

**ANNUAL REPORT**

2002/2003



THE ROYAL AGRICULTURAL SOCIETY OF VICTORIA LIMITED  
[www.rasv.com.au](http://www.rasv.com.au)

## COUNCILLORS

RAS ANNUAL REPORT 2002/2003

### COUNCILLORS June 2003

#### Life Councillors

R T Balderstone, CMG, MC  
J Balfour Brown  
A C Bott  
J K Buchanan, AM  
J M Burston  
R M Butler  
Sir Rupert Clarke, Bart, AM, MBE  
W D Crowley QPM  
K A Finnin  
C B Gardiner  
R B Gerrard MBE  
A Gibson  
W McL Greaves  
J G W Head OAM  
G Howell  
C R Kelly  
J W Kelly  
C O Moore  
I K Morton AM  
J W Rae OAM  
A J Russell  
G R Starritt AM OBE  
I McK Starritt  
F R I Stephens  
K W Urquhart  
The Hon. Vernon Wilcox CBE QC  
G P H Wilson CMG

#### Council Members

J Allen  
D G Beard  
W R R Beggs AM  
R S Bell  
I I Bucknall  
R G A Clarke  
B M Crotty  
Dr R C E Cust  
N A Edwards APM  
Prof. I. Falvey  
C J Fox  
R F Haselgrove AM  
W H Hill  
K Jordan  
N E King  
L R Latta  
B E Laws  
E R Lithgow  
D Lowing  
C R Lyons  
P McMahon  
M T Marriott  
F J Neeson  
D Nicholas  
G J Phillips  
B W A Redpath  
P J B Ronald  
I McC. Rough  
A F Rowden  
J H Seymour  
S R Shelmerdine AM  
G J Sheppard  
S C Spargo  
G B Starritt  
J C Watson

22 July 2003

Mr C J Fox  
PO Box 30  
Parkville VIC 3052

**Member Number:** 7713  
**Member Category:** Councillor/Member

Dear RAS Member

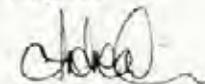
In this package you have received a copy of the Society's Annual Report for 2002/03.

In line with the practice adopted by many other organisations, we are seeking your response to the question of how you would like to access the Annual Report and also your Members Newsletters in the future.

The options we are putting to you, are whether you would prefer to access the Annual Report and Newsletters via the Internet, or continue to receive it by mail.

We would appreciate it if you would take a few minutes to respond to this question by ticking one of the boxes below. If you do not respond, you will continue to receive the Annual Report and the Newsletters by mail, if you have already responded to this question on your renewal form then you will not need to return the form below.

Regards



Andrea Quinn  
Membership Manager

**Name:** \_\_\_\_\_ **Membership No:** \_\_\_\_\_

If you elect to access your correspondence via the Internet please make sure you have provided your Email address: \_\_\_\_\_

**My preference regarding the:  
Annual Report**

- Is to access via the Internet  
 Is to continue to receive by mail

**Members Newsletter**

- Is to access via the Internet  
 Is to continue to receive by mail

**Please return to:**

Membership Manager  
Royal Agricultural Society of Victoria  
Address as below

or Fax: 03 9372 1947

or Email: [andrea.quinn@rasv.com.au](mailto:andrea.quinn@rasv.com.au)





**RAS**

THE ROYAL AGRICULTURAL SOCIETY OF VICTORIA LIMITED  
ACN 006 728 785

Notice is hereby given that the Annual General Meeting of Members of  
The Royal Agricultural Society of Victoria Limited  
will be held in the Port Phillip Room  
Royal Showgrounds, Epsom Road, Ascot Vale  
on Monday 18<sup>th</sup> August 2003 at 12 noon

**BUSINESS**

- Royal Melbourne Show
  - Royal Melbourne West Show
  - Australian International Beef Awards
1. To receive and consider the financial statements and the Directors' declaration and report for the year ended 31<sup>st</sup> March 2003, together with the Auditor's report.

2. To consider the election of Councillors:

**ELECTION OF COUNCILLORS**  
(There are 5 vacancies and 5 nominations)

- Royal Melbourne Dairy Show
- Royal Melbourne Horse Show
- Commercial Flock of the Year
- Victorian Farm Management
- Dairy Herd of the Year
- Show Dairy Farmer of the Year
- RAS Grain Quality Awards
- Young Citizen Award

BM Crotty  
ER Lithgow  
IMcC Rough  
GJ Sheppard  
GB Starritt

The above 5 elected Councillors retire by rotation and offer themselves for re-election.

3. Presentation of Honorary Life Memberships to:

R Cleland  
AJ Patterson

4. General - to transact any business which may be lawfully brought forward.

By Order of the Board

  
A MANSOUR  
COMPANY SECRETARY



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RAS ANNUAL REPORT 2002/2003

The Royal Agricultural Society of Victoria Limited had its origins in 1848 when its forerunner, The Port Phillip Farmers Society, was formed from a number of earlier farmers' organisations in the Colony of Victoria.

The first Agricultural Show was held in 1871 at Emerald Hill. Twelve years later in 1885, the first Show was held at the present Ascot Vale Showgrounds site.

The Royal Agricultural Society of Victoria Limited makes a unique and dynamic contribution to Victoria.

Each year it connects the country to the city for the Royal Melbourne Show - to

showcase the best in agriculture and rural lifestyle through competition, education, sporting activities, food and much more.

The RAS provides substantial economic benefits to Victoria. Two independent studies commissioned by Government have shown that the activities of the RAS, including the Royal Melbourne Show, make a cumulative contribution of about \$400 million a year in economic benefits to the State.

**The Vision of the RAS is as follows:**

Thriving agribusiness and rural and regional communities.

**The Mission of the RAS is as follows:**

A creative catalyst for superior outcomes for agribusiness and rural and regional communities, through competitions, showcasing, commercial venue management and knowledge exchange; a bridge between urban and rural/regional communities

**The Values adopted by the RAS to achieve the Vision and Mission are:**

- relationship-oriented
- community-minded
- representative of our stakeholders
- leaders and innovators
- commercially-focused

## PRESIDENT'S MESSAGE

RAS ANNUAL REPORT 2011-12

The Royal Agricultural Society of Victoria is facing an exciting future with the confidence that the Ascot Vale site is on the verge of redevelopment into one of the great community assets in Victoria.

The Victorian Government's investment of \$101 million for renewal of the Showgrounds will ensure that the master plan being developed will convert this historic site into a venue available year-round as a hub of rural information exchange and showcasing.

We anticipate that major works will commence on the site next year. The program will help ensure that the RAS continues to meet its Mission.

These works have been enhanced with the implementation of the new RAS Business Plan which has resulted in significant and positive changes in the administration and business practices of the RAS.

Incorporated in this is the revitalisation of some elements of our Corporate Governance including Committee operations and

frequency of their meetings. This is providing more direct involvement in events planning and helps ensure more effective outcomes in all event areas.

During the past year, we continued our Thought Leadership program which involves us taking public positions on important issues impacting the communities we serve, with our well considered views on agribusiness and rural and regional community issues being disseminated through various forums.

The main forums chosen were two Symposiums hosted by the RAS. The first in August was on the topic 'The Future of the Shows Network' with 85 attendees in a forum style atmosphere. The second in November on the subject 'Overcoming barriers to the achievement of Victoria's food export potential' was an initiative of the Food Exports Roundtable of the RAS and brought together 66 people in a workshop-style Symposium.

Earlier in the year, RAS perspectives on the future of Shows and Agricultural Societies were presented to

an international gathering - the biennial Conference of the Royal Agricultural Societies of the Commonwealth in Belfast, Northern Ireland. Two special RAS papers were delivered on a Vision for the Future of Shows and Agricultural Societies, and the Economic & Operational aspects of that Vision. Both papers were very well received.

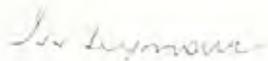
A major achievement for the Show movement in Victoria during the year was the reconstitution of the Victorian Agricultural Societies Association (VASA) to Victorian Agricultural Shows Limited (VASL).

The organisation has moved from an Incorporated Association to a Company Limited by Guarantee with a modern governance structure and the ability to provide a greater range of services to member organisations. The key objective of the change is to enable Agricultural Societies and Shows in Victoria to be more sustainable into the future.

This is the way forward for our industry and we look forward to sharing the future with you, our Members and supporters.

We were saddened by the passing during the past 12 months of Life Councillors John Robb and Ern Drinkwater. Both had served the RAS with great distinction over many years.

We thank all of our stakeholders for their support during the year, with particular thanks to the Board, Council, Executive, staff and consultants. Most of the latter freely gave of their time.



**J H Seymour**  
President

## REPORT OF THE CHIEF EXECUTIVE OFFICER

RAS ANNUAL REPORT 2002/2003

The RAS has completed a demanding, yet very successful year in terms of investment for the future.

We are now extremely well positioned to take the RAS forward with new facilities and most importantly, a new corporate business strategy. The decisions implemented in the past year are very significant in that we are implementing a contemporary and progressive business model whilst maintaining our wonderful traditions.

2002 will be remembered as the year in which the RAS secured investment of \$101 million by the Victorian Government for the redevelopment of the Melbourne Showgrounds.

The decision announced in the State Budget of May 2002 was the result of months of meticulous planning and business modelling to create a partnership with Government which will ensure that the Ascot Vale site becomes the true centre in Victoria for agriculture and agribusiness.

The decision goes far beyond simply bricks and mortar, as it places Victoria at the forefront of growing agribusiness in Australia and sets the stage for

the RAS to work with Government to achieve a number of shared objectives.

The development of a Master Plan for the site is expected to be completed this year. Critically, the new site will transcend our current view of a 'showground' and offer business development, research, education and entertainment facilities to Victorians all year round.

Our assessment is that the redevelopment will achieve the Government's triple bottom line objectives - economic, social and environmental.

The most notable works undertaken to date on the site include the restructuring of the Main Arena with landscaping works and the removal of several old buildings. Two heritage-listed grandstands were taken apart and stored as standing structures, and versatile Hoeckers were erected as major investments in the future.

One of these is the Epicure Enclosure which is the new type of flexible structure expected to be featured on the redeveloped site. This spectacular building was an outstanding success at the

2002 Royal Melbourne Show and has since served as a modern venue for a wide range of revenue-raising commercial events for the RAS.

Additional refurbishment is being carried out on the Showgrounds site prior to the 2003 Show in the Horses West area and the old amusements area behind the Royal Block. These will ensure the safety and security of exhibitors and visitors at the Royal Show.

During the year, the RAS faced a number of statutory issues related to occupational health and safety, which were accomplished at significant cost.

Among these was the closure of the Hunter Stand facilities for Members, Councillors and catered events due to the non-compliant state of the kitchens.

Another issue outside the direct control of the RAS was the cost of premiums for the mandatory public liability insurance. The premiums for the Showgrounds were increased by more than \$150,000 in 2002.

Substantial investment was made into the total redesign of the RAS websites which has established a solid foundation for providing relevant information in the medium to

long term future, including modern on-line entry facilities which will assist in significantly reducing competition costs.

The RAS Show advertising and entertainment programs also received additional funding in 2002. This resulted in substantially increased attendances for the night programs, with all grandstands filled to near-capacity on most evenings for the special events.

An important Information Technology upgrade was completed in 2002 as an investment for the future as part of the implementation of a new Business Model for the RAS which includes a range of administration and business initiatives.

Consistent with our strategy, the RAS has invested heavily in new products, in particular the Australian International Beer Awards Festival.

RAS operations have been streamlined with the creation of three new, separate Departments - Events Development, Competition Administration and Breed Societies. A centralised administration cell has been established within the Competition Department

which enables much greater synergy and overall efficiency in the administration of the broad range of RAS competitions.

This restructuring resulted in a major reorganisation of staffing requirements, with significant costs involved in redundancy payments.

In addition, new pricing structures have been introduced for many RAS competitions to establish more cost-effective programs, while maintaining appropriate benefits and discounts for RAS Members.

All these activities are consistent with the on-going 'Positioning the Society for the Future' program, with key objectives including the RAS being a peak agribusiness body, providing a focal point for agricultural expertise, benchmarking competitions & exhibitions, and showcasing agricultural excellence.

Continuing drought conditions throughout Victoria and devastating bushfires in many parts of the State had an adverse impact this year on entries for one of our key events - the RAS Commercial Flock of the Year Competition.

Reduced entries forced the competition to be reduced to

one district - the South West Region - with no awarding of a State Winner in 2003.

It is anticipated that the Commercial Flock of the Year Competition will continue in its usual format in 2004.

It has been a challenging year for the RAS but one in which we have positioned ourselves to move forward strongly and positively, particularly with regard to the future of the Showgrounds and the opportunities that the new site will afford for the people of Victoria.

I thank the Board, Council, Executive and staff for their continued support throughout the year. In particular I wish to acknowledge the tireless efforts of our President and Chairman Jack Seymour and for his resolve in delivery of our strategic plan. I also wish to pay tribute to Mrs Yve Seymour and thank her for her support.



**Stephen Carter**  
Chief Executive Officer

## CORPORATE GOVERNANCE

RAS ANNUAL REPORT 2007-2008

The Directors are responsible for the Corporate Governance practices of the RAS and are elected by Council, who in turn are elected by the Members. The main Corporate Governance practices that were in operation throughout the financial year are summarised below.

### Board of Directors

The Board is responsible for the overall performance and governance of the RAS.

The Board:

- oversees the operations of the RAS through the setting of goals and strategy
- ensures the appropriate controls, systems and procedures are in place within the RAS to manage the risks of its businesses and to ensure compliance with regulatory and prudential requirements
- reviews and adopts annual budgets for the financial performance of the RAS, assesses and monitors the results on a regular basis, and approves the annual financial statements
- polices the established 'Code of Conduct' for all employees at the RAS

### Board composition

The Board comprises 10 Directors and is chaired by the President.

The Board requires its Directors to have a broad range of expertise and experience, in a field which is complementary to the RAS's activities and strategy or with appropriate professional qualifications and proven ability to make meaningful contributions to the Board's deliberations.

### Human Resources Committee

The Human Resources Committee is chaired by the President and consists of four Non Executive Directors and the Chief Executive Officer and is assisted by the Company Secretary. The Committee is also supported by an external adviser.

The Human Resources Committee generally oversees the RAS's human resources policies, procedures and current philosophies related to the management of human resources. In particular it reviews the remuneration of the senior executive and makes recommendations to the Board.

The Committee is also responsible for the identification of prospective participants on Board Committees for recommendation to the Board.

### Audit Committee

The Audit Committee consists of Non Executive Directors and suitably qualified Councillors.

It is charged with:

- providing a forum for the effective communication between the Board and the external auditors;
- reviewing and recommending the adoption of the annual financial statements by the Board;
- reviewing the effectiveness of management information systems and systems of internal control; and
- assessing the efficiency and effectiveness of the external audit function, including reviewing the audit plans and audit fees.

### Nominations Committee

Responsible for assisting the Board and Council in identifying and recruiting personnel with relevant qualifications, skills and

experience, who are capable of supporting the aims and objectives of the RAS, and help in advancing its long term viability and agricultural relevance.

### Risk Management

The Board is responsible for the RAS's system of internal controls. The Board constantly monitors the operational and financial aspects of the RAS's activities and through the Audit Committee, the Board considers the recommendations and advice of external auditors and other external advisers on operational and financial risks that face the RAS. Where considered necessary, appropriate action is taken to ensure that the RAS has an appropriate internal control procedure in place to manage the key risks identified.

### Political Activity

The RAS is politically impartial and it does not provide donations to any political party.

## OFFICE BEARERS

RAS ANNUAL REPORT 2002-03

### OFFICE BEARERS June 2003

#### **Patron in Chief**

tha

#### **Patron**

Mr John Landy AC MBE  
Governor of Victoria

#### **President**

J H (Jack) Seymour

#### **Vice Presidents**

C J (John) Fox  
C R (Robert) Lyons  
G J (Gary) Sheppard

#### **Board of Directors**

J H (Jack) Seymour -  
Chairman  
I I (Ian) Bucknall  
J M (Michael) Burston  
Dr R C E (Richard) Cust  
C J (John) Fox  
B E (Barrie) Laws  
C R (Robert) Lyons  
G J (Geoff) Phillips  
G J (Gary) Sheppard  
S C (Stephen) Spargo

#### **Chief Executive Officer**

Stephen Carter

#### **Company Secretary/ Chief Operating Officer**

Adnan Mansour

#### **Registered office**

The Royal Agricultural Society  
of Victoria Limited  
ACN 006 728 785  
ABN 66 006 728 785

Melbourne Showgrounds  
Epsom Road Ascot Vale  
Victoria 3032 Australia

Telephone: +61 3 9281 7444  
Facsimile: +61 3 9376 2973  
Email: rasvadmin@rasv.com.au  
Website: www.rasv.com.au

#### **Auditors**

P K F  
Chartered Accountants  
485 La Trobe Street  
Melbourne 3000  
Victoria  
AUSTRALIA

#### **Bankers**

National Australia Bank  
Limited  
271 Collins Street  
Melbourne 3000  
Victoria  
AUSTRALIA

#### **Solicitors**

Allens Arthur Robinson  
Stock Exchange Centre  
530 Collins Street  
Melbourne 3000  
Victoria  
AUSTRALIA





**FINANCIAL REPORT**

FOR THE YEAR ENDED 31 MARCH 2003

## DIRECTORS REPORT

FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report together with the financial report of The Royal Agricultural Society of Victoria Limited ("the Company") for the year ended 31 March 2003, and the auditor's report thereon.

### DIRECTORS

The directors of the Company at any time during or since the end of the financial year are:

<b>Name</b>	<b>Experience and Special Responsibilities</b>
John Horton Seymour	Jack has extensive experience in banking, business management and strategy. He has been a Councillor and Director since October 1994, a director of other Companies and is the current President and Chairman, and a member of the Human Resources and Nominations Committees.
Charles John Fox	John has experience in mixed farming and in the finance industry. He has been a Councillor since 1989 and a Director since 1993. He is currently a Vice President of the Society and Chairman of the Audit Committee.
Charles Robert Lyons	Robert is a partner in a wool and tree farming business, utilising high input grazing systems. He has been a Councillor since 1989 and a Director since 1997. He is currently a Vice President of the Society.
Gary James Sheppard	Gary has been a Councillor since 1990 and a Director since 1997. He has a long time association with pure breed poultry and was previously a senior state official. He also has extensive marketing experience. He is currently a Vice President of the Society.
Ian Ivor Bucknall	Ian is the principal of a mixed farming business, operating a successful stud sheep enterprise. He has been a Councillor since 1986 and a Director since 1993.
John Michael Burston	Mike has extensive farming experience. He has been a Councillor since 1973 and appointed a Director in 1993.
Rupert Grant Alexander Clarke	Rupert has experience in corporate pastoral development and management as well as mixed farming. He has been a Councillor since 1998 and appointed a Director in 1999. He is a member of the Audit Committee. Mr Clarke resigned from the Board in February 2003.

## DIRECTORS REPORT

FOR THE YEAR ENDED 31 MARCH 2003

### DIRECTORS (cont.)

Name	Experience and Special Responsibilities
Richard Charles Embley Cust	Richard has a background in Veterinary Science. He has interests in horse and commercial beef studs. He became a Councillor in 2000 and was appointed as a Director in February 2003.
Barrie Ernest Laws	Barrie has a background in investment and corporate management. He has rural interests in beef, dairy and fruit industries and became a Councillor and Director in 1998. He is also a member of the Audit Committee.
Geoffrey James Phillips	Geoff has a background in rural journalism and marketing and his interests are in beef. He became a Councillor in 1999 and was appointed a Director in April 2002.
Stephen Charles Spargo	Stephen has experience in commercial law and corporate finance. He has an interest in a small beef stud, and was appointed a Councillor and Director in July 2000.

### PRINCIPAL ACTIVITIES

The principal activities of the Company during the course of the year ended have comprised of promoting the development of all phases of the agricultural, pastoral, horticultural, viticultural, stock raising, manufacturing and industrial resources of Australia and the management of the Melbourne Showgrounds, and the Royal Melbourne Show.

There were no significant changes in the nature of these activities during the year.

### REVIEW AND RESULTS OF OPERATIONS

The operating loss of the Company for the year after tax was \$1,063,260 (2002: profit \$3,160,142). Major changes were:

- The Company invested over \$1,000,000 in setting up the Epicure Enclosure, a new facility to promote the best food and wine in Victoria.
- In 2002, \$3.2m was received as an insurance settlement for fire in a pavilion.
- A decrease in 2002 Royal Melbourne Show attendance of 14% resulting in admission revenue decreasing by \$577,003, together with a continued decline in sponsorship revenue, which is reflective of prevailing market conditions following the 2000 Olympic Games.
- The Company invested considerably in the Royal Melbourne Show and other events including the Australian International Beer Festival this year. These saw increased expenditure in the areas of main arena attractions, website development and advertising. Additionally, the company had an increase of over \$150,000 in its annual insurance premium.
- During the year, the company has, through its project Positioning the Society for the Future (PSF), incurred staffing restructure costs and other PSF implementation and development initiatives.

## DIRECTORS REPORT

FOR THE YEAR ENDED 31 MARCH 2009

### DIRECTORS' MEETINGS

The number of directors' meetings and number of meetings attended by each of the directors of the Company during the year are:

	Meetings Attended	Meetings Eligible to Attend
I I Bucknall	11	12
J M Burston	9	12
R G A Clarke	10	11
R C E Cust	2	2
C J Fox	9	12
B E Laws	10	12
C R Lyons	10	12
G J Phillips	11	12
J H Seymour	12	12
G J Sheppard	9	12
S C Spargo	11	12

### DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

The Company's activities expose it to changes in interest rates. It is also exposed to credit, liquidity and cash flow risks from its operations. The Board has confirmed policies and procedures in each of these areas to manage these exposures. Management reports to the Board on a monthly basis as to the monitoring of policies in place, and adherence to the policies is strictly observed.

Operating cash flows are managed to ensure that the Company is not exposed to any adverse liquidity risks. Adequate standby facilities are maintained to provide liquidity to meet unexpected and material cash outflows in the ordinary course of business.

### DIVIDENDS

The Company is limited by guarantee and is prohibited by its Memorandum and Articles of Association from paying a dividend to its members.

### STATE OF AFFAIRS

There were no significant changes in the Company's state of affairs during the year.

### EVENTS SUBSEQUENT TO BALANCE DATE

There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company, in future years.

## DIRECTORS REPORT

FOR THE YEAR ENDED 31 MARCH 2003

### LIKELY DEVELOPMENTS

At the date of this report, details of the redevelopment of the Showgrounds are under discussion between the Company and the State Government. As such, no adjustment has been made at this stage as to the future value of assets.

### PERFORMANCE IN RELATION TO ENVIRONMENTAL REGULATION

The Company does not have exposure to any significant environmental reporting requirements. The Company is sensitive to environmental issues.

### INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

#### Indemnification

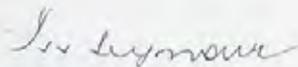
The Company has an agreement indemnifying those persons who are and have been directors and/or officers, against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as directors and/or officers of the Company, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

#### Insurance premiums

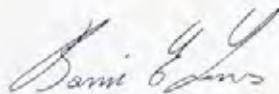
During the year, the Company has paid premiums in respect of directors' and officers' liability and legal expenses, insurance contracts for the year ended 31 March 2003 and since the financial year, the Company has paid or agreed to pay premiums in respect of such insurance contracts for the period ending 31 December 2003. Such insurance contracts insure against certain liability (subject to specific exclusions) persons who are or have been directors or executive officers of the Company.

Directors have not included details of the nature of the liabilities covered or the amount of the premium paid as such disclosure is prohibited under the terms of the contract.

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



**J H Seymour**  
Director



**B E Laws**  
Director

Dated this 21st day of July 2003  
Melbourne, Victoria

## STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2003

	Note	2003 \$	2002 \$
Revenues from ordinary activities	2	<u>12,762,331</u>	<u>13,788,559</u>
Expenses from ordinary activities:			
Salaries and wages		(3,996,959)	(4,383,762)
Borrowing costs		(140,376)	(187,219)
Advertising		(908,023)	(807,430)
Cleaning		(948,789)	(994,170)
Maintenance		(970,397)	(895,554)
Administrative and Operating expenses		<u>(7,161,148)</u>	<u>(5,357,030)</u>
(Loss)/Profit before significant items, depreciation, amortisation and income tax	3(a)	(1,363,341)	1,163,394
Depreciation and amortisation		<u>(1,099,919)</u>	<u>(1,054,695)</u>
(Loss)/Profit before significant items and income tax		(2,463,260)	108,699
Significant items	3(b)	<u>1,000,000</u>	<u>3,051,443</u>
(Loss)/Profit before income tax		(1,463,260)	3,160,142
Income tax expense	1(b)	<u>-</u>	<u>-</u>
Net (Loss)/Profit after income tax		<u>(1,463,260)</u>	<u>3,160,142</u>
Total changes in equity other than those resulting from transactions with owners as owners		<u>(1,463,260)</u>	<u>(3,160,142)</u>

The Statement of Financial Performance is to be read in conjunction with the notes to the financial statements.

## STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 MARCH 2001

	Note	2003 \$	2002 \$
<b>CURRENT ASSETS</b>			
Cash Assets	4	789,570	427,618
Receivables	5	696,471	703,764
Inventories	6	51,049	33,450
Other	7	696,855	606,741
<b>TOTAL CURRENT ASSETS</b>		<u>2,233,945</u>	<u>1,771,553</u>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	8	37,353,133	38,212,458
Other	7	1,000,000	-
<b>TOTAL NON-CURRENT ASSETS</b>		<u>38,353,133</u>	<u>38,212,458</u>
<b>TOTAL ASSETS</b>		<u>40,587,078</u>	<u>39,984,011</u>
<b>CURRENT LIABILITIES</b>			
Payables	9	966,934	834,781
Interest Bearing Liabilities	10	2,500,000	500,000
Provisions	11	258,050	326,933
<b>TOTAL CURRENT LIABILITIES</b>		<u>3,724,984</u>	<u>1,661,714</u>
<b>NON-CURRENT LIABILITIES</b>			
Interest Bearing Liabilities	12	93,894	91,313
Provisions	13	11,477	11,001
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>105,371</u>	<u>102,314</u>
<b>TOTAL LIABILITIES</b>		<u>3,830,355</u>	<u>1,764,028</u>
<b>NET ASSETS</b>		<u>36,756,723</u>	<u>38,219,983</u>
<b>EQUITY</b>			
Contributed Equity	14	-	-
Reserves	15	27,437,270	27,437,270
Retained Profits	16	9,319,453	10,782,713
<b>TOTAL EQUITY</b>		<u>36,756,723</u>	<u>38,219,983</u>

The Statement of Financial Position is to be read in conjunction with the notes to the financial statements.

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2003

	Note	2003 \$	2002 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash receipts in the course of operations		14,758,542	18,913,899
Cash payments in the course of operations		(15,135,418)	(14,967,249)
Interest received		39,413	55,516
Interest and other costs of finance		(44,844)	(99,511)
Net Cash provided by/(used in) Operating Activities	(iii)	<u>(382,307)</u>	<u>3,902,655</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment		(294,897)	(1,411,140)
Payments for deposit on capital structure		(1,000,000)	-
Proceeds from sale of property, plant and equipment		36,575	20,206
Net Cash provided by/(used in) Investing Activities		<u>(1,258,322)</u>	<u>(1,390,934)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds for Trophy Funds		2,581	2,751
Proceeds from Borrowings		2,000,000	-
Repayment of Borrowings		-	(2,000,000)
Lease Payments		-	(21,672)
Net Cash provided by/(used in) by Financing Activities		<u>2,002,581</u>	<u>(2,018,921)</u>
Net Increase in Cash held		361,952	492,800
Cash at Beginning of Financial Year		<u>427,618</u>	<u>(65,182)</u>
Cash at End of Financial Year	(i)	<u>789,570</u>	<u>427,618</u>

## NOTES TO THE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2003

	Note	2003 \$	2002 \$
(i) Reconciliation of Cash			
For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Cash	4	<u>789,570</u>	<u>427,618</u>
(ii) Financing Facilities			
The Company has access to a Bill acceptance facility of \$4.5million (2002: \$4million). At 31 March 2003, \$2.5million (2002: \$0.5million) was in use.			
(iii) Reconciliation of Net Cash provided by Operating Activities to Operating Result			
Operating (loss)/profit after tax		(1,463,260)	3,160,142
Add/(less) non-cash items:			
Depreciation		1,099,919	1,051,021
Amortisation		-	3,674
Amounts set aside to provisions		(68,407)	59,572
Add/(less) items classified as investing/financing activities:			
Loss/(Gain) on sale of fixed assets		17,728	(4,898)
Changes in Assets and Liabilities:			
(Increase)/Decrease in Receivables		7,293	781
(Increase)/Decrease in Other Current Assets		(90,114)	(15,026)
(Increase)/Decrease in Inventories		(17,619)	(11,710)
(Decrease)/Increase in Payables		132,153	(340,901)
Net Cash Provided by Operating Activities		<u>(382,307)</u>	<u>3,902,655</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted by The Royal Agricultural Society of Victoria Limited are stated in order to assist in the general understanding of this financial report. These policies have been consistently applied except as otherwise indicated.

#### (a) Basis of Accounting

In the opinion of the Directors, the Company is a reporting entity. The financial report has been drawn up as a general purpose financial report.

The financial report has been prepared on the accrual basis of accounting as defined in AASB 1001, Accounting Policies - Disclosure, using the historical cost convention and a going concern assumption. Except where stated, it does not take into account changing money values or current valuations of non-current assets.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial period amounts and other disclosures.

The financial report has been prepared in accordance with the requirements of the Corporations Act 2001 the recognition and measurement aspects of all applicable Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) that have a material effect.

#### (b) Income Tax

The Royal Agricultural Society of Victoria Limited has an exemption from income tax under Division 50 of the Income Tax Assessment Act (1997).

#### (c) Cash and Short Term Deposits

Cash and short term deposits are carried at face value of the amounts deposited. The carrying amounts of cash and short term deposits approximate net fair value. Interest revenue is accrued at the market or contracted rates and is received on a monthly or quarterly basis.

#### (d) Receivables

Trade debtors are generally settled within 60 days and are carried at amounts due. The collectability of debts is assessed at period end and specific provision is made for any doubtful accounts. The carrying amount of trade debtors approximates net fair value.

**1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

(e) Property, Plant and Equipment

**Acquisition**

Items of property, plant and equipment are initially recorded at cost and are depreciated over their estimated useful lives using the straight line method. The cost of property, plant and equipment constructed by the Company includes the cost of materials and direct labour. The proportion of other incidental costs directly attributable to its construction are also capitalised to the cost of property, plant and equipment.

**Depreciation**

The depreciation rates used for each class of asset are as follows:

Building and Building Improvements	2.5% - 5%
Plant & Equipment	2% - 33.3%

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and ready for use.

**Revaluations**

Buildings are independently valued at least every three years on an existing use basis.

In applying Accounting Standard AASB 1041 "Revaluation of Non-Current Assets", the Directors have elected to measure each class of non-current assets as follows:

Class	Measurement Basis
Land	Fair Value
Buildings and Building Improvements	Fair Value
Plant and Equipment	Cost

Land, Buildings and Building Improvements which had previously been revalued in 2001 based on a valuation conducted by an independent valuer are currently measured at the same amount plus any subsequent additions at cost. For the current year the Directors' consider this measurement basis, less accumulated depreciation, represents fair value.

**Subsequent Additional Costs**

Costs incurred on property, plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits, in excess of the originally assessed performance of the asset will flow to the Company in future years.

Where these costs represent separate components they are accounted for as separate assets and are separately depreciated over their useful lives.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2007

### 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

#### (f) Inventories

Inventories are carried at the lower of cost and net realisable value.

#### (g) Provision for Employee Entitlements

##### **Wages, Salaries and Annual Leave**

The provision for employee entitlements to wages, salaries and annual leave represents the amount which the Company has a present obligation to pay resulting from employees' services provided up to the balance date. The provisions have been calculated at undiscounted amounts based on current wage and salary rates and includes related on-costs.

##### **Long Service Leave**

The provision for employee entitlements to long service leave represents the present value of the estimated future cash out flows to be made by the employer resulting from employees' services provided up to the balance date.

Provisions for employee entitlements which are not expected to be settled within twelve months are discounted using the rates attaching to national government securities at balance date, which most closely match the terms of maturity of the related liabilities.

In determining the provision for employee entitlements, consideration has been given to future increases in wage and salary rates, and the Company's experience with staff departures. Related on-costs have also been included in the liability.

##### **Superannuation**

Contributions to employee superannuation funds are charged against income as they are made. The employer contributions are paid to an accumulation scheme managed by BT Funds Management Ltd.

#### (h) Bank Loans

Bank Loans are carried at their principal amount subject to set-off arrangements. Interest expense is accrued at the contracted rate and included in other creditors and accruals.

#### (i) Non-Current Assets

The carrying amount of non-current assets are reviewed to determine whether they are in excess of their recoverable amount at balance date. If the carrying amount of a non-current asset exceeds the recoverable amount, the asset is written down to the lower amount. In assessing recoverable amounts, the relevant cash flows have not been discounted to their present value.

**1.STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)****(j) Revenue Recognition**

Revenue for services is recognised when the service has been performed on an accruals basis. Show admission revenue is recognised at the time of the Royal Show being held. Non-cash sponsorship revenue is not recorded in the financial statements of the Company. Rental income is recognised as it accrues over the period that the properties are leased to third parties. Interest revenue is recognised as it accrues. The gross proceeds of asset sales not originally purchased for the intention of resale are included as revenue at the date an unconditional contract of sale is signed.

**(k) Payables**

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days. The carrying value of accounts payable approximate net fair value.

**(l) Goods and Services Tax**

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

**(m) Borrowing Costs**

Borrowing costs include interest, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in connection with arrangement of borrowings and lease future finance charges. Borrowing costs are expensed as incurred.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2003

	2003 \$	2002 \$
<b>2. REVENUE</b>		
Revenue from operating activities		
Admissions Revenue	4,436,919	4,813,922
Members Subscriptions	282,912	241,819
Rental Income	4,156,431	4,096,584
Catering Premiums	1,023,085	1,046,660
Sponsorship	894,925	1,013,368
Competition Income	883,304	835,679
Secretarial and Management Fees	194,646	638,175
Parking Revenue	333,053	417,930
Total revenue from operating activities	<u>12,205,275</u>	<u>13,104,137</u>
Revenue from non-operating activities		
Interest	39,413	55,516
Proceeds from sale of non-current assets	36,575	20,207
Donations	-	250,000
Other revenue	481,068	358,699
Total revenue from non-operating activities	<u>557,056</u>	<u>684,422</u>
Total revenue from ordinary activities	<u>12,762,331</u>	<u>13,788,559</u>
<b>3. PROFIT/(LOSS) BEFORE INCOME TAX</b>		
(a) Operating result has been arrived at after charging/(crediting) the following items:		
Lease rental expense - operating leases	123,644	105,486
Bad and doubtful debts	16,661	4,383
Net loss/(gain) on sale of property, plant and equipment	17,728	(4,898)
Amounts set aside to provision for employee entitlements	<u>(68,407)</u>	<u>59,572</u>
(b) Significant Items - (Income)/Expense		
Redevelopment & Restructure Income from Government <sup>1</sup>	(2,920,716)	(2,000,000)
Redevelopment & Restructure Costs	1,920,716	1,305,635
Insurance settlement	-	(3,200,000)
Fire Damage and Associated Costs	-	842,922
	<u>(1,000,000)</u>	<u>(3,051,443)</u>

<sup>1</sup> The Company received funds from Government in the 2003 year, of which \$1million has been used as a deposit on a capital structure, as discussed within notes 7 and 17. The balanced of funds has been applied to redevelopment expenditure.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

	2003 \$	2002 \$
<b>4. CASH ASSETS (CURRENT)</b>		
Cash on hand	950	800
Cash at bank	788,620	426,818
	<u>789,570</u>	<u>427,618</u>
Interest rates at 31 March 2003 on cash accounts are 3.60%. (2002: 3.95%).		
<b>5. RECEIVABLES (CURRENT)</b>		
Trade Debtors	650,521	550,694
Sundry Debtors	90,950	182,800
Provision for Doubtful Debts	(45,000)	(50,000)
	<u>696,471</u>	<u>703,764</u>
No interest is charged on receivables.		
<b>Credit risk exposures</b>		
Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted. The Company minimises concentrations of credit risk by undertaking transactions with a large number of customers. The Company is not materially exposed to any individual customer.		
<b>6. INVENTORIES (CURRENT)</b>		
Consumables, at cost	<u>51,049</u>	<u>33,430</u>
<b>7. OTHER CURRENT ASSETS (CURRENT &amp; NON-CURRENT)</b>		
Prepayments (Current)	<u>696,855</u>	<u>606,741</u>
Deposit on capital structure – Epicure Enclosure (Non-current) (Refer Note 17)	<u>1,000,000</u>	-
<b>8. PROPERTY, PLANT AND EQUIPMENT</b>		
Crown Grant Land - at directors' valuation	-	-
Freehold Land – at directors' valuation	<u>16,450,000</u>	<u>16,450,000</u>
	<u>16,450,000</u>	<u>16,450,000</u>
Buildings and Building Improvements		
- at directors' valuation	19,533,212	19,533,212
- Accumulated depreciation	(996,676)	(491,090)
	<u>18,536,536</u>	<u>19,042,022</u>

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2003

		2003	2002		
		\$	\$		
<b>8. PROPERTY, PLANT AND EQUIPMENT (cont.)</b>					
Plant and Equipment					
- At cost		7,904,391	7,711,312		
- Accumulated depreciation		<u>(5,537,794)</u>	<u>(4,990,876)</u>		
		<u>2,366,597</u>	<u>2,720,436</u>		
Total property, plant and equipment - Net book value		<u>37,353,133</u>	<u>38,212,458</u>		
<i>Reconciliation of Movements in 2003</i>					
Asset Class	Opening Balance	Additions	Depreciation/Amortisation	Disposals	Closing Balance
	\$	\$	\$	\$	\$
Building and					
Building Improvements	19,042,022	-	(505,486)	-	18,536,536
Plant and Equipment	2,720,436	294,897	(594,433)	(54,303)	2,366,597
	<u>21,762,458</u>	<u>294,897</u>	<u>(1,099,919)</u>	<u>(54,303)</u>	<u>20,903,133</u>
<i>Reconciliation of Movements in 2002</i>					
Asset Class	Opening Balance	Additions	Depreciation/Amortisation	Disposals	Closing Balance
	\$	\$	\$	\$	\$
Building and					
Building Improvements	18,847,000	686,212	(491,190)	-	19,042,022
Plant and Equipment	2,555,339	724,928	(559,831)	-	2,720,436
Leased Plant and Equipment	18,982	-	(3,674)	(15,308)	-
	<u>21,421,321</u>	<u>1,411,140</u>	<u>(1,054,695)</u>	<u>(15,308)</u>	<u>21,762,458</u>
<p>An independent valuation of Freehold Land, Buildings and Improvements was carried out at 31 March 2001 and was on the basis of the open market value of the properties concerned in their existing use by F I. Julier AVLE (VAL) registered Valuer Victoria, Tasmania and Western Australia, for and on behalf of Edward Rushton Pty Ltd. The revaluation was made in accordance with a policy of regular revaluation. The Crown Grant Land, which includes restrictions on its use to which present usages comply, is valued at nil by the directors.</p>					
<b>9. PAYABLES (CURRENT)</b>					
Creditors and Accruals			679,270		664,287
Income in Advance			287,664		170,494
			<u>966,934</u>		<u>834,781</u>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

	2003	2002
	\$	\$
<b>10. INTEREST BEARING LIABILITIES (CURRENT)</b>		
Loans – Commercial Bills	<u>2,500,000</u>	<u>500,000</u>
<p>A commercial bill facility exists with National Australia Bank Limited. The facility is available for 1 year and bears interest at 5.12% at 31 March 2003 (2002: 4.60%).</p> <p>The commercial bill is secured by a mortgage over the freehold land and buildings of The Royal Agricultural Society of Victoria Limited.</p>		
<b>11. PROVISIONS (CURRENT)</b>		
Employee Entitlements	<u>258,050</u>	<u>326,933</u>
<b>12. INTEREST BEARING LIABILITIES (NON-CURRENT)</b>		
Trophy Funds	<u>93,894</u>	<u>91,313</u>
<b>13. PROVISIONS (NON-CURRENT)</b>		
Employee Entitlements	<u>11,477</u>	<u>11,001</u>
<b>14. CONTRIBUTED EQUITY</b>		
<p>The Royal Agricultural Society of Victoria Limited is a company limited by guarantee, thereby the Company has been formed on the principle of having the liability of its members limited by the Memorandum and Articles of Association to the respective amounts that the members undertake to contribute to the property of the Company in the event of it being wound up.</p>		
<b>15. RESERVES</b>		
Asset Revaluation Reserve	<u>27,437,270</u>	<u>27,437,270</u>
<b>16. RETAINED PROFITS</b>		
Balance at beginning of year	10,782,713	7,622,571
Net (loss)/profit after tax	(1,463,260)	3,160,142
Balance at end of year	<u>9,319,453</u>	<u>10,782,713</u>

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2003

	2003 \$	2002 \$
<b>17. COMMITMENTS</b>		
Future operating lease rentals not provided for in the financial statements.		
Payable:		
Not longer than one year	98,941	86,485
Longer than one year but not longer than two years	71,154	67,354
Longer than two years but not longer than five years	52,527	31,188
	<u>222,622</u>	<u>185,027</u>
Capital expenditure contracted for at 31 March, but not provided for in the financial statements.		
Payable:		
Longer than one year but not longer than two years	<u>704,000</u>	<u>-</u>
A deposit of \$1,000,000 has been paid for this capital structure (refer Note 7), with the balance of \$704,000 payable by 1 October 2004. In the event the capital structure does not form part of the Showgrounds Redevelopment Project with the State of Victoria, a put option is present to sell the asset for \$1,354,000.		
<b>18. SEGMENT REPORTING</b>		
The Company promotes the development of agricultural, pastoral, horticultural, viticultural, stock raising, manufacturing and industrial resources within the geographical segment of Australia.		
<b>19. EMPLOYEE ENTITLEMENTS</b>		
Aggregate employee entitlements, including on-costs:		
- Current	258,050	326,933
- Non-current	11,477	11,001
	<u>269,527</u>	<u>337,934</u>
<b>20. EVENTS SUBSEQUENT TO BALANCE DATE</b>		
There are no matters or circumstances that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company, in future years.		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2003

	2003 \$	2002 \$
<b>21. AUDITORS REMUNERATION</b>		
Total of all remuneration received and receivable in connection with:		
(a) Audit of the Financial Report: Auditors of the Company	26,000	29,000
(b) Other Services: Auditors of the Company-	4,000	13,000
	<u>30,000</u>	<u>42,000</u>
<b>22. DIRECTORS REMUNERATION</b>		
Amounts received or due and receivable by Directors of the Company	<u>-</u>	<u>-</u>
<b>23. RELATED PARTY TRANSACTIONS</b>		
i. The Company performs accounting and secretarial functions for various animal breed societies. The fees charged for these services were \$180,687. (2002: \$229,124)		
ii. The names of all Directors who have held office during the year are: Ian Ivor Bucknall John Michael Burston Rupert Grant Alexander Clarke (resigned February 2003) Richard Charles Embley Cust (appointed February 2003) Charles John Fox Barrie Ernest Laws Charles Robert Lyons Geoffrey James Phillips Gary James Sheppard John Horton Seymour Stephen Charles Spargo		
iii. Mr C J Fox is associated with an organization that provides sponsorship monies and/or donated goods and services to the Company. The total value of these transactions were \$25,000 (2002: \$25,000)		
iv. Mr S C Spargo is a partner of Allens Arthur Robinson whose firm provides legal services to the Company. The total amount paid by the Company for the legal services provided by the firm was \$125,226 (2002: \$152,150)		
v. Directors and Councillors had related party transactions at arms length with the Company involving the purchase of goods/services considered to be trivial or domestic in nature and disclosure is not required.		

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2003

	2003	2002
	\$	\$
<b>24. OTHER STATUTORY INFORMATION</b>		
The Company is incorporated and domiciled in Australia.		
The registered office and principal place of business is:		
Royal Showgrounds Epsom Road ASCOT VALE VIC 3032		
The number of employees was 40 as at 31 March 2003 (2002:54).		

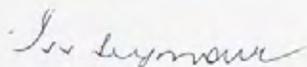
**DIRECTORS' DECLARATION**

FOR THE YEAR ENDED 31 MARCH 2003

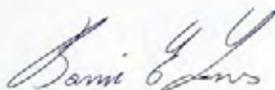
In the opinion of the directors of The Royal Agricultural Society of Victoria Limited:

- (a) the accompanying financial statements and notes, set out on pages 14 to 28, are in accordance with the Corporations Act 2001, comply with the accounting standards and give a true and fair view of the Company's financial position as at 31 March 2003 and of its performance for the year ended on that date.
- (b) at the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.



J H Seymour  
Director



B E Laws  
Director

Dated this 21st day of July 2003.  
Melbourne

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ROYAL AGRICULTURAL SOCIETY OF VICTORIA LIMITED**

ACN 006 728 785

**SCOPE**

We have audited the financial report of The Royal Agricultural Society of Victoria Limited for the financial year ended 31 March 2003 as set out on pages 14 to 29. The Company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company.

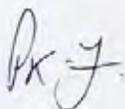
Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Company's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

**AUDIT OPINION**

In our opinion, the financial report of The Royal Agricultural Society of Victoria Limited is in accordance with:

- (a) The Corporations Act 2001, including:
  - (i) giving a true and fair view of the Company's financial position as at 31 March 2003 and of its performance for the year ended on that date; and
  - (ii) complying with Accounting Standards and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.



PKF  
Chartered Accountants  
21st July 2003  
Melbourne  
A Victorian Partnership



J Pasiadis  
Partner

## MARCH 2003 COUNCIL MEETING



**Top Row:** G B Starritt (C), I McK Starrit (LC), D G Beard (C), B W A Redpath (C), L R Latta (C), P McMahon (C)  
A C Bott (LC), M T Marriott (C), W McL Greaves (LC), W H Hill (C), I K Morton (LC), I I Bucknall (C)

**Second Row:** B M Crotty (C), R C E Cust (C), E R Lithgow (C), A J Russell (LC), R F Haselgrove (C), R G A Clarke (C)  
P J B Ronald (C), F R I Stephens (LC), R M Butler (LC), N E King (C), J W Rae (LC), F J Neeson (C)

**First Row:** G J Phillips (C), J M Burston (LC), J Allen (C), J K Buchanan (LC), G J Sheppard (VP), J H Seymour (P)  
C R Lyons (VP), R T Balderstone (LC), D Nicholas (C), A Gibson (LC), J G W Head (LC)

**Absent:** J Balfour Brown (LC), W R R Beggs (C), R S Bell (C), Sir Rupert Clarke, Bart, AM MBE (LC), W D Crowley (LC)  
N A Edwards (C), Prof. I. Falvey (C), K A Finnin (LC), C J Fox (VP), C B Gardiner (LC), R B Gerrard (LC),  
G Howell (LC), K Jordan (C), C R Kelly (LC), J W Kelly (LC), B E Laws (C), D Lowing (C), C O Moore (LC),  
I McC Rough (C), A F Rowden (C), S R Shelmerdine (C), S C Spargo (C), G R Starritt (LCT), K W Urquhart (LC),  
J C Watson (C), The Hon Vernon F Wilcox (LC), G P H Wilson (LCT)

**Legend:** (P) President (VP) Vice President (C) Councillor (LC) Life Councillor (T) Trustee



The Royal Agricultural Society of Victoria Limited

A.B.N 66 906 728 785 A.C.N 006 728 785

Melbourne Showgrounds, Epsom Rd, Ascot Vale, Victoria 3032, Australia.

Telephone: +61 3 9281 7444 Facsimile: +61 3 9376 2973

Email: [rasvadmin@rasv.com.au](mailto:rasvadmin@rasv.com.au) Internet Site: [www.rasv.com.au](http://www.rasv.com.au)