



ROYAL AGRICULTURAL & HORTICULTURAL SOCIETY OF SOUTH AUSTRALIA INC.

ANNUAL GENERAL MEETING

MINUTES OF THE MEETING HELD ON FRIDAY, 4 SEPTEMBER 2020, COMMENCING AT 10.00 AM

1. FINANCIAL MEMBERS PRESENT

Mr RJ Hunt (Chairman)

BTM Ashby, TE Ashby, KA Bennett, CA Bennett, W Billings, HJ Bone, RA Bowyer, FA Brake, RW Burdon, AG Burgess, RJ Butler, TSG Buxton, DM Cain PSM, MB Camac, T Camac, V Cappelletto, BA Cay, RP Coleman, B Cook, MLJ Cooper, GPC Day OAM, IB Digby, TJ Donaldson, AR Duncan, JG Duncan AM, WH Duncan, PJ Elkin, SJ Fahey, PT Fanning, N Feeney, RW Fewster, HC Findlay, A Fletcher, G Follett, KH Follett, E Fricker, M Fricker, MD Fullgrabe, PS Gill OAM, PW Godden, JVE Gosse, JS Hall, NM Hallion, AM Hardy, RF Haynes, RJ Hedger, AR Hentschke, MN Hill-Smith, DJ Hubbard, GP Hyde, TG James, LC Jenkins OAM, P Karytinos, SJ Kay, GA Klatt, C Knezevic, J Kuys, CW Lessue, RL Liebelt, CL Liebich, R Macdonald, D McCauley, FJ McEvoy, BF McFarlane, RJ McFarlane, EM McGee, IA McGowan, J Middleton, AS Murray, DR Mutton JP, G Octoman, G Pacitti, M Pacitti, B Parker, AM Piggott, R Pincombe, KE Porter, AJ Potter, R Preston, JC Radcliffe AM, FTSE, DN Read, GT Reu, LC Richens, WJ Rowett, SJ Ryan, C Sayer, R Schultz, G Schulz OAM OAM, MJD Scott ASM, OAM, WA Seppelt, PK Seppelt, DR Shannon, TL Shone, MP Siebert, B Simmons, T Smans, PP Smith, RL Snewin, KD Stables, LM Stapylton, CJ Thompson, GL Trengove, AN Wadlow, AAT Walsh, RT Walsh AM, CK Wandel, AC Wilson, DP Wilson, PE Withers, NS Wittwer and JF Ziesing

2. IN ATTENDANCE

Messrs RD Battams, RA Bowyer, OF Croser, IB Digby, L Gobbett, K Hay, H Herbst, K Holthouse, AJ Michael, G Piggott, LC Richens, MF Robertson, IB Sanders, PGC Smith, A Thompson, GR White, JW Rothwell (Chief Executive) and KH Freund (Executive Assistant)

3. WELCOME

The Chairman welcomed Members, Councillors and Honorary Councillors present at the meeting and extended a special welcome to Mr Geoff Edwards from BDO Australia and Mr Jeremy Schultz and Mr George Femia from Finlaysons Lawyers.

4. APOLOGIES

Councillors

Messrs TRS Baker, MC Blenkiron, GR Brand, WR Burgess, PO Button, DH Copping, LJ Day, MJ Doecke, BJ Draper, CW Francis, MC Gale, SE Green, RR Hart, AT Jones, KJ Laurie, TW Linke, MD Llewellyn, AJ Lock, K McIntyre, SG Nicholls, BC Octoman, BWA Redpath, SFJ Reidy, JW Richards, JE Schutz, ED Scott, EK Shaw and FJ Young

Honorary Councillors

Messrs JS Ayers, FT Beauchamp, BJ Beaumont, TW Bowden OAM, DM Cain PSM, DW Fechner, RL Fiebiger, RG Fishlock, RW Hamdorf APM, JP, RA Jenssen, PL Laffer AM, CE Lienert OAM, RW Linn, JH Lloyd, AM Michael, DM Pettman, TM Ranford, KJ Seppelt AO, MK Smart, DK Squiers, CJ Tindall RFD, LL.B., MJ Wandel, MG Weston, RJ Wright, IL Young, an JW Young

Honorary Life Members

The Hon Sir EJ Neal AC, CVO

Members

P Angus, C Bavistock, B Brakel, D McLeod and R Templeman

5. MINUTES

Minutes of the the Annual General Meeting held on 22 March 2019, which had been circulated, were taken as read and confirmed.

Moved: AM Hardy

Seconded: N Feeney

6. ANNUAL REPORT OF THE SOCIETY - including President's Report, Chairman's Report, Chief Executive's Report, Treasurer's Report, Income Statements, Balance Sheet and Auditor's Report for the year ending 31 December 2019

The Chairman presented a précis of the reports as published in the 2019 Annual Report:

"As South Australia's largest public event, the Show continued to make a healthy economic contribution to South Australia, achieving a gross economic impact of approximately \$170 million in 2019. Carnival and Showbag operators both experienced a slight decrease in revenue, however, spend per head increased by 5.3 and 4.8 per cent respectively, which was a positive result. Revenue from commercial exhibitors increased significantly, with the Goyder Food & Wine, Jubilee Pavilion, Pet Centre and Market Bazaar zones performing particularly well.

The Royal Show's diverse and ever-changing food and beverage offerings struck a chord with Show-goers, with total catering revenue increasing on average per head from \$13.81 to \$14.70.

The 2019 Royal Adelaide Show was also a year of milestones, with two of our feature breeds - Polwarth Sheep and Angus Beef Cattle - celebrating 100-year anniversaries, and the wonderful Skymaster Ferris Wheel marking its 50th birthday with the installation of a new audio and light display.

Show supporters and friends, the South Australian Country Women's Association, celebrated their 90th anniversary at the Royal Show with a display of historic memorabilia, tea cosy competition and pop-up craft market, while the Office for Women marked 125 years of Women's Suffrage Bill with a display in the Jubilee Pavilion. Likewise, St John Ambulance whose qualified team provides valuable first aid support each year at the Show – celebrated 135 years, and the Showtime FMX motocross team celebrated 20 years of performing on the Main Arena.

Displays of our various feature breeds attracted many Show-goers and did an effective job of showcasing the high standard of entries received.

Likewise, the feature breed livestock sections continued to perform well, including Guernsey (Dairy Cattle), Angus (Beef Cattle), Polwarth (Sheep) and Leghorn (Poultry). An interactive display that highlighted barley as the feature grain was a popular attraction in the Golden Grains Pavilion, while stunning displays of this year's feature flower, the protea, drew crowds in the Horticulture section.

Many South Australian schools demonstrated their agricultural talents at this year's Show, such as Renmark High School who made their debut appearance at the Schools Merino Wethers Competition thanks to a scholarship from the Show Society Foundation. Competitive entries from school children were also evident in many other areas of the Show, including the Junior Art and Craft, Technology and Cookery competitions.

The 2019 Royal Adelaide Wine Show attracted a high standard of entries across all classes, with 2,647 entries received from 351 wineries. Shiraz continued to be the most represented wine at the Show, with 600 entries judged and 31 gold medals awarded. In the Cabernet Sauvignon class over 300 wines were judged and 22 golds awarded, while the third most common variety was Chardonnay, which saw 13 gold medals presented.

Other than the Royal Show, the highlight of the 2019 calendar was the presentation of the 25th World Routes Development Forum in September, an international aviation event that attracted over 90 international exhibitors, and around 2,000 delegates. The Showground worked with the South Australian Tourism Commission and the Europe-based organisers, Informa Markets, to present an event that was widely acclaimed for the suitability of the venue and quality of the catering. Our involvement with World Routes provided a springboard to showcase our local produce, extend our wi-fi capabilities within the exhibition pavilions, and develop our sustainable waste management practices. The event has allowed the Adelaide Showground to engage in the international market where events require predominantly exhibition space.

On the domestic front, Adelaide Showground maintained its position as one of South Australia's most visited venues with more than 900,000 people attending almost 260 events throughout the year. Our broad portfolio of public exhibitions attracted significant consumer support, including the Let's Go Caravan & Camping Show, the 4WD & Adventure Show, SupaNova ComicCon & Gaming Expo and three Home shows.

Music festivals have been a feature of the Adelaide Showground since 1994 when we first hosted the Big Day Out, and the Showground has been at the forefront of the music festival revival in recent years. In 2019, Groovin' the Moo (April), Spin Off (July) and RnB Friday (November) all attracted audiences approaching 20,000 people. The established facilities and expertise at the Adelaide Showground has proven essential to the success of these events.

The year delivered a record financial return for the Adelaide Showground business and we anticipate further growth in the coming year with Cirque du Soleil confirmed for a five-week season in June, Adelaide Festival again including the Ridley Centre in their programme, and Flight Centre choosing Goyder Pavilion for all three of their consumer events.

The operational result is \$ 1,412,046 after adjusting for investment results, amortisation of government grants (*) and depreciation. Depreciation for the year of \$3,152,247 includes \$1,015,040 relating to assets funded by government grants. The Society continues to achieve a positive operational result in a year of challenging economic conditions both at state level and nationally.

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 during the year reflects the cashflow impact of the first stages of the re-development of the South East Showground precinct which commenced in late 2019.

Revenue for the year increased slightly in comparison to 2018 with expenditure, excluding unrealised gains on investments and depreciation, also increasing marginally. This is a solid result in a weak consumer economy where discretionary spending by consumers is reducing as the cost of living rises with ongoing competition between events for this discretionary dollar.

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.

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 2019."

Moved: RJ Hunt

Seconded: RL Snewin and carried.

7. APPOINTMENT OF PATRON

The Chairman informed the meeting that as the Governor of South Australia, His Excellency the Honourable Hieu Van Le AO had accepted his appointment as Patron for the term of his office, it was not necessary to formally elect him as Patron at this meeting.

8. ELECTION OF PRESIDENT

Mr Hunt informed the meeting that following four years' service as President, he was standing down from the role.

Mr Hunt noted it had been an honour and a privilege to work for such a remarkable Society that offers benefits to the wider community and agriculture. He thanked Kerstin Freund, Executive Assistant and Chief Executive John Rothwell for their support and also thanked all staff, and Councillors, Committee members and Members for their confidence in him.

Mr Hunt called for nominations for the position of President for the ensuing two-year term.

Mr Jock Duncan nominated Mr Andrew Hardy.

The motion was seconded by Mr Bruce McFarlane. As there were no further nominations, Mr Andrew Hardy was duly elected to the position of President for a two year term.

CARRIED

Upon taking the Chair, Mr Hardy stated he was honoured to be appointed as President of the Society and thanked members for their support. He also thanked Mr Hunt for his friendship, guidance and leadership during his term of office.

9. ELECTION OF SECTIONAL COMMITTEES

The Chief Executive declared that as no qualifying nominations had been received for Council by 21 February 2020, all Councillors had been re-elected for a further term to the next AGM in March 2021.

10. RESOLUTIONS

On the recommendation of the Executive Committee, that:

- For the Agri Food & Commerce Committee
 - Ms Catherine Sayer, representing Food SA
- For the Art, Craft, Cookery & Technology Committee
 - Mrs Claire Bennett, representing Primary & Secondary Schools
- For the Beer, Cider & Spirit Committee
 - Mr Warwick Billings, Vice President, representing Cider Australia
 - Mr Tim Gniel, representing Adelaide Hills Distillery
- For the Dairy Products Committee
 - Mrs Karen McIntyre, representing the Dairy Industry Association of SA
 - Mr Sean Kay, Director, representing Cheese Partners
 - Mr Matt Cooper, Sales Manager representing Real Dairy Australia
- For the Diverse Farming Committee
 - Mr Chris Francis, representing the Blacksmiths & Farriers Association of SA
 - Mrs Kerry Porter, representing the Australian Alpaca Association (SA Branch)
- For the Dog Committee
 - Mr Brian Parker, President, representing the South Australian Canine Association
- For the Horticulture Committee
 - Mr Trevor Camac, representing the Orchid Club of SA
 - Mrs Susie Green, Chief Executive, representing the Apple & Pear Growers Association
 - Mr Mark Doecke, representing Citrus Australia – SA Region

- Mr Vido Cappelletto, nominated by TAFE SA
- For the Wine Committee
 - Mr Peter Godden, representing the Australian Wine Research Institute

be appointed ex-officio members of the Council for the period to March 2021 AGM.

Moved: AM Hardy

Seconded by: N Feeney

11. OTHER BUSINESS

The President advised that the Members are asked to consider and if thought fit pass four resolution to alter the Constitution of the Royal Agricultural & Horticultural Society of South Australia.

He also informed members that to pass each of the four Special Resolutions, 75% of all members attending and entitled to vote must vote in favour of the motion in order to pass each resolution.

Details of the suggested alterations or additions with explanatory notes were emailed out to all Society members well in advance of the meeting and had also been placed on each seat for the meeting.

12. SPECIAL RESOLUTION – ELECTION PROCESS

The President provided members with a short synopsis of the special resolutions to be passed and invited Mr Jeremy Schultz to provide comment on the proposals.

The President also called for any questions prior to accepting any motion for each resolution.

Mr Simon Fahey moved:

"That the current Constitution of the Royal Agricultural and Horticultural Society of South Australia Incorporated be altered by inserting a new clause as follows:

10.3.7 Election Process

- (c) *For the avoidance of doubt, subject to clause 10.3.7(b), all persons elected to the office of President, Chairman of the Council, Deputy Chairman of the Council, Treasurer or Trustee (each an Office), are eligible to stand for re-election or election for any of the Offices at the expiration of their term of office.*

Seconded by WA Seppelt and CARRIED

13. SPECIAL RESOLUTION – PROXY VOTING

Mrs Felicity Brake moved:

"That the current Constitution of the Royal Agricultural and Horticultural Society of South Australia Incorporated be altered by the addition / alteration of the following rules:

7.4.1 Quorum

- (a) *No business will be transacted at any General Meeting, unless a quorum of Voting Members is present personally or by proxy (or by direct vote if determined by the Board) at the time the meeting proceeds to business.*
- (b) *The quorum for a General Meeting is 40 Voting Members.*

7.4.5 Resolutions

- (a) *At a General Meeting, a resolution put to the vote of the meeting is to be decided on a show of hands or by poll, as the chairman of the meeting directs.*
- (b) *Subject to having paid all amounts owing to the Society at least 3 Business Days prior to the relevant General Meeting, each Voting*

Member is entitled to one (1) vote and may vote personally or by proxy (or by direct vote if determined by the Board).

- (c) *The chairman of the meeting has a deliberative vote and in the case of an equality of votes also a casting vote.*

7.4.8 Proxies

- (a) *A Voting Member who is entitled to attend and cast a vote at a General Meeting may appoint another Member as the Member's proxy to attend and vote for the Voting Member at the meeting.*
- (b) *An instrument appointing a proxy must be in writing and contain the following information:*
- (i) *the Society's name;*
 - (ii) *the appointor's full name and registered address;*
 - (iii) *the proxy's full name or the office held by the proxy;*
 - (iv) *the meeting(s) at which the proxy may be used; and*
 - (v) *the signature of the appointor, or the signature of such an appointor under power of attorney.*
- (c) *An undated proxy is taken to be dated on the day that it is received by the office of the Society.*
- (d) *The Board shall have the power to prescribe the form of an instrument appointing a proxy from time to time. In the absence of a prescribed form of proxy, any instrument appointing a proxy which complies with the requirements contained within this Constitution is valid.*
- (e) *An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution, and where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.*
- (f) *In the absence of any direction contained in the instrument appointing a proxy specifying the manner in which the proxy is to vote in respect of a particular resolution, the proxy may vote as the proxy thinks fit on any motion or resolution.*

7.4.9 Lodgement of Proxies

For an instrument appointing a proxy to be valid, the instrument appointing the proxy must be received by the Society (at the office of the Society or at such other place as is specified for that purpose in the notice convening the General Meeting) no less than 48 hours before the time for holding the General Meeting at which the person named in the instrument proposes to vote.

7.4.10 Validity of Proxies

- (a) *A vote cast in accordance with the terms of an instrument of proxy will be valid even if before the vote was cast the appointor:*
- (i) *died;*
 - (ii) *became of unsound mind; or*
 - (iii) *revoked the proxy or power,*
- unless written notification of the relevant event is received by the office of the Society before the meeting, adjourned meeting or the taking of the poll at which the relevant instrument was used. The Chairman's decision as to whether a proxy has been revoked will be final and conclusive.*
- (b) *A proxy will be revoked by the appointor attending and taking part in any meeting.*

7.4.11 Where Proxy is Incomplete

- (a) *No instrument appointing a proxy shall be treated as invalid merely because it does not contain:*
 - (i) *the address of the appointor or of a proxy;*
 - (ii) *the proxy's name or the name of the office held by the proxy; or*
 - (iii) *in relation to any or all resolutions, an indication of the manner in which the proxy is to vote.*
- (b) *Where the instrument does not specify the name of a proxy, the instrument shall be taken to be given in favour of the chairman of the General Meeting."*

Seconded by MP Siebert and CARRIED

14. SPECIAL RESOLUTION – DIRECT VOTING

Mr Graham Reu moved:

"That the current Constitution of the Royal Agricultural and Horticultural Society of South Australia Incorporated be altered by the addition of the following rules:

7.4.12 Direct Voting

- (a) *The Board may determine that at any General Meeting, a Member who is entitled to attend and vote on a resolution at the meeting is entitled to a direct vote in respect of that resolution.*
- (b) *In this clause 7, a "direct vote" includes a vote delivered to the Society by post, or other electronic means approved by the Board, and "direct voting" means the process associated with the making of a direct vote.*
- (c) *The Board may prescribe by-laws, rules, regulations, policies and codes in accordance with rule 23 of this Constitution to govern direct voting including specifications as to the form, method and timing of giving the direct vote in order for the vote to be valid, and the treatment of direct votes, including for the purposes of determining a quorum.*

7.4.13 Treatment of Direct Votes

A direct vote on a resolution at a General Meeting in accordance with clause 7.4.12 is of no effect and will be disregarded if:

- (a) *at the time of the resolution, the person who cast the direct vote:*
 - (i) *is not entitled to vote on the resolution; or*
 - (ii) *would not be entitled to vote on the resolution if the person were present at the meeting at which the resolution is considered;*
- (b) *had the vote been cast in person at the meeting at which the resolution is considered:*
 - (i) *the vote would not be valid; or*
 - (ii) *the Society would be obliged to disregard the vote;*
- (c) *subject to any by-laws, rules, regulations, policies and codes prescribed by the Board, the person who cast the direct vote is present in person at the meeting at the time the resolution is considered; or*
- (d) *the direct vote was cast otherwise than in accordance with any by-laws, rules, regulations, policies and codes prescribed by the Board under clause 7.4.12(c)."*

Seconded by TSG Buxton and CARRIED

15. SPECIAL RESOLUTION – USING TECHNOLOGY

Mr Jock Gosse moved:

"That the current Constitution of the Royal Agricultural and Horticultural Society of South Australia Incorporated be altered by the addition of the following rules:

7.4.3 Conduct of Meetings

- (f) *Subject to the requirements of the Act, this Constitution and any by-laws, rules, regulations, policies and codes, the Board may allow a General Meeting to be held at 2 or more venues using any technology approved by the Board.*

Seconded by DR Mutton and CARRIED

16. APPOINTMENT OF AUDITOR FOR 2020 ACCOUNTS

Mr Bob Snewin moved that the firm of BDO Australia be appointed as the Society's Auditor for the year 2020, at a fee to be negotiated with the Board of Management.

Seconded by: JVE Gosse and carried

17. INFORMATION BRIEFING ON THE IMPACT OF COVID-19 ON THE SOCIETY'S BUSINESS TO DATE AND FUTURE PLANS

The Chief Executive provided members with a brief overview of the impact of COVID-19 on the Society's business and plans for the future.

"Due to the unfamiliar and unprecedeted circumstances experienced by the South Australian community since March 2020, and the resulting postponement of the Society's AGM, I will provide a brief summary of the journey, the current situation and plans for the foreseeable future.

With the March 2020 introduction of Federal and State health protocols to combat COVID-19, the Adelaide Showground saw all event and exhibition clients respond with immediate cancellations, postponements or rescheduling of their events. This response resulted in the Society immediately loosing 95% of its income stream for an unknown period. The scale of income loss remains today and is not expected to start returning for at least the next six months. It was hoped up to 30 or more events might take place at the Showground in the last quarter of this calendar of this year, but as we have got closer more than half of those events have already cancelled.

Following a meeting with the Society's Executive Committee on the 9 April 2020 and in consideration of all the elements and latest information relating to COVID-19, the Society's Board determined it was in the best interests of the Society, Members, Councillors, staff, volunteers, competitors, exhibitors, sponsors, visiting public and the Show's brand that the 2020 Royal Adelaide Show be cancelled. The decision was publicly announced on the 14 April.

The financial impact on the Society has been extremely severe requiring unprecedeted action to protect the Society's interests. This situation is demonstrated with the following three graphs:

- Society's position compared to other industry sectors.
- Operating results for the period 2009 to 2019 and revised forecast 2020 to year end 2021.
- Two-year cycles of past and future levels of borrowings.

Action taken by Society in response to the ever changing COVID-19 world include:

- The number of Board meetings held increased significantly in response to the ever-changing state of affairs with 9 Board Meetings held in five and a half months.
- Senior Management consistently operated at an elevated state of planning and response, mapping an ever-changing path forward. This journey still continues in a constant state of flux and will only

regain some stability when business and the wider community returns to a reasonable level of normality.

- A significant level of communication has taken place with the broad range of Society stakeholders keeping organisations and people informed of the situation at the Showground.
- Detailed financial planning is ongoing to ensure the Society will achieve the best possible position when emerging at the end of this journey. Financing arrangements have been negotiated to extend the Society's borrowings to a maximum of \$20.0M.
- Applications have been lodged wherever possible with governments for funding grants including:
 - Federal Government's Boosting Cash For Small To Medium Employers valued at \$100K – Society was successful;
 - Agricultural Shows of Australia application to the Federal Government on behalf of agricultural shows – Royal Adelaide was successful for \$2.5M;
 - Federal Government's Job Keeper program to assist in supporting staff employment – Society successful to March 2021;
 - Submission to City of Unley to waive Council rates for 12 months for \$450K – Society was successful;
 - Application for \$5.0M to State Government's Community & Jobs Fund – response yet to be received.
- Every dollar of these grants will be spent on reducing bank borrowings.

Further actions taken:

- Very high standard Virtual Show @Home has been produced at zero net cost and launched on-line with strong support from Society's Competitive Sections and Sponsors.
- Competitive sections have maintained a strong interest in their sections future with five competitions including the Wine Show plus two ram sales proceeding in 2020.
- Showground team have worked closely with industry bodies and colleagues to maximise opportunities for business recovery, with Covid compliant plans approved in preparation for returning events and exhibitions.
- The Showground infrastructure, facilities and grounds are being maintained at minimal expense but in a state ready for return to business.
- In September 2019 the Southeast Corner of the Showground went under major development to accommodate four modes of use. Cirque du Soleil was scheduled first with its premier production on 28th May to then be followed by the 2020 Royal Show, both of course now cancelled. Before COVID-19 if we had been lucky we may have even then fitted in a music festival which is the third proposed use for the site. The caravan park mode was planned to commence in late October. We have since changed the manner in which the site was finishing off to enable the first caravans to arrive on 24 June. Our team at the Showground have worked very hard to promote the Caravan Park achieving ongoing booking despite the lack of interstate travellers and regional people coming into Adelaide. Feedback from caravaners has been excellent providing confidence that this diversification will contribute positively in support of the Society's future.

- I know you would all understand the uncertainty surrounding when Showground related activities can effectively and viably be re-established. In the meantime, you can be assured everyone is focused and working to ensure the Society is in the best position it can be when we break free of these significant constraints.
- I would like to conclude with acknowledging the positive spirit and support shown by many who are involved in various ways with the Society, in particular Members, Councillors, Board Members and staff who have maintained a strong sense of belief in the positive years ahead for the Society.”

18. MEETING CLOSED

The President thanked all members for attending and their support given to the Society and declared the meeting closed at 10.47 am.

CONFIRMED:

Chairman

DATE _____