee benefits	927,512	785,336
Current	458,353	239,322
Non-current	469,159	546,014
	<b>927,512</b>	<b>785,336</b>

## 12. Other non-current liabilities

Life memberships	97,498	82,236
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## 13. Financing facilities

Secured commercial bill facility		
- Used	680,000	1,000,000
- Unused	4,320,000	4,000,000
	<b>5,000,000</b>	<b>5,000,000</b>

## 14. Related party transactions

Transactions between the Society and Board of Management member related entities are trivial in nature and occur within normal customer/supplier relationship on terms and conditions no more favourable than those which it is reasonable to expect would have been adopted if dealing at arm's length in the same circumstances.

Members of the Board of Management act in an honorary capacity and receive no remuneration or benefits from the Society for acting in that capacity. Employees involved in the management of the Society are remunerated on bases determined by relevant workplace agreements and/or industrial awards or commensurate with the duties and responsibilities required of the individual positions as approved by the Board of Management.

## 15. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks.

Balance at end of financial year	335,316	336,819
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## 16. Operating leases

### *The Society as lessee*

The part of the Adelaide Showground, which is not held freehold by the Society, is subject to an operating lease at \$1 per annum rental until 24 March 2062. The Society does not have an option to purchase the leased asset at the expiry of the lease period.

## 17. Reserves

Balance at beginning of financial year	-	-
Transfer for donations and bequests	148,069	-
Balance at end of financial year	<b>148,069</b>	<b>-</b>

## 18. Retained surplus

	<u>31/12/2014</u> \$	<u>31/12/2013</u> \$
Balance at beginning of financial year	94,140,414	92,926,774
Net (deficit) / profit	(989,411)	1,213,640
Transfer to reserves	(148,069)	-
Balance at end of financial year	<b>93,002,934</b>	<b>94,140,414</b>

## 19. Remuneration of auditors

Audit of the financial report	22,504	25,998
Other advisory services	41,831	15,225
	<b>64,335</b>	<b>41,223</b>

## 20. Capital expenditure commitments

<i>Not later than 1 year</i>		
Land and buildings	-	900,000

## 21. Contingent liabilities

The Society is not aware of any liability of a material nature that has not been provided for in preparation of the financial report.

## 22. Foundations

The Society operates two foundations.

Royal Agricultural & Horticultural Archives Foundation of South Australia Incorporated has been registered as a Tax Exempt Charity and Deductible Gift Recipient for Income Tax purposes. During the year ended 31 December 2014, the Archives Foundation generated total revenue of \$65,384 including \$58,882 in financial support by the Society and, after deducting operating expenses, reported a net surplus of \$13,041 which will be applied to future projects of the Archives.

Royal Agricultural & Horticultural Education Foundation of South Australia Incorporated has been self assessed as Income Tax Exempt. During the year ended 31 December 2014, the Education Foundation generated total revenue of \$55,585 by way of financial support from the Society. After providing educational scholarships of \$25,426, reported a net surplus of \$30,159.

The Society also created a Trust Deed for Royal Agricultural & Horticultural Scholarship Fund which has been registered as a Tax Exempt Charity and Deductible Gift Recipient for Income Tax purposes. During the year ended 31 December 2014 the Scholarship Fund generated total revenue of \$2,062 including \$1,729 in tax deductible donations. After providing educational scholarships of \$18,000, the fund reported a net deficit of \$15,938 which was supported by accumulated funds held. The balance of funds will be consolidated with future revenues and applied to scholarships for prescribed educational courses relating to agriculture, pastoral, horticulture or related industries.

# board of management report

## TO THE MEMBERS OF ROYAL AGRICULTURAL AND HORTICULTURAL SOCIETY OF SOUTH AUSTRALIA INC

In accordance with section 35(5) of the Associations Incorporation Act 1985, the Board of Management of the Royal Agricultural & Horticultural Society of South Australia Inc hereby states that during the financial year ending 31 December 2014:

- (a) (i) no officer of the Society;
- (ii) no firm of which an officer is a member; and
- (iii) no body corporate in which an officer has a substantial financial interest,

has received or become entitled to receive a benefit as a result of a contract between the officer, firm or body corporate and the Society except for the following;

Transactions between the Society and Board of Management related entities are trivial in nature and occur within a normal customer/supplier relationship on terms and conditions no more favourable than those which it is reasonable to expect would have been adopted if dealing at arm's length in the same circumstances.

- (b) no officer of the Society has received directly or indirectly from the Society any payment or other benefit of a pecuniary value except for the following:

Members of the Council act in an honorary capacity and receive no remuneration or benefits from the Society for acting in that capacity. Employees involved in the management of the Society are remunerated as determined by relevant industrial awards or workplace agreements commensurate with the duties and responsibilities required of the individual positions and approved by the Board of Management.

This information is disclosed in the Financial Statements at Note 14 Related Party Disclosure. This report is made in accordance with a resolution of the Board of Management.



Richard Fewster, President  
Adelaide, 13 March 2015



Robert Snewin, Treasurer  
Adelaide, 13 March 2015

## statement by board of management

### IN THE OPINION OF THE BOARD OF MANAGEMENT

- (a) The accompanying Financial Statements present fairly the results of the operations of the Society for the financial year and the state of affairs of the Society as at the end of the financial year; and
- (b) The Board of Management has reasonable grounds to believe that the Society will be able to pay its debts as and when they fall due.

Signed in accordance with a resolution of the Board of Management.



Richard Fewster, President  
Adelaide, 13 March 2015



Robert Snewin, Treasurer  
Adelaide, 13 March 2015

# independent audit report

## TO THE MEMBERS OF ROYAL AGRICULTURAL AND HORTICULTURAL SOCIETY OF SOUTH AUSTRALIA INC

We have audited the accompanying financial report, being a special purpose financial report, of Royal Agricultural & Horticultural Society of South Australia Inc ("the Society"), which comprises the Statement of Financial Position as at 31 December 2014, Statement of Profit or Loss and other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, Notes comprising a summary of significant accounting policies and other explanatory information, and the statement by Board of Management as set out on pages 16 to 24.

## THE BOARD OF MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The Board of Management is responsible for the preparation and fair presentation of the financial report and have determined that the basis of preparation described in Note 1, is appropriate to meet the financial reporting requirements of the Associations Incorporation Act 1985 and is appropriate to meet the needs of the members. The Board of Management's responsibility also includes such internal control as the Board of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgement, 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 control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, 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.

## AUDITOR'S OPINION

In our opinion, the financial report presents fairly, in all material respects, the financial position of Royal Agricultural & Horticultural Society of South Australia Inc as at 31 December 2014 and its financial performance for the year then ended in accordance with the financial reporting requirements of the Associations Incorporation Act 1985 as described in Note 1.

We have obtained all of the information and explanations that we required from the Society.

## BASIS OF ACCOUNTING

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist Royal Agricultural & Horticultural Society of South Australia Inc to meet the financial reporting requirements of the Associations Incorporation Act 1985. As a result, the financial report may not be suitable for another purpose.

Our report is intended solely for the members and should not be distributed to or used by parties other than the members.



DELOITTE TOUCHE TOHMATSU



S T Harvey, Partner  
Chartered Accountants  
Adelaide, 13 March 2015

*Liability limited by a scheme approved under Professional Standards Legislation*

# our charter

The Royal Agricultural & Horticultural Society of South Australia contributes to the promotion and success of South Australia's primary industry through the staging of events and the rewarding of excellence.

## - WHAT WE DO -

Promote and direct the Royal Adelaide Show ensuring its continued relevance to both industry and the community;  
Educate the community about the importance of primary production to the South Australian economy  
with emphasis on the everyday relationship between what we grow and what we consume;  
Encourage and recognise excellence in agriculture and horticulture through  
the staging of competitions, exhibitions and education programs, and  
Manage a vibrant Showground and event and exhibition business hosting many corporate and public events.

## - WE VALUE -

**History** – We value our historical origins and traditions;  
**Excellence** – A culture of excellence is fostered to recognise the valuable contribution  
of our members, councillors, volunteers and employees;  
**Health and Safety** – A proactive approach and culture is exercised regarding work health and safety  
to ensure the wellbeing of employees, public and environment;  
**Environment** – As an environmental leader we strive to minimise the impact of our actions;  
**Reputation** – We value our high standing within the South Australian community and the  
iconic status of the Royal Adelaide Show;  
**Sound financial management** – In a financially responsible manner we actively manage  
and develop our portfolio of assets, and  
**Innovation** – We embrace the future and the opportunities it presents.

## - WE MEASURE OUR SUCCESS BY -

Competitive entries and general attendance at Royal Adelaide Shows;  
The achievements of our event and exhibition business;  
Monitoring our environmental footprint;  
Our financial standards and industry benchmarks, and  
Feedback from members, councillors, volunteers, exhibitors, sponsors, the media and general public.

# society management chart

## PATRON

His Excellency, the Honourable Hieu Van Le AO - GOVERNOR OF SOUTH AUSTRALIA

## BOARD OF MANAGEMENT

Richard W Fewster - PRESIDENT	Robert L Snewin - TREASURER	Robert J Hunt - TRUSTEE	Hamish C Findlay
Robert R Hart - COUNCIL CHAIRMAN	Charlie M Downer - TRUSTEE	Bruce F McFarlane - TRUSTEE	Andrew M Hardy
R Keith McFarlane - COUNCIL DEPUTY CHAIRMAN	Jock G Duncan, AM - TRUSTEE	Belinda A Cay	Trevor G James

## CHIEF EXECUTIVE

John W Rothwell

## EXECUTIVE COMMITTEE - INC. BOARD OF MANAGEMENT

Robert D Battams	Adrian G Burgess	Raelee J Hedger	David N Read
Andrew H Bone	Raymond L Fiebiger	Rob W Linn	John Schutz
Ann L Bone	Jock VE Gosse	Allan M Piggott	Michael P Siebert

## COUNCIL

Thomas E Ashby	Raymond L Fiebiger	David J Hubbard	Andrew M Michael	John Schutz
Robert D Battams	Hamish C Findlay	Graeme P Hyde	Joy Middleton	Mary Scruby
Keith A Bennett	Anne Fletcher	Trevor G James	James R Morgan	Pamela K Seppelt
Michael C Blenkiron	Greg Follett	David V Kerber	Dennis R Mutton	William A Seppelt
Andrew H Bone	Ken H Follett	Peter Karytinos	Samantha Neumann	Emma K Shaw
Ann L Bone	Darryl W Freer	Sean J Kay *	Grant Octoman	David R Shannon
Howard J Bone	Geoffrey Fuller	Janet Kuys	Brian Parker *	Michael P Siebert
Graham R Brand	Michael C Gale	Rex L Liebelt	Allan M Piggott	Nicholas P Simpson
Bob Burdon	Peter W Godden *	Cheryl L Liebich	Allan Potter	Penelope A Smith *
Adrian G Burgess	Jock VE Gosse	Trevor W Linke	David N Read	Paul GC Smith
Robert J Butler	Gina Graham *	Rob W Linn	Josh D Read	Robert L Snewin
Tim SG Buxton	Susie E Green	Andrew J Lock	Bruce WA Redpath	Darryl K Squiers
Trevor Camac *	Jonathan S Hall	Robert J Lott	Graham T Reu	Glen L Trengove
Belinda A Cay	Neville M Hallion	Brian W Mahomet	J William Richards	A Nicholas Wadlow
David H Copping	Robert W Hamdorf	Francis J McEvoy	Lea C Richens	Alister AT Walsh
Lachlan J Day	Andrew M Hardy	Bruce F McFarlane	Heather Robertson*	Cheryl K Wandel
Timothy J Donaldson	Robert R Hart	Richard J McFarlane	William J Rowett	Glenys R White
Brett Draper	Richard F Haynes	R Keith McFarlane	Nick L Ryan	
Andrew Duncan	Raelee J Hedger	Elizabeth M McGee	Susan J Ryan	
Michael K Farmilo	Andrew R Hentschke	Ian A McGowan	Ian B Sanders	
Nicola Feeney	Tim Hill *	Andrew J Michael	Gary Schulz	*Ex-Officio

## HONORARY LIFE MEMBERS

Gary T Campbell, AM	Marjorie Jackson-Nelson, AC,CVO,MBE	Rear Admiral Kevin Scarce, AC,CSC,RANR
Walter H Duncan	The Hon Nicholas H Minchin	Richard T Walsh, AM
Colin R Gramp, AM	Sir Eric J Neal, AC, CVO	Phillip E Withers

## HONORARY COUNCILLORS

Brian TM Ashby	Alan V Davidson	Bryant L Giles	Alistair S Murray	Murray G Weston
John S Ayers	Graham PC Day	Peter S Gill	Dean M Pettman	Alan C Wilson
Frank T Beauchamp	Ian B Digby	Colin R Gramp, AM	Dr John C Radcliffe, AM	Phillip E Withers
Barrie J Beaumont	John G Donaldson	Robert F Haynes	Trevor M Randford	Ronald J Wright
A Peter Berry	Walter H Duncan	Neil S Henderson	Mark F Robertson	Ian L Young
Thomas W Bowden, OAM	David L East	Leith C Jenkins, OAM	Michael JD Scott	James W Young
Royce A Bowyer	Colin L Ekers	Robert A Jenssen	Karl J Seppelt, AO	
David M Cain, PSM	Richard G Fishlock	Philip L Laffer, AM	Maxwell K Smart	
Robin P Coleman	David W Fechner	Colin E Liener, OAM	Colin J Tindall	
Robert M Crawford	Alan L Freeman	John H Lloyd	Richard T Walsh, AM	
Owen F Croser	J Michael B Gaden	Bruce W Lockier	Malcolm J Wandel	

AS AT 31 DECEMBER 2014

# our business partners & associates



Brand South Australia is proud to have the Adelaide Showground as one of their Foundation Members and has worked closely with them in 2014 to deliver a number of exciting events.

In August, Brand South Australia combined with the Adelaide Showground to launch the Royal Adelaide Wine Show at the National Wine Centre. Industry experts Andrew Hardy, Chair of the Royal Adelaide Wine Show, Will Fuller, Wine Communicators of Australia and Shavaughn Wells, Winemaker for Saltram Wines gave an insight to the history of the Royal Adelaide Wine Show and the current state of the Australian Wine Industry whilst guests enjoyed a selection of excellent wines and canapés.

Brand South Australia worked with the Richard Fewster, president of the Royal Agricultural & Horticultural Society (RA&HS), to organise an overnight Around Our State Tour to the Riverland in May. The tour was designed to emphasise the importance of agriculture and horticulture to South Australia's regions and to showcase the Riverland's producers, growers and farmers to a number of interstate media representatives.

The Adelaide Showground also sponsored the Brand South Australia Regional Awards Youth Category. The Regional Awards provide an opportunity to celebrate and promote the achievements of individuals, groups, and organisations that have made significant contributions to South Australia across the seven regions in the State. The fantastic support from the team at the Adelaide Showground is really appreciated and Brand South Australia looks forward to working with them again next year.

*Karen Raffen, Chief Executive Officer, Brand South Australia*



Royal Adelaide Show, Jubilee Pavilion, Brand South Australia area



Richard Fewster, John & Victoria Angove, James Robertson, Karen Raffen and Mayor of Renmark Neil Martinson



RA&HS Gala Celebration, Photographer of images: Andrew Beveridge, asbCreative



It might surprise most South Australians to find out that the world's highest-price per lot multi-vendor merino and poll merino sale happens right here at the Adelaide Showground during the Royal Adelaide Show. Sheep producers come from not only all parts of South Australia, but indeed interstate and overseas to attend the annual auction; which also happens to be a great spectacle for onlookers.

The South Australian Stud Merino Sheepbreeders' Association has enjoyed a long and fruitful relationship with the Royal Adelaide Show, which through competition has lent tremendously to the ongoing improvement of the breed. The high standard of entrants put forward for judging is complemented by a well organised and reliable event.

For the Association, it is very handy to have such easy access to not only the Showground facilities, but also the staff throughout the year. It's been a great arrangement for many years, and will be for many years to come no doubt!

**Cameron Hills, Executive Officer, Merino SA**



*Image Courtesy of photographer Ian Turner, Superior Selections*



As we reach the end of another reporting period we have the opportunity to reflect on the success and value of the partnership between Basketball SA and the Adelaide Showground in the management of the Wayville Sport Centre.

The Centre has again had a very successful year as a major focus for the delivery of basketball competitions and programs at all levels of the sport.

Over 60,000 participants again passed through the venue during the year including participants in introductory 'Aussie Hoops' programs through to junior and senior community competitions to elite events and competitions.

Our mini ball program continued to grow over the past year providing primary schools in the area regular after-school competition. Once again the venue was the host for the preliminary rounds and finals for the State SAPSASA (Primary School) championships, which had its highest participation numbers to date, and SASSA (High School) championships.

In 2015 the Centre will be host to the Australian Masters Games in October as well as the Pacific Schools Games in November. Both draw large participation and spectator numbers through the venue from local, interstate and overseas.

These large scale events continue to recognise the Wayville Sports Centre as a major venue in the national basketball calendar and in particular South Australia. Demand for basketball, and the Wayville competitions, has resulted in the venue reaching capacity and going forward the strategy to cater for increasing demand will require greater focus and prioritizing.

Basketball SA greatly appreciate the strong relationship we have with the Adelaide Showground in maintaining the Wayville Sports Centre as a major sporting venue and looking forward to continuing that relationship into the future.

**Mark Hubbard Chief Executive Officer, Basketball SA**

# our business partners & associates



The Adelaide Showground Farmers' Market has been operating since October 2006 and is South Australia's largest genuine farmers' market offering fresh local produce directly from the growers and producers. The market attracts around 5000 visitors each week to the Adelaide Showground.

On a weekly basis a Kids Club is held to promote healthy fresh food, and to teach children cooking and vegetable gardening skills. A demonstration kitchen is also utilised each week to promote a greater understanding of sustainable food production, the value of healthy fresh local food and to share recipes using market produce with market shoppers.

The Adelaide Showground Farmers' Market is operated by the Adelaide Showground Farmers' Market (ASFM) Inc. ASFM is a membership based, not for profit incorporated organisation, primarily funded by market membership. Currently over 2,700 South Australians are market members.

The market is held weekly on Sundays from 9am to 1pm at the Adelaide Showground and continues to grow and thrive in both visitation and stallholder numbers.

Elaine Ratcliffe, *General Manager, Adelaide Showground Farmers' Market Inc*



*Royal Agricultural & Horticultural Society of South Australia Best Practice Award*  
Aim: To recognise businesses demonstrating excellence in leadership, planning, customer focus, business improvement and finance, and setting a benchmark for industry.  
Winner: Almondco Australia, an almond processor co-operative, comprising over 35 per cent of Australia's almond crop and 80 per cent of its almond growers.



Food South Australia values its partnership with the Royal Agricultural and Horticultural Society of South Australia. We collaborate on a number of activities that showcase premium food from our clean environment, and acknowledge the talents of the people who are the heart of the South Australian food industry.

The South Australian Food Industry Awards Program, hosted by Food South Australia, is a major industry program that exists thanks to the generosity and support of our sponsors such as the Royal Agricultural and Horticultural Society of South Australia, sponsor of the Best Practice and Business Development Awards which recognise food businesses that set a benchmark for the food industry.

Food South Australia looks forward to continuing our relationship with the Royal Agricultural and Horticultural Society of South Australia team and working with them again next year.

Catherine Barnett, *Chief Executive Officer, Food South Australia*

## O'BRIEN CATERING — G R O U P —

'O'Brien Catering Group has been the official Master Caterer at the Adelaide Showground since 2006 providing all aspects of catering at the venue including exhibitions, functions, intimate and large scale events such as the Royal Adelaide Show. The Adelaide Showground is a diverse precinct requiring varied catering solutions. O'Brien Catering Group is proud to be a long-standing partner of the Adelaide Showground.'

Michael O'Brien, Executive Director, O'Brien Catering Group'.



RA&HS Gala Celebration, catering provided by 'O'brien Catering Group , Photographer of images: Andrew Beveridge, asbCreative

**Co-Opera**  
*Opera on the Move*



Co-Opera kicking off the entertainment for the evening. Photographer of images: Andrew Beveridge, asbCreative

Co-Opera, preparing fresh, accessible and entertaining opera at the Adelaide Showground for over 20 years and continuing to share the riches of the operatic art form, as well as the quality and innovation of our South Australian artists and product, with people in remote and regional communities across Australia, and internationally.

Brian Chatterton OAM, *Artistic Director, Co-Opera*



# THE SOCIETY

## ANNUAL REPORT 2014

Royal Agricultural & Horticultural Society of South Australia Incorporated

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