



ROYAL AGRICULTURAL &
HORTICULTURAL SOCIETY OF
SOUTH AUSTRALIA INCORPORATED



THE SOCIETY

ANNUAL REPORT 2017



board

our charter



Robert J Hunt
President & Trustee



Andrew M Hardy
Chairman Council & Trustee



Trevor G James
Deputy Chairman Council



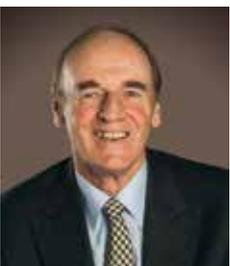
Robert L Snewin
Treasurer



John W Rothwell
Chief Executive



Robert R Hart
Trustee



Charlie M Downer
Trustee



Andrew H Bone



Belinda A Cay



Hamish C Findlay



Jock VE Gosse

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

Robert J Hunt - PRESIDENT & TRUSTEE	Robert L Snewin - TREASURER	Andrew H Bone	Hamish C Findlay
Andrew M Hardy - COUNCIL CHAIRMAN & TRUSTEE	Charlie M Downer - TRUSTEE	Belinda A Cay	Jock VE Gosse
Trevor G James - COUNCIL DEPUTY CHAIRMAN	Robert R Hart - TRUSTEE		

CHIEF EXECUTIVE

John W Rothwell

EXECUTIVE COMMITTEE - INC. BOARD

Robert D Battams	Tim SG Buxton	Rob W Linn	Grant Octoman	Graham T Reu	John Schutz
Felicity A Brake	Nicola Feeney	Francis J McEvoy	Allan M Piggott	William A Seppelt	Michael P Siebert

COUNCIL

Thomas E Ashby	Fiona L Donald	Richard F Haynes	Karen McIntyre*	John Schutz
Robert D Battams	Timothy J Donaldson	Raelee J Hedger	Andrew J Michael	Pamela K Seppelt
Claire A Bennett*	Brett Draper	Andrew R Hentschke	Joy Middleton	William A Seppelt
Keith A Bennett	Andrew R Duncan	David J Hubbard	David G Murphy	David R Shannon
Michael C Blenkinsop	Michael K Farmilo	Graeme P Hyde	Dennis R Mutton, JP	Emma K Shaw
Andrew H Bone	Nicola Feeney	Trevor G James	Sid G Nicholls	Michael P Siebert
Ann L Bone	Raymond L Fiebiger	Peter Karytinios	Boyd C Octoman	Nicholas P Simpson
Felicity A Brake	Hamish C Findlay	Sean J Kay *	Grant Octoman	Peter P Smith
Graham R Brand	Anne Fletcher	Carol Knezevic	Brian Parker *	Paul GC Smith
Bob W Burdon	Greg Follett	Janet Kuys	Allan M Piggott	Robert L Snewin
Adrian G Burgess	Ken H Follett	Colin W Lessue	James W Pitchford	Darryl K Squiers
Robert J Butler	Chris W Francis*	Rex L Liebelt	Allan Potter, FCA	Christopher J Thompson
Peter O Button	Darryl W Freer	Cheryl L Liebich	David N Read	Glen L Trengove
Tim SG Buxton	Geoffrey Fuller	Trevor W Linke	Bruce WA Redpath	A Nicholas Wadlow
Trevor Camac *	Michael C Gale	Rob W Linn	Shane FJ Reidy	Alister AT Walsh
Michael B Camac	Peter W Godden *	Andrew J Lock	Graham T Reu	Cheryl K Wandel
Belinda A Cay	Jock VE Gosse	Brian W Mahomet	J William Richards	Damian P Wilson
Adrienne J Clarke*, AFSM	Susie E Green *	Francis J McEvoy	Heather Robertson*	Frank J Young
Matt LJ Cooper*	Jonathan S Hall	Bruce F McFarlane	William J Rowett	John F Ziesing
David H Copping	Neville M Hallion	Richard J McFarlane	Nick L Ryan	
Lachlan J Day	Andrew M Hardy	Elizabeth M McGee	Susan J Ryan	
Mark J Doecke*	Robert R Hart	Ian A McGowan	Ian B Sanders	*Ex-Officio

HONORARY LIFE MEMBERS

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

HONORARY COUNCILLORS

Brian TM Ashby	John G Donaldson	Robert W Hamdorf, APM, JP	Dean M Pettman	Murray G Weston
John S Ayers	Jock G Duncan, AM	Neil S Henderson	Dr John C Radcliffe, AM, FISE	Glenys R White
Frank T Beauchamp	Walter H Duncan	Leith C Jenkins, OAM	Trevor M Randford	Alan C Wilson
Barrie J Beaumont	David L East	Robert A Jensen	Lea C Richens	Phillip E Withers
Howard J Bone	Colin L Ekers	Philip L Laffer, AM	Mark F Robertson	Ronald J Wright
Thomas W Bowden, OAM	David W Fechner	Colin E Lienert, OAM	Gary Schulz	Ian L Young
Royce A Bowyer	Richard W Fewster	John H Lloyd	Michael JD Scott, OAM, ASM	James W Young
David M Cain, PSM	Richard G Fishlock	Bruce W Lockier	Karl J Seppelt, AO	
Robin P Coleman	Alan L Freeman	Robert J Lott	Maxwell K Smart	
Owen F Croser	Bryant L Giles	R Keith McFarlane	Colin J Tindall, RFD, LLB	
Graham PC Day	Peter S Gill, OAM	Andrew M Michael	Richard T Walsh, AM	
Ian B Digby	Colin R Gramp, AM	Alistair S Murray	Malcolm J Wandel	

president's report



Rob Hunt, President, RA&HS of SA Inc.

The 2017 Royal Adelaide Show was a great success, attracting close to 450,000 patrons over the ten days. Though attendance figures were down on the previous year, largely due to cold and wet weather, it was a pleasing result that demonstrates the continued significance and support for the Show. The \$10 return ticket continued to be popular with 7,900 tickets sold, and patron per head spend increased - up by 5% on 2016.

The 2017 Show made a significant economic contribution to South Australia, injecting an estimated gross economic impact of more than \$193 million. Feedback from exhibitors was positive, with most reporting good trade and indicating they will return in 2017. Though revenue from commercial exhibitors was slightly down on 2016, catering per-head spend rose by 1.4%.

The completed North-West corner redevelopment was a winner, providing an international-standard site for the Carnival during the Royal Show, and creating an attractive landscaped, parking and event area for the rest of the year. The new Golden North Stage proved a hit with Show-goers enjoying the family entertainment offering, including an ice-cream eating competition. Despite having to re-locate due to the North-West upgrade, the purpose-built Red Dove Café southeast of the Main Arena was a huge success with sales surpassing previous levels and strong support from the public.



The Australian International Drones Competition, held at the Royal Adelaide Show, which received FAI status in 2017. Photo by Jonathan Kissok

From a competitions perspective, the 2017 Royal Adelaide Show attracted 31,650 entries across 61 sections - the third highest on record. The high number of entries was achieved despite the absence of the pigeon competition, which was impacted by an outbreak of Pigeon Rotavirus.

New competitions included a 'Fashions off the Track' Class in the Racehorse to Showhorse competition and a 'Patch to Plate' class in the Schools Kitchen Garden competition. Other competition highlights included receiving FAI status for the Australian International Drones Competition, which attracted international competitors for the first time.

The Society was also heavily involved in the establishment of Agricultural Shows Australia (ASA) in 2017. Designed to promote the role and significance of Australia's \$965 million agricultural show movement, ASA will represent all capital city and country shows throughout Australia, providing a unified voice and advocacy for shows Australia-wide.

The Showground's events team have succeeded in re-signing a number of long-term event client agreements and attracted several new events to the Adelaide Showground, including the inaugural World Environment Fair on June 5, held in conjunction with the Department for Environment, Water and Natural Resources.



The newly completed North-West redevelopment, which provided an international-standard site for the Carnival during the Royal Show



2017 Rural Ambassador Awards (L To R) Stefan Anesbury (1st Runner Up), Sarah Hazel (Winner), Kate Fairlie (2nd Runner Up).



The new purpose-built Red Dove Café southeast of the Main Arena was a huge success with sales surpassing previous levels and strong support from the public.

Charity support

Committed to giving back to the South Australian community, the Society again provided over \$350,000 worth of Show tickets and associated items, including ride, showbag and meal vouchers, to charities and community groups. In addition, the Show Society Education Foundation continued to provide scholarships to individuals pursuing study and/or careers in agriculture via the Rural Ambassadors Program, Junior Heifer Expo, Rural Media Awards and The University of Adelaide agricultural scholarship programs.

The Show also hosted the grand final of the Cows Create Careers Challenge, which saw teams from the Mid North, Adelaide Hills and Murray Bridge, Limestone Coast and Fleurieu regions compete in a range of dairy-related challenges. Designed to encourage young people to pursue careers in the dairy industry, Cows Create Careers is another way the Show provides educational opportunities for the next generation of primary producers.

Finally, on behalf of the Royal Agricultural & Horticultural Society Board, I would like to thank our staff, sponsors, volunteers, committee members, exhibitors and media partners for their support in 2017.

Rob Hunt, President, RA&HS of SA Inc.
Adelaide, 16 March 2018



Fashions off the Track, a new Class in the Racehorse to Showhorse competition at the Royal Adelaide Show

chairman's report



Andrew M Hardy, Council Chairman & Trustee, RA&HS of SA Inc.

Recognising excellence in agriculture and promoting our State's primary production is the Charter of the Royal Adelaide Show and the Royal Adelaide Wine Show, and this was certainly achieved in 2017. The Show's competitive sections attracted 31,650 entries across 61 sections— the third highest number in the Society's history. In addition, competition records were achieved for the Royal Adelaide Autumn Horse Show, Royal Adelaide Beer and Cider Awards, Dog Grooming and the Young Judges competitions.

There was strong participation from the feature breeds across the livestock sections including Holstein (Dairy Cattle), Santa Gertrudis (Beef Cattle) and Suffolk (Sheep). The feature grain for 2017 was oats and horticulture introduced the daffodil as the feature flower. Activations for each of these feature breeds and sections during the Show profiled the high standard of exhibits nationwide.



2017 Dairy Cattle Feature breed - Holstein



Record entries for the 2017 Young Judges Competition

Despite the challenging economic climate, the Show continues to be an important event for the agricultural industry, providing farmers with the opportunity to showcase their produce to the wider public as they bring the country to the city. Likewise, the Show plays an equally important role in educating metropolitan residents, particularly children, about the vital role of agriculture in our society, and helping to foster awareness about where their food comes from.

In 2017 an Annual General Meeting and four Council meetings were held. Likewise, regular competitive section meetings were staged and over 980 judges and stewards were engaged to adjudicate and administer the Show's competitive sections. Their work was recognised at two events, a function at the Showground Bull Bar held on the Thursday before the Show and the annual Judges and Stewards Dinner held on the Tuesday during the Show.



2017 Horses in Action competition at the Royal Adelaide Show



2017 Royal Adelaide Beer and Cider Awards Judges.

CHANGES TO THE SOCIETY'S COUNCIL IN 2017 INCLUDE;

CHANGES TO BOARD

Andrew M Hardy – Chairman Council & Trustee
 Bruce F McFarlane – Retirement

CHANGES TO EXECUTIVE COMMITTEE

Appointments	Resignations
Felicity A Brake	Ann Bone
William A Seppelt	

CHANGES TO COUNCIL

Appointments
 James W Pitchford (Agribusiness Youth Councillor)
 Frank J Young (Dairy Cattle & Pig)
 Karen McIntyre* (Dairy Products)
 Peter O Button (Pastoral)
 Damian P Wilson (Poultry & Pigeon)
 Boyd C Octoman (Woodcutting)

Resignations
 Edward Scott (Agribusiness Youth Councillor)
 David V Kerber (Dairy Cattle & Pig)
 Mark A Williamson* (Dairy Products)
 Andrew M Michael (Pastoral)
 Mary Scruby (Poultry & Pigeon)
 Howard J Bone (Woodcutting)

CHANGES TO HONORARY COUNCILLORS

Appointments
 Andrew M Michael (Pastoral)
 Howard J Bone (Woodcutting)

* Ex-Officio

LONG SERVING VOLUNTEER AWARDS

Les Lepley - Pastoral Committee
 Richard Marr - Art, Craft, Cookert & Technology Committee

Bereavements

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

Alan V Davidson – Agricultural Produce Committee (1975 - 1997)
 Hugh Grundy – Dairy Cattle & Pig Committee (2003 - 2010)
 Robert F Haynes – Horse Committee (1984 – 2010)

Finally, I would like to thank all of the Society's 100-plus councillors and staff, in particular Chief Executive John Rothwell, for their ongoing commitment during the year.

Andrew M Hardy, *Council Chairman & Trustee, RA&HS of SA Inc.*
 16 March 2018

chief executive's report



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

ROYAL ADELAIDE SHOW

Even with cold, wet and windy conditions during much of the event, the 2017 Royal Adelaide Show presented something for everyone, offering a fresh entertainment program, strong representation across the competitive sections and a diverse exhibitor offering. A strong attendance figure of 442,557 was achieved, though this was slightly down on the previous year due to the weather.

On the Goyder Stage, the star of the Society's 175th production, Tinker Tailor, returned to present 'Tinker Tailor's Magical Toy Shop' - a fantasy-themed show featuring magic and illusion that was a hit with crowds young and old. After last year's success, the mid-week kid's entertainment program returned, this year starring Jimmy Gigggle, Peppa Pig, PAW Patrol and Emma & Lachy from The Wiggles. These fun, interactive performances did a great job of driving visitation during the traditionally quiet mid-week period.

Other entertainment highlights included performances by a diverse range of acts on the newly-located Golden North Stage, named in recognition of the Show and Showground's official ice-cream supplier. The Main Arena entertainment program was popular with many show-goers, with highlights including the Team D-Max precision driving team, FMX and the Ford versus Holden V8 Ute Challenge, which featured our first ever female drivers. The Show also hosted the Emirates Melbourne Cup trophy, which went on display to the public on the second Friday of the Show.



Poh Ling Yeow and her JamFace Team served up delicious treats in the Taste SA Pavilion



The newly-located Golden North Stage

The much-loved Yellow Brick Road was given a revamp this year with the offering mostly focussed around healthy food options and achieving bag sales of 14,428. The popular Red Dove Café - run by the Uniting Church - moved their operations to a newly constructed building in the horse precinct with patronage increasing significantly. A new addition to the food scene at the Show was celebrity chef Poh Ling Yeow and her JamFace team, who took up residence in the Taste SA Pavilion.

After the success of the inaugural event last year, the Ride Against Suicide was held on the final Sunday to coincide with World Suicide Prevention Day. Over 250 riders participated in this year's ride, raising over \$7,500 for mental health organisations including Silent Ripples, Skylight, and the SA Suicide Prevention Networks.



The revamped Yellow Brick Road offering was well received with a focus on food and produce



Entertainment spectacular 'Tinker Tailor's Magical Toy Shop' performed daily on the Goyder Stage at the Royal Adelaide Show

Rural activities and exhibitions continued to attract big crowds, particularly the Legendairy Farmer Tours in the Dairy Pavilion, the Ram Sale, the displays in the Golden Grains pavilion, livestock judging and the #Agsplorers Track, which educates children about agriculture in a fun, interactive way.

New this year was an animal welfare audit of livestock and other animal areas, with the aim of formally confirming the standard of animal welfare at the Show. The resultant report was very positive, demonstrating our strong initiative in this area.

Promoting excellence in agriculture and informing people about its importance are two of the main objectives of the Show, and this was evident in many areas. In addition to the regular feature breed displays, exhibitions and judging, the national final of the Young Farmer Challenge was held in the Main Arena, drawing attention to agriculture as a great career opportunity for young people. The South Australian Rural Ambassador Award celebrated 20 years in 2017, with 26-year-old Sarah Hazel of Orroroo named the State winner, with runners up Stefan Anesbury of Gawler and Kate Fairlie of Penola.

Having supported the Show for over 20 years, it was with delight we welcomed BankSA as the presenting partner of the Royal Adelaide Show for the next three years. BankSA has been a premier partner of the Show since 2013, and currently holds naming rights for the #Agsplorers Track, Farmyard Nursery and Discount Ride Coupons. We are delighted that such an iconic South Australian organisation has agreed to take their support of the Show to the next level by becoming our presenting partner.

The theme of this year's marketing campaign, 'Make It Yours', encouraged patrons to create a fun-filled Show day based on their interests, with the aim of creating their own experiences and memories at the Show. The advertising schedule included television, radio, press, outdoor and digital, supplemented by production of the coveted Show Magazine. This year's publication was distributed in metropolitan Adelaide

via Messenger newspapers, with 370,000 copies delivered to households, and a further 50,000 distributed via IGA and Foodland supermarkets. Furthermore, media coverage amounting to \$8.61 million ensured the event was well publicised over the full ten days.

Our online traffic continued to grow, with 2.7 million page views and close to one million sessions recorded for the Show website in the lead-up to and during the Show. The overwhelming majority (70%) of Show-goers chose to access the Show website 'on the go', via mobile devices. A move toward online entries for our competitive sections also contributed to this growth, with online entries increasing from 74% in 2016 to 82% this year. The Show's social media presence continued to be an important engagement tool, with increases following across Facebook, Instagram, Twitter and Snapchat. Live streaming was again popular, with the Horses-In-Action, Woodcutting and Dogs key events streamed live via Facebook and YouTube.

Again this year, we conducted market research to gain further insight into the attendance behaviour of Show patrons and feedback on Show sponsorship, the Yellow Brick Road and our food and beverage offering. Our ongoing partnership with BankSA achieved strong recall figures, both prompted and unprompted. Likewise, the majority of patrons were satisfied with both the Yellow Brick Road content and the food and beverage offering at the Show this year.

Many Show-goers used public transport to get to and from the Show, making excellent use of the permanent Adelaide Showground railway station, as well as the convenient bus and tram network. Car parking in the parklands was down on last year due to wet weather forcing the closure of some areas, however, the number of vehicles parked in ETSA Stadium increased by 24%.

chief executive's report

ROYAL ADELAIDE WINE SHOW

Celebrating 140 years in 2017, the Royal Adelaide Wine Show attracted 2,647 entries from 351 wineries across Australia. South Australian producers dominated the trophy tally, with 15 of the 25 trophies awarded to SA wineries. McLaren Vale's Shingleback was the major award-winner, taking home the coveted Max Schubert Trophy for Most Outstanding Red Wine in Show.

Evans & Tate were awarded the George Fairbrother Trophy for Most Outstanding White Wine in Show for their 2015 Karridale Chardonnay, while Coonawarra's Lindemans won the Gramp, Hardy, Hill Smith Prize for Outstanding Wine of Provenance for their 2015, 2010 and 2005 Limestone Ridge Shiraz Cabernet.



2017 Most Outstanding Red Wine in Show, Shingleback for their 2016 Red Knot Grenache Shiraz Mourvedre. Michael Brnjkovich and John Davey.



2017 Gramp, Hardy, Hill Smith Prize for Outstanding Wine of Provenance for the 2015, 2010 and 2005 vintages of their Lindemans Coonawarra Limestone Ridge Shiraz Cabernet. Ian Tucker, Director, Inventure Partners and Brett Sharpe.

ADELAIDE SHOWGROUND

As Adelaide's largest multi-purpose venue, the Adelaide Showground has continued to stage major events, both returning and new, over the past 12 months. A total of 226 events were held at the Showground outside of the Royal Adelaide Show in 2017, attracting an estimated 650,000 visitors to the venue.

The Showground is Adelaide's primary venue for public exhibitions covering many interests – caravan, camping, boating, 4WD and adventure, spiritual, home lifestyle, pop culture, disability services, parenting, antiques, bridal and craft. 2017 saw the return of music festivals with Groovin' the Moo, a national touring music festival featuring an array of local and international artists, choosing the Adelaide Showground as their new home.

The popularity of the Adelaide Showground Farmers Market and Bowerbird Design Market continued to grow throughout 2017 and Santa's Wonderland returned for a successful second year, attracting over 30,000 children to the Showground for a Christmas adventure. Harness Racing returned to Wayville for the first time since 1973 and the Showground hosted national championships in categories as broad as Irish Dancing and Golden Retrievers.

The Showground business now presents two of its own events, Science Alive!, which was acquired in 2015 attracted over 30,000 visitors for the first time in 2017 and the World Environment Fair, successfully launched in June with the support of the Department of Environment, Water & Natural Resources.

The Showground is a community asset and we continue to support several community and charitable groups by providing sponsorship for the Italian, Indian and Islamic cultural festivals, hosting the Variety Club Christmas lunch for over 3,000 participants and providing free facilities for the Salvation Army and Smith Family to collate Christmas gifts for South Australian families in need.

The development of the new North-West carpark and extended landscaping of Hamilton Boulevard completed during the year now provides a site of international standard for the Carnival during the Royal Adelaide Show and a first class, landscaped, parking and event area for major events throughout the year.



Groovin' the Moo, a national music festival, debuted its new home at the Adelaide Showground in 2017
Photo Credit: Wade Whittington Photography

INDUSTRY ASSOCIATIONS

The Society continues to provide support and secretarial services, through its Rural Services Division, to 25 industry associations which included;

Agricultural Societies Council of SA,
Angus Society of Australia (SA Branch),
Australian Corriedale Association Inc.,
Australian Dohne Breeders Association,
Australian Dorper and White Dorper Association Inc.,
Australian Poll Dorset Association (National),
Australian White Suffolk Association (National),
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,
Damara Sheep Breeders Society,
Herefords Australia (SA Branch),
Prime SAMM Breeders Society of Australia - Central Division,
Prime SAMM Sheep Breeders Society of Australia – (National),
Simmental Australia - SA Branch,
South Australian Beef Cattle Breeders Association,
South Australian Sheep Expo Council Inc.,
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, the media and of course our wonderful staff. 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 – BankSA

Royal Show Premier Partner – Channel Seven Adelaide

Royal Adelaide Show and Royal Adelaide Wine Show sponsors:

BankSA	Wallis Cinemas
Channel 7	Golden North
Metcash Food and Grocery (IGA and Foodland)	Adelaide Expo Hire
The Advertiser	Coopers Brewery Limited
Australian Broadcasting Corporation	Rabobank
RAA	CNH Industrial Australia
Coca-Cola Amatil	Chifley on South Terrace
Fleurieu Milk & Yoghurt Company	Princess Royal Station (SH Rowe)
Primary Industries and Regions SA - PIRSA	SUEZ Environment
Vili's	Dairy Australia
Isuzu Ute Australia Pty Ltd	Nova Entertainment
	Catsan
	Inventre Partners
	Duxton Capital

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, RA&HS of SA Inc.*
Adelaide, 16 March 2018

key statistics & information

\$1.14 MILLION
OPERATING SURPLUS FOR THE YEAR

\$1.12 MILLION
NET CASH IN FROM OPERATIONS

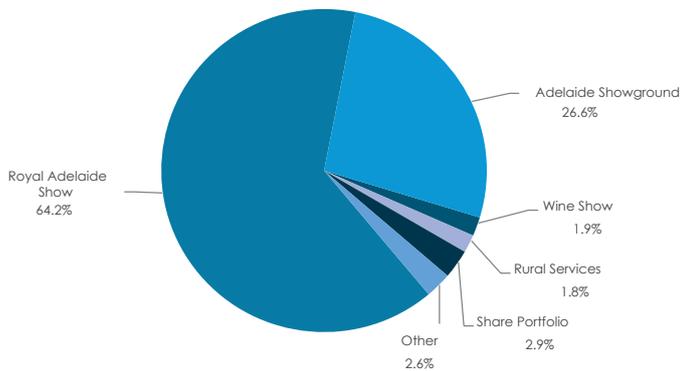
\$600,000 REVENUE FROM INVESTMENTS (DIVIDENDS) **\$163,000** PROFIT ON SALE OF SHARES AND OTHER ASSETS **\$7.8 MILLION** INVESTMENT IN CAPITAL INFRASTRUCTURE DURING THE YEAR **INCREASE OF \$3.9M** MOVEMENT IN BORROWINGS FOR THE YEAR

COMPETITIVE ENTRIES
31,650
THIRD HIGHEST NUMBER ON RECORD

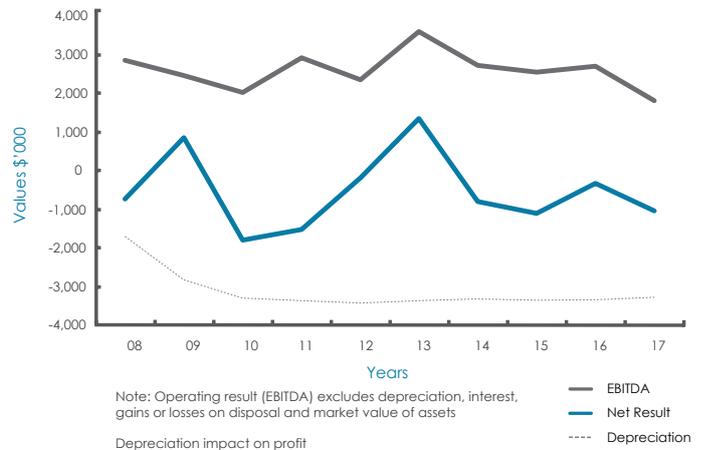
Operating surplus of 5.5% reflects the result of poor weather at the Royal Adelaide Show affecting attendance levels, increased costs incurred by the Society to ensure safety and security and higher levels of maintenance undertaken around the Showground.

\$7.8M was invested into the venue during the year with a \$3.9M increase in borrowing to assist in funding these improvements.

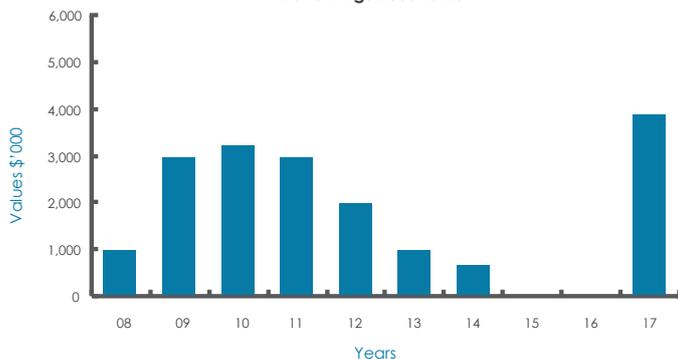
Revenue by Sector 2017



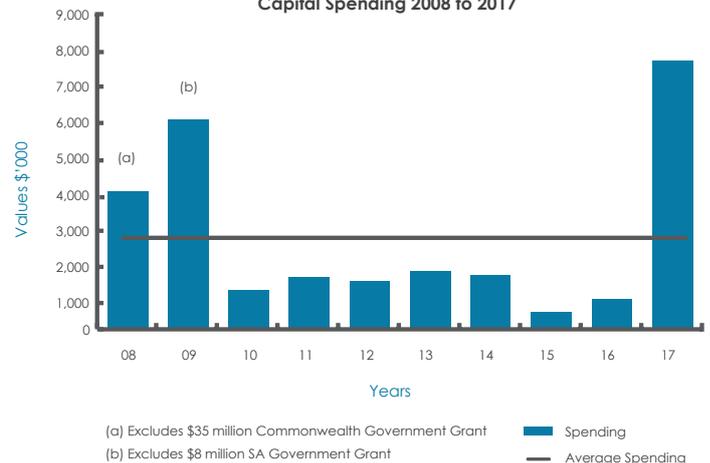
EBITDA & Net Results 2008 to 2017



Borrowings 2008 to 2017



Capital Spending 2008 to 2017



treasurer's report



Robert Snewin, Treasurer, RA&HS of SA Inc.

The operational result of \$ 1,142,320 after adjusting for investment results, amortisation of government grants (*) and depreciation is detailed below. Depreciation for the year of \$3,363,462 includes \$1,056,486 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 \$1,166,912 includes the impacts of unrealised losses on investments and annual depreciation on fixed assets.

	<u>2017</u> <u>\$'000</u>	<u>2016</u> <u>\$'000</u>
Net Deficit	(1,167)	(466)
Deduct investment results:		
Unrealised gain/(loss)	291	(19)
Realised gain	163	267
Dividend Income	600	619
	(2,221)	(1,333)
Amortisation of Govt Grant over estimated life cycle of related assets (*)	1,056	1,056
Operational Result	(1,165)	(277)
Deduct depreciation on assets not funded by Govt Grant	2,307	2,370
Operational Result before depreciation	1,142	2,093

(*) 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 operational result before depreciation is reflected in the positive cashflow from operating activities set out in the financial statements. Net cash outflows from investing activities increased this year reflecting the cashflow impact of the re-development of the North West precinct of the Showground. After recognising cash inflows through borrowings, the Society recorded a net cash decrease for the year.

Revenue for the year increased marginally (1%) in comparison to 2016, whilst expenses grew by 5%. The reduced net result reflects the decrease in business confidence, growing financial pressures felt by consumers, the financial effects of terrorism creating the need to enhance safety and security and the effects of poor weather on the 2017 Royal Adelaide Show.

Capital expenditure for the year included the redevelopment of the North West Showground Precinct (\$6.8M), relocation of Red Dove Cafe (\$636K) and purchase of the Boulevard Stage Marquee (\$156K).

INVESTMENTS

The Society's investment portfolio remained strong recording an unrealised gain of \$290,615 for the year. 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, completed a number of transactions, covering both acquisitions and disposals, resulting in net acquisitions of \$32,665. Gross dividends of \$600,375 were received during the year.

The Board approved 20% of dividend franking credits (\$36,377) as donations to the Archives and Education Foundations, representing 10% for each foundation in addition to other donations made by the Society to the foundations.

INSURANCE

Premiums for 2017 increased by 18% over previous year levels to \$317,678. Historically, a number of policies were secured through a process of group buying power in conjunction with certain other societies. In 2017, changes occurred in the process resulting in higher premium levels. In 2018, premiums have increased by a further 14.5% as a function of a significantly hardening insurance market.

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, RA&HS of SA Inc.
Adelaide, 16 March 2018

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Statement of Profit or Loss and other Comprehensive Income For the year ended 31 December 2017

	<u>Notes</u>	<u>Year ended</u> <u>31/12/2017</u> \$	<u>Year ended</u> <u>31/12/2016</u> \$
Revenue from continuing operations	3	20,679,584	20,442,111
Other gains and losses	4	453,855	249,183
Administration expenses		(1,620,208)	(1,585,612)
Advertising and promotion expenses		(756,011)	(668,624)
Depreciation expenses		(3,363,462)	(3,426,302)
Employee benefits expense		(4,751,840)	(4,662,059)
Event expenses		(8,158,212)	(7,523,764)
Finance costs		(72,660)	-
Maintenance and service of grounds		(2,701,621)	(2,377,511)
Other expenses		(876,337)	(913,173)
Loss for the year from continuing operations		(1,166,912)	(465,751)
Loss For The Year		(1,166,912)	(465,751)
Total Comprehensive Loss For The Year		(1,166,912)	(465,751)

Notes to the financial statements are included on pages 17 to 21

Statement of Financial Position
As at 31 December 2017

	<u>Notes</u>	<u>As at</u> <u>31/12/2017</u> \$	<u>As at</u> <u>31/12/2016</u> \$
<i>Current assets</i>			
Cash and bank balances	15	682,155	2,820,626
Trade and other receivables	5	846,818	1,168,832
Other assets	6	298,516	218,491
Total Current Assets		1,827,489	4,207,949
<i>Non-current assets</i>			
Other financial assets	7	9,400,781	8,928,157
Property, plant and equipment	8	85,445,248	81,060,341
Total Non-Current Assets		94,846,029	89,988,498
Total Assets		96,673,518	94,196,447
<i>Current liabilities</i>			
Trade and other payables	9	1,478,911	1,694,893
Provisions	11	775,199	686,765
Total Current Liabilities		2,254,110	2,381,658
<i>Non-current liabilities</i>			
Borrowings	10	3,900,000	-
Other liabilities	12	123,175	125,409
Provisions	11	110,576	236,811
Total Non-Current Liabilities		4,133,751	362,220
Total Liabilities		6,387,861	2,743,878
Net Assets		90,285,657	91,452,569
Equity			
Reserves	17	118,935	121,818
Retained surplus	18	90,166,722	91,330,751
Total Equity		90,285,657	91,452,569

Notes to the financial statements are included on pages 17 to 21

financial statements

Statement of Cash Flows

For the year ended 31 December 2017

	<u>Notes</u>	<u>Year ended</u> <u>31/12/2017</u> \$	<u>Year ended</u> <u>31/12/2016</u> \$
Cash flows from operating activities			
Receipts from customers		21,775,084	20,657,036
Payments to suppliers and employees		(20,579,885)	(18,778,074)
Cash generated from operations		1,195,199	1,878,962
Interest paid		(72,660)	-
Net cash generated by operating activities		1,122,539	1,878,962
Cash flows from investing activities			
Payments to acquire financial assets		(487,079)	(1,035,909)
Proceeds on disposal of financial assets		454,414	851,527
Interest received		5,753	16,645
Dividends received		600,375	618,745
Payments for property, plant and equipment		(7,767,814)	(1,220,964)
Proceeds from disposal of property, plant and equipment		33,341	274,773
Net cash used in investing activities		(7,161,010)	(495,183)
Cash flows from financing activities			
Proceeds from borrowings		8,400,000	-
Repayment of borrowings		(4,500,000)	-
Net generated by financing activities		3,900,000	-
Net (decrease)/ increase in cash and cash equivalents		(2,138,471)	1,383,779
Cash and cash equivalents at beginning of the year		2,820,626	1,436,837
Cash and cash equivalents at end of the year	15	682,155	2,820,626

Statement of Changes in Equity

for the year ended 31 December 2017

	<u>Notes</u>	<u>Retained Earnings</u>	<u>Donations & Bequests</u>	<u>Total Equity</u>
As At 31 December 2015		91,798,067	120,253	91,918,320
Total Comprehensive Deficit for the Year	18	(465,751)	-	(465,751)
Donations & Bequests	17	(1,565)	1,565	-
As At 31 December 2016		91,330,751	121,818	91,452,569
Total Comprehensive Deficit for the Year	18	(1,166,912)	-	(1,166,912)
Net transfer to reserves	17	2,883	(2,883)	-
As At 31 December 2017		90,166,722	118,935	90,285,657

Notes to the financial statements are included on pages 17 to 21

Notes to the financial statements
For the year ended 31 December 2017

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 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'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 is yet to assess the impact of these Standards and Interpretations on 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.

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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.

	31/12/2017	31/12/2016
	\$	\$
Exhibition space rental & selling rights	4,057,720	3,415,044
Royal Show space rental, selling rights etc	4,338,984	4,307,675
Royal Show ticket sales	5,170,709	5,448,409
Competitive entry fees & related charges	1,541,549	1,534,635
Catering & car parking	2,482,416	2,480,273
Rental income–property	269,687	262,634
Sponsorship & prizes	1,524,883	1,591,536
Interest received	5,753	16,645
Dividends received	600,375	618,745
Other	687,508	766,515
	<u>20,679,584</u>	<u>20,442,111</u>
4. Other gains and losses		
Gain on disposal of property, plant and equipment	13,896	151,544
Net Gain arising on investment in shares	439,959	97,369
	<u>453,855</u>	<u>249,183</u>

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5. Trade and other receivables

	31/12/2017 \$	31/12/2016 \$
Trade receivables	675,060	949,907
Allowance for doubtful debts	(44,818)	(44,414)
	630,242	905,493
Goods and services tax (GST) recoverable	56,453	88,077
Dividend Imputation Credits receivable	115,943	126,581
Other	44,180	48,681
	846,818	1,168,832

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	86,329	70,788
Other	212,187	147,703
	298,516	218,491

7. Other non-current financial assets

Quoted investments carried at fair value	9,400,781	8,928,157
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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 advice 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

At carrying amount:

Freehold land and buildings	21,171,622	21,265,129
Leasehold improvements	54,164,540	48,872,553
Plant and equipment	10,109,086	10,922,659
	85,445,248	81,060,341

	Freehold land & buildings	Leasehold improvements	Plant & equipment	Total
<i>Cost</i>				
Balance at 31 December 2016	21,535,019	81,326,130	23,191,641	126,052,790
Additions	-	7,301,627	466,187	7,767,814
Disposals	-	-	(140,049)	(140,049)
Balance at 31 December 2017	21,535,019	88,627,757	23,517,779	133,680,555

	Freehold land & buildings	Leasehold improvements	Plant & equipment	Total
<i>Accumulated depreciation</i>				
Balance at 31 December 2016	(269,890)	(32,453,577)	(12,268,982)	(44,992,449)
Depreciation expense	(93,507)	(2,009,640)	(1,260,315)	(3,363,462)
Elimination on disposal of assets			120,604	120,604
Balance at 31 December 2017	(363,397)	(34,463,217)	(13,408,693)	(48,235,307)

Certain freehold land and buildings have been pledged to secure borrowings of the Society. 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

	31/12/2017 \$	31/12/2016 \$
Trade payables	458,894	513,270
Goods and Services Tax (GST) payable	48,314	80,295
Other	971,703	1,101,328
	1,478,911	1,694,893

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

Secured at amortised cost

Commercial bills	3,900,000	-
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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 3.11% per annum (2017: nil)

11. Provisions

	31/12/2017	31/12/2016
	\$	\$
Employee benefits	885,775	923,576
Current	775,199	686,765
Non-current	110,576	236,811
	885,775	923,576

12. Other non-current liabilities

Life memberships	123,175	125,409
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13. Financing facilities

Secured commercial bill facility		
- Used	3,900,000	-
- Unused	1,100,000	5,000,000
	5,000,000	5,000,000

14. Related party transactions

Transactions between the Society and Board 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 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.

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	682,155	2,820,626
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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	121,818	120,253
Interest earned	2,253	1,563
Expenses paid out	(5,736)	(6,584)
Donations and bequests received	600	6,586
Balance at end of financial year	118,935	121,818

18. Retained surplus

	31/12/2017	31/12/2016
	\$	\$
Balance at beginning of financial year	91,330,751	91,798,067
Net deficit	(1,166,912)	(465,751)
Transfer (to) / from reserves	2,883	(1,565)
Balance at end of financial year	90,166,722	91,330,751

19. Remuneration of auditors

Audit of the financial report	15,900	15,500
Other advisory services	-	-
	15,900	15,500

20. Capital expenditure commitments

<i>Not later than 1 year</i>		
Leasehold Improvements	-	4,876,787

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 2017, the Archives Foundation generated total revenue of \$126,766 including \$82,089 in financial support by the Society and, after deducting operating expenses, reported a net surplus of \$41,278 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 2017, the Education Foundation generated total revenue of \$115,027 including \$107,519 in financial support from the Society. After providing educational scholarships of \$78,331 reported a net surplus of \$45,502.

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 2017, the Scholarship Fund generated total revenue of \$42,897 including \$42,815 in tax deductible donations. After providing educational scholarships of \$11,000, the fund reported a net profit of \$31,897. 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 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 the Royal Agricultural & Horticultural Society of South Australia Inc hereby states that during the financial year ending 31 December 2017:

- (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 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.

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.



Rob Hunt, *President, RA&HS of SA Inc.*
Adelaide, 16 March 2018



Robert Snewin, *Treasurer, RA&HS of SA Inc.*
Adelaide, 16 March 2018

statement by board

IN THE OPINION OF THE BOARD

- (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 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.



Rob Hunt, *President, RA&HS of SA Inc.*
Adelaide, 16 March 2018



Robert Snewin, *Treasurer, RA&HS of SA Inc.*
Adelaide, 16 March 2018

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Royal Agricultural & Horticultural Society of SA Inc. (the Entity), which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity, and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the statement by the board.

In our opinion the accompanying financial report presents fairly, in all material respects, the financial position of the Entity as at 31 December 2017 and of its financial performance and its cash flows for the year then ended in accordance with the basis of accounting described in note 1.

Basis for opinion

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

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

Emphasis of matter – Basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Entity to meet the requirements of the Associations Incorporations Act (SA) 1985. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The board is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the entity's annual report for the year ended 31 December 2017, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board for the Financial Report

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 requirements of the **Associations Incorporations Act (SA) 1985** and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: <http://www.auasb.gov.au/auditors/responsibilities/ar4.pdf>. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

In accordance with section 37(3e) of the South Australia Associations Incorporations Act 1985, we are required to report whether we have obtained all the information and explanations required from the entity in performing our duties as auditor. We have obtained all the information and explanations required.

BDO Audit (SA) Pty Ltd

G K Edwards
Director
Adelaide, 16 March 2018



THE SOCIETY

ANNUAL REPORT 2017

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