



ROYAL

agricultural society

OF WESTERN AUSTRALIA



annual report

2001

The Royal Agricultural Society of Western Australia

The Royal Agricultural Society of Western Australia Inc. (RASWA) is a not-for-profit organisation based in Perth, Western Australia. With the support of its members, RASWA's role is to promote the significance of rural Western Australia and the State's primary industries.

Working to help bridge the gap between city and country, the Society's activities are focused on showcasing the many and varied achievements of rural Western Australia. Since the founding of the Society in 1831, RASWA has successfully encouraged and assisted the development of Western Australian resources - including agricultural, horticultural, viticultural, industrial, rural, technological, commercial and mineral resources.

Operating under the Royal Agricultural Society Act, the Society plays a key role in Agricultural Shows and rural events around the State. RASWA is also responsible for the organisation and management of Western Australia's largest annual community event, the Perth Royal Show. Like no other event, the Perth Royal Show is a show for the people - a great example of how the RASWA serves the community and achieves its contribution to the State.



RASWA's Mission To serve and enrich the people of Western Australia by showcasing the resources and endeavours of its people.

The Royal Agricultural Society of Western Australia

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president's report

Many people will share my mixed feelings as I look back on 2001. With shock and sadness we sat and watched the horror of the terrorist attack on the United States. On the domestic front we endured the collapse of a national carrier, and in our own State many people faced drought conditions so severe that livelihoods were threatened.

But, amidst these incredible challenges, we can look back on 2001 as a year of great milestones and achievements, and as a year when the depth of community spirit of West Australians once again shone in the face of adversity.

For the Royal Agricultural Society the past year has been hallmarked by some key initiatives which will continue to strengthen its role and ensure its relevance in a constantly changing society.

These include the Prime Season WA initiative, for which the Royal Agricultural Society has joined with Dowerin GWN Field Day to promote the period between late August and early October as a showcase for Western Australia and its agriculture.

This year the Royal Agricultural Society also announced the guest nation concept. By attracting a different guest nation to feature each year at the Perth Royal Show, we will be achieving our long standing aims to internationalise the Show and increase its appeal to a wider audience. It is with great excitement that I look forward to the exhibition by China in 2002.

One of the challenges that we face each year is to deliver a Perth Royal Show that appeals to the wider Western Australian community, but without compromising the essence of the Show as an opportunity for regional people to meet, compare products and put their skills and products to the test in the competitive sections.

What a pleasure it was to see the tremendous boost in numbers this year over last year – testimony to the fantastic effort of Royal Agricultural Society staff, councillors and committees and their supporters to present a Show that offered great value for money and an excellent entertainment program at what is probably the best dedicated Showgrounds in the country.

The introduction of incentives for families and discounted after dark entry fees paid great dividends by attracting more people to the Show and greatly increasing overall gate receipts. Even more pleasing than the turnaround at the gates, was the generosity of the spirit and enthusiasm displayed by everyone involved in this year's event.

In closing, I'd like to say that I come to the end of my three year term as President with a tinge of sadness but with a sense of excitement for the future.

I have enjoyed my turn at the helm and in particular, overseeing the massive refurbishment and upgrade of the Claremont showgrounds. I have also appreciated the friendship and camaraderie that exists in the Royal Agricultural Society and with all the people affiliated with it.

I have been extremely proud to have served the Royal Agricultural Society as its President and would like to thank councillors for endorsing me for this role. I know that I leave the Society in good hands and with a strong sense of direction to ensure that it continues to make a valuable contribution to the economic and social fabric of this great state.

Lou Giglia
President

perth royal show

The Perth Royal Show is Western Australia's largest community event. Running over nine days, the Show provides an opportunity to showcase the diversity of WA and the achievements of its community.

The RASWA hosts an eclectic selection of competitions ranging from agriculture, heritage, arts and design to food and wine. In 2001 there were 17,787 entries in 42 competitive sections with judging taking place in the lead up to or during the Show. Competitions provide quality benchmarks, promote excellence and most importantly allow for an appreciation and understanding of the agricultural sector. It is in this educative role that the RASWA is able to provide a largely metropolitan audience a better understanding of the advances in agriculture and the issues and challenges it confronts.

The Perth Royal Show has nearly a one-hundred year history of delighting the young, the old and the in-between with its unique combination of carnival experiences, exhibitions, entertainment, side-show rides and games, live animals, food, retail exhibits and most importantly, bringing country life a little closer to city residents. The Show is unique in its capacity to touch the hearts and minds of people of all ages and from all walks of life.



Sponsorship It is this diversity that provides exceptional marketing opportunities. In 2001 a wide variety of businesses and organisations leveraged off the Show through sponsorship of a particular event, entertainment zone, competition or pavilion. The diversity of sponsors, which ranged from car companies to pet foods, banks to building suppliers demonstrates the capacity to establish a strategic marketing benefit via their involvement with the Show.

Sponsorship revenue increased by 2% to \$672 000. New partnerships generated in 2001 included the Westfield Works Wonders for Variety Club Animal Nursery, the Kleenheat Autogas Bute Ute Competition, the City of Perth Royal Show Street Parade and Subway Motocross Madness. While some sponsors chose to no longer use the Show as a marketing tool, others increased their investment significantly, in particular Coca Cola Amatil and Woolworths Supermarkets.

Promotions & Media The Show represents excellent cross-marketing opportunities. Promotions were run in conjunction with a wide range of media outlets, food outlets, cinema groups and others. The *Show Me* advertising campaign and strategy was developed through RASWA's newly appointed advertising and marketing agency, brainCELLS.

Jennifer Heron Freelance managed all media and public relations activities. A media office of three staff opened on the Showgrounds site in July, which expanded to a fully functioning media centre during the Show. The centre accommodated journalists from both print and electronic media and was equipped with the assistance of Harvey Norman. Radio 6PR broadcasted live all day, everyday from the Show. Radio 96FM, ABC Radio, 92.9, 6GS and Curtin

Radio also broadcast segments as did Channel Ten, Seven, Nine and GWN. Community interest in the event is high and consequently very well supported by all media outlets.

Entertainment & Visitor Services BBC Entertainment was contracted as the Entertainment Directors for a second time in 2001. More than \$500,000 was allocated for an entertainment program that started at 10.00 a.m. and finished at 9.30 p.m. each day for nine days. Innovations in the program included the Red Rooster Magic Stage, the Human Canon, a production of Waltzing Matilda complete with troopers on horseback, motocross riders and Hot 2 Trot (a stunt rider with horse and pacer) mixed well with some of the old favourites such as the Hyundai Precision Driving Team. An increased level of street theatre kept crowds in all areas entertained.

Visitor management was improved through an increased number of information staff. Twenty Information Overloaders distributed maps and daily programs. The official Show Program and the Showgrounds Map were both redesigned to be more useful to visitors when planning their day at the Show. Visitors reported (mainly via the Show web site) very positively on services such as cleaning, rubbish removal, toilets, security and the overall friendly quality of the event.

Admissions Admissions to the Perth Royal Show equalled 413,462 in 2001 representing a 14% increase in total visitor numbers. Seventy-two percent of visitors to the Show paid admission fees. The remaining 28% are members of the RASWA, exhibitors, sponsors and their guests or those who had won their tickets via cross-promotional activities. Of significance in 2001 is that paid admissions increased by 50 643, representing a 20% increase.

This result can be attributed to a revision of the pricing and ticket distribution strategy. Firstly, the standard admission prices did not change from the previous year, however the family ticket was reduced from \$46 to \$41. This equated in value to one child's free admission and provided a strong price incentive to promote in the advertising campaign. The result was a 258% increase in the sale of family tickets. Contributing to this result was its availability at the ticket gates and through all Coles and Woolworths supermarkets, equalling approximately 140 sales points across the State.

An after 6.00 p.m. discounted price was also introduced. This proved effective in lifting the after 6.00 p.m. admissions by approximately 40%. All tickets (except the after 6.00 p.m. ticket) were available through Coles and Woolworths

supermarkets four weeks prior to the Show. Pre-sold tickets represented 9% of total ticket sales.

Commercial Exhibitors The increase in attendance at the 2001 Perth Royal Show had a positive effect on the commercial exhibitors with many indicating a strong desire to rebook to their space for 2002.

Increased retail spending and sideshow activity was attributed to reduction in admission prices after 6.00 p.m. For show bag retailers this represented an 8% increase in average sales per customer. Other measures of retail performance from operators are difficult to obtain although collectively they have signalled that the 2001 Perth Royal Show was successful for them.

Attractions Over recent years the RASWA has strived to continuously improve the product mix of the Show and allocation of space on the grounds. In 2001 this alleviated crowd congestion in identified areas. The number of people in the normally quieter northeast corner increased significantly with the inclusion of new rides, games, and products. Pig Racing in the Ashton Amphitheatre returned due to popular demand and a new act, the Human Canon attracted large crowds to this area.

A new attraction, Snow at the Show gave many children their first ever snow experience. Aerobungy, model boats, camel rides and pony rides complimented the Dairy Pavilion, Creative Crafts Pavilion, and the livestock pavilions to boost numbers in what had been considered a quiet zone. The Guest Town Bindoon and the Shire of Chittering showcased their region with a fantastic display attracting an estimated 30,000 people. The Star Gazer, which came to Show in 1998, returned giving visitors panoramic views across Perth.



other highlights

BMW Perth Royal Wine Show The BMW Perth Royal Wine Show cemented its reputation as one of Australasia's premier wine competitions by attracting a record number of entries in 2001. Entries received numbered 2597, an increase of 30 over 2000. Three hundred and twenty-three wineries from Australia and New Zealand were represented of which 108 were Western Australian.

Australia Post Young Rural Ambassador

In its second year, the 2001 Australia Post Young Rural Ambassador award attracted exceptional entrants from across the State. The award recognises the contribution young people make to rural communities across Western Australia. Entrants are assessed on their general and agricultural knowledge, their contribution to regional and rural communities and other leadership qualities. The 2001 winner was Karl Suckling who is from Northampton but lives in Geraldton.

BankWest Open Art Award In keeping with its mission to encourage the endeavours of Western Australians, the RASWA again hosted the Bankwest Open Art Award. Felicity Gorman of Bayswater won the prestigious award with her oil on canvas titled 'Dunlop House'. The award for Best Painting by a Country Artist went to Kim Tyrer of Narrikup for her mixed media work 'Fragments of Abstract Landscapes'.

Countryman RASWA Rural Achiever Award

Well-known Broomehill farmer and sheep shearing advocate Don Boyle was awarded the 2001 RASWA Rural Achiever of the Year Award. Don is a long time and passionate supporter of sheep shearing and is currently President of the Australian National Shearing Association, a body he helped to form. One of the state's best exponents of the skill of sheep shearing, Don has been shearing for 37 years and is the holder of numerous titles including back-to-back state titles. With son Damien, Don has also won team events in New Zealand. He is Chairman of the WA Shearing Industry Training Organisation, is a TAFE instructor, a member of the WA Shearing Judges Panel and a member of the Perth Royal Show Sheep Shearing Committee.

Dairy Products Show Judges praised the very high quality of entries and noted a continuing improvement in the overall standard of cheese, yoghurt, milk, ice cream and desserts in the Dairy Products competition at the 2001 Perth Royal Show. The judging panel awarded 21 gold and 111 silver medals in the 39 classes of the competition, which attracted 318 entries.

2001 Brand WA Perth Royal Show Student Design Awards

Now in its fourth year, the 2001 Brand WA Perth Royal Show Student Design Awards aim to encourage and reward student designers whose work draws on a West Australian theme and makes use of natural fibres and fabrics. Eighteen of Western Australia's finest young fashion designers were chosen as finalists. Belinda Jane, a student at West Coast College of TAFE, was named overall winner.

Agricultural Colleges and Schools Competition

The Qantaslink Farm Skills Competition was held on the Esplanade with twenty-four colleges participating and the Catholic Agricultural College of Bindoon winning the Open Competition for the third consecutive year. The Agricultural Schools Competition was won by Western Australia College of Agriculture, Denmark.

Extra Virgin Olive Oil Competition

The inaugural RASWA Extra Virgin Olive Oil Competition supported by the WA Olive Council was conducted in September 2001. The level of interest was outstanding, with 40 entries comparing well against the 42 received for the National Competition held in Adelaide. The prize winning and other extra virgin olive oils were exhibited at the 2001 Perth Royal Show for the first time in the Woolworths Fresh Food Pavilion.

Governor's Cup

For the third consecutive year Claypans Merino Stud of Corrigin won the Governor's Cup. This prestigious award is presented to the most successful livestock exhibitor. The Bolt family have been strong exhibitors for many years and to cap off a very good year they also won the Primaries Award for the most successful exhibitor competing in both the Wagin Woolorama and the Perth Royal Show.



activities of the RASWA

Breed Societies Throughout Australia breeders and enthusiasts of pedigree animals have established societies in order to promote, guide and develop the success of their breed. With the best interests of the breed in mind, breed societies provide a range of services to breeders across Australia including pedigree registration and information services, as well as promoting the breed and guiding its success at a public level.

The RAS continued its support of the activities of fifteen breed societies in 2001, by providing secretarial and financial management services. In addition, the RASWA manages the Federal Register of the Australian Stud Saddle Pony Society and provides office and meeting space for the Stud Merino Breeders Association on the Royal Showgrounds in Claremont.

Regional Agricultural Societies

RASWA's Regional Agricultural Shows Liaison and Assistance Committee managed RASWA's affiliation with 54 Regional Agricultural Societies by providing a central management body and facility for regional agricultural shows and cross-regional activities. It also provides financial and logistical assistance to regional shows. In 2001, through an effective partnership between the RASWA and Golden Western Network (GWN), nineteen shows received support through a special television advertising grant.

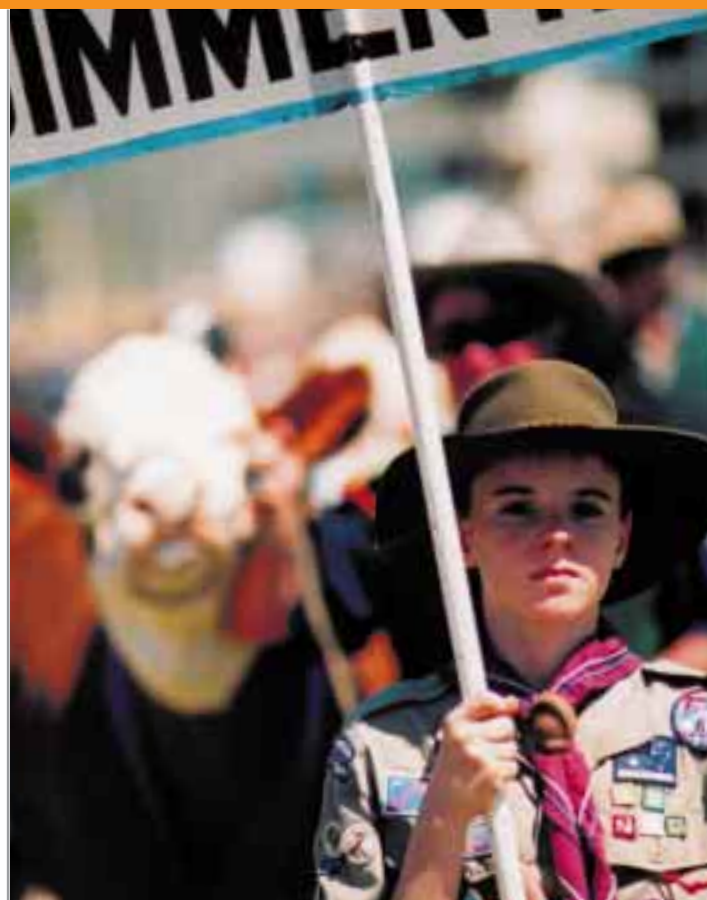
The Royal Showgrounds, Claremont & the Showgrounds Exhibition Centre

The Showgrounds Exhibition Centre hosted a strong mix of exhibitions and events in 2001 including Craft and Collectables, Model Railways, Woodworking, Home Shows, Trade Shows, Car Shows, Theatre Events and Horse & Cat Shows.

Big Boys Toys attracted over 18000 visitors. The Exhibition Centre was fully carpeted for the event and the presentation standard high. A helicopter ferried people from the Perth Esplanade and gave joy rides from the Bruce Campbell Arena.

The versatility of the Bruce Campbell Arena was well demonstrated for a Variety Club Bash fundraising event. Four hundred people enjoyed magicians, shooting galleries, clowns and a host of other Side Show icons before sitting down to an afternoon of food, wine and entertainment. It was the first event of this type on the recently redeveloped Arena.

The Showgrounds Exhibition Centre attracted several sales, including Persian carpets, homewares, and a major stocktake



clearance sale. WA State Emergency Services hosted the Australian National Road Accident Rescue Championships in the Showgrounds Exhibition Centre.

Two new shows, Kids Karnival and the Nursing Expo were secured and another new client, Wooldridges, commenced warehousing from the Tom Wilding and Milton Isbister Pavilions in November, with retail sales of school books and stationery commencing early in 2002.

Property Services Property Services section was restructured in 2001, to improve its efficiency and service while reducing costs. Overall management of the section was transferred to the Commercial Manager, with the daily operational management resting with the Property Service Co-ordinator.

Major projects included the repainting of the Members' Bar, resurfacing the floors of the Robinson Pavilion, demolishing the WA Gardener Building and the majority of electrical switchboards were upgraded to comply with current safety regulations. Performance improved significantly with identified savings of \$200,000 in Show set up costs as compared with the previous year.

financial performance

The Society recorded a small net loss of \$81,210 in 2001 (2000 - \$495,758 profit). The difference is mostly due to the one off Government Arena Grant of \$585,000 received in 2000.

Royal Show income for 2001 increased to \$6,480,986 (2000 - \$6,165,250) due to an increase in gate admissions.

Revenue from the letting of ground and buildings decreased to \$582,475 (2000 - \$899,509) mostly due to the 2000 revenue including half a season of Speedway income.

Total expenditure decreased to \$7,667,454 (2000 - \$7,761,056) including depreciation of \$1,043,223 (2000 - \$978,465). Cost savings were made in the preparing, running and dismantling of the Royal Show and in the upkeep of Royal Showgrounds, Claremont.

Despite a small loss for the year, cash flow was positive with loan reductions during the year amounting to \$780,000.

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2001

	2001	2000
	\$	\$
REVENUE		
Royal Show income	6,480,986	6,165,250
Membership subscriptions	194,125	193,169
Non-Royal Show income-		
Letting - Grounds and Buildings	582,475	899,509
Recovery - Breed Societies	30,716	40,779
Recovery - Electricity, materials, labour & other expenses	270,579	326,640
Interest	6,682	9,568
Grant - Arena	-	585,000
Proceeds on Sale of Plant & Equipment	19,873	35,381
Sundry Revenue	808	1,518
REVENUE FROM ORDINARY ACTIVITIES	7,586,244	8,256,814
EXPENDITURE		
Royal Show Expenses	5,107,083	4,894,611
Administration Expenses	1,373,314	1,657,159
Breed Societies Expenses	34,971	48,457
Interest & Borrowing Costs	379,266	285,012
Gratuity - Town of Claremont	49,021	45,495
Upkeep of Showgrounds	707,637	777,555
Written down value on sale of Plant & Equipment	16,162	52,767
TOTAL EXPENDITURE	7,667,454	7,761,056
PROFIT FROM ORDINARY ACTIVITIES	-81,210	495,758
NET PROFIT/(LOSS)	-81,210	495,758
NET ATTRIBUTABLE TO MEMBERS OF THE SOCIETY	-81,210	495,758

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2001

	Note	2001	2000
		\$	\$
CURRENT ASSETS			
Cash Assets	3	5,571	4,989
Trade Debtors	4	140,209	341,946
Inventories		49,042	43,707
Prepayments		13,317	2,370
TOTAL CURRENT ASSETS		208,139	393,012
NON-CURRENT ASSETS			
Property, Plant & Equipment	5	16,675,241	17,461,164
TOTAL NON - CURRENT ASSETS		16,675,241	17,461,164
TOTAL ASSETS		16,883,380	17,854,176
CURRENT LIABILITIES			
Borrowings	6	1,990,447	1,740,649
Creditors and Accruals	7	512,325	641,428
Provision for Employee Entitlements		161,597	135,536
Other		4,054	10,396
TOTAL CURRENT LIABILITIES		2,668,423	2,528,009
NON - CURRENT LIABILITIES			
Borrowings	6	2,147,000	3,177,000
TOTAL NON-CURRENT LIABILITIES		2,147,000	3,177,000
TOTAL LIABILITIES		4,815,423	5,705,009
NET ASSETS		12,067,957	12,149,167
REPRESENTED BY - ACCUMULATED FUNDS	10	12,067,957	12,149,167

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 2001**

	2001	2000
	\$	\$
Cash Flows from operating activities		
Receipts from Royal Show	6,558,574	6,079,869
Receipts from Non Royal		
Show letting	585,223	932,961
Receipts from Recoveries	416,354	307,452
Receipts from Grant - Arena	-	585,000
Receipts from Sundry revenue	808	1,518
Receipts from Membership		
Subscriptions	194,125	193,169
Payments to suppliers		
& employees	(6,346,028)	(6,040,438)
Interest received	6,682	9,568
Interest paid	(381,365)	(285,012)
Net cash provided by operating activities	<u>1,034,373</u>	<u>1,784,087</u>
(See reconciliation below)		
Cash flows from investing activities		
Payment for property, plant & equip	(273,462)	(2,664,693)
Proceeds from sale of plant & equip	19,873	35,381
Net cash used in investing activities	<u>(253,589)</u>	<u>(2,629,312)</u>
Cash flows from financing activities		
Proceeds from borrowings	1,500,000	150,000
Repayment of borrowings	(1,530,000)	(30,000)
Net cash provided by/used in financing activities	<u>(30,000)</u>	<u>120,000</u>
Net increase (decrease) in cash held	<u>750,784</u>	<u>(725,225)</u>
Cash at the beginning of the financial year		
Cash and deposits	4,989	105,356
Bank overdraft	(860,649)	(235,791)
	<u>(855,660)</u>	<u>(130,435)</u>
Cash at the end of the financial year		
Cash and deposits	5,571	4,989
Bank overdraft	(110,447)	(860,649)
	<u>(104,876)</u>	<u>(855,660)</u>

RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING SURPLUS

	2001	2000
	\$	\$
Operating surplus	(81,210)	495,758
Depreciation	1,043,223	978,465
Loss/(Gain) on disposal of plant & equipment	(3,711)	17,386
Provision for doubtful debts	-	-
Changes in net assets & liabilities		
Decrease/(increase) in trade debtors	201,737	(105,162)
Decrease/(increase) in inventories	(5,335)	(3,280)
Decrease/(increase) in prepayments	(10,947)	190,845
Increase/(decrease) in creditors	(129,103)	244,864
Increase/(decrease) in provisions	26,061	(28,055)
Increase/(decrease) in income in advance	(6,342)	(6,734)
Net cash provided by operating activities	<u>1,034,373</u>	<u>1,784,087</u>

FINANCING FACILITIES

	2001	2000
	\$	\$
Unsecured bank overdraft facility:		
Amount used	110,447	860,649
Amount unused	(10,447)	(60,649)
	<u>100,000</u>	<u>800,000</u>
Unsecured loan:		
Amount used	677,000	707,000
Amount unused	-	-
	<u>677,000</u>	<u>707,000</u>
Secured loan facilities with various maturity dates through to 2005, reviewed annually and which may be extended by mutual agreement:		
Amount used	3,350,000	3,350,000
Amount unused	-	-
	<u>3,350,000</u>	<u>3,350,000</u>

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2001

Accounting Policies The financial report is a general purpose financial report which has been prepared in accordance with applicable Accounting Standards, Urgent Issues Group Consensus Views and other requirements of the law.

The financial report has been prepared on the basis of historical cost and except where stated, does not take into account changing money values or current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting policies are selected and applied in a manner which ensures that the resulting information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

Note 1.

Summary of accounting policies

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

- (a) Inventories are held for consumable purposes and are recorded at the lower of cost or net realisable value.
- (b) The Society is exempt from income tax under Section 23(h) of the Income Tax Assessment Act.
- (c) All non-current assets except land are depreciated over their expected economic lives using the reducing balance method. The following rates are used in the calculation of depreciation:

- Buildings	5%
- Improvements to Showgrounds	5%
- Plant and equipment	5% to 40%
- (d) Recoverable amount of Non-Current Assets-

Non-current assets are written down to recoverable amount where the carrying value of any non-current asset exceeds recoverable amount. Recoverable amount is determined as the present value of the amount expected to be recovered through the cash inflows and outflows arising from the continued use and subsequent disposal of the non-current asset.
- (e) Receivables - Trade receivables and other receivables are recorded at amounts due less any provisions for doubtful debts.
- (f) Accounts Payable - 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.
- (g) Borrowings - Debentures, bank loans and other loans are recorded at an amount equal to the net proceeds received. Interest expense is recognised on an accrual basis.
- (h) Employee Entitlements - Provision is made 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.

- (i) Income in Advance - Income in advance comprises deposits for letting of facilities that have yet to occur.
- (j) Going Concern - The financial report has been prepared on a going concern basis, which contemplates the continuation of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. As at 31/12/2001 the Society has a working capital deficiency of \$2,460,284. The ability of the Society to continue as a going concern is dependent on the continuing financial support of lenders and the generation of an operating surplus. The current banking facilities (as detailed in the note to the Statement of Cash Flows) are subject to annual review in December, and lenders have given their support of these facilities for the period to 31/12/02. In addition, subsequent to year end, lenders have approved further facilities of \$1,200,000 (as detailed in note 10). Having regard to these factors the Council is of the opinion that the basis upon which the financial statements are presented is appropriate in the circumstances. In the event that the support of the lenders is not continued beyond 31/12/02, the Society may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different from those stated in the financial statements. The financial statements do not include adjustments, if any, relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.
- (k) Goods and Services Tax - The net amount of GST Recoverable from, or payable to, the taxation authority is included as part of receivables or payables
- (l) Revenue Recognition - Revenue from the sale of goods or provision of services is recognised when the Society has passed control of the goods or service to the buyer.
- (m) Comparative Amounts- The Society has adopted the presentation and disclosure requirements of Accounting Standards AASB 1018 "Statement of Financial Performance", AASB 1034 "Financial Report Presentation and Disclosure" and AASB 1040 "Statement of Financial Position" for the first time in the preparation of this financial report. In accordance with the requirements of these new Standards, comparative amounts have been reclassified in order to comply with the new presentation format. The reclassification of comparative amounts has not resulted in a change to the aggregate amounts of current assets, non-current assets, current liabilities, non-current liabilities or equity, or the net profit of the Society as reported in the prior year financial report.

Note 2.

Auditors Remuneration	2001	2000
	\$	\$
Auditing the financial report	11,000	10,000

Note 3.

Cash Balances Not Available For Use

Restrictions exist upon the use of cash disclosed at the end of financial year, as they relate to trust funds held on behalf of various non-operative Agricultural Societies. Balance of funds restricted as follows.

Restricted Funds	2001	2000
	\$	\$
	2957	2952

Note 4.

	2001	2000
	\$	\$
Trade Debtors		
Trade Debtors	113,921	233,661
Sundry Debtors	28,038	110,035
Provision for Doubtful Debts	(1,750)	(1,750)
	<u>140,209</u>	<u>341,946</u>

Note 5.

Property Plant & Equipment

	\$	\$	\$	\$	\$
	Land	Buildings	Showgrounds Improvements	Plant and Equipment	Total
Gross Carrying Amount					
Balance at 31/12/2000	29,565	14,965,958	5,317,524	5,063,422	25,376,469
Additions	-	50,786	5,085	217,591	273,462
Disposals	-	-	-	(31,108)	(31,108)
Balance at 31/12/2001	<u>29,565</u>	<u>15,016,744</u>	<u>5,322,609</u>	<u>5,249,905</u>	<u>25,618,823</u>
Accumulated Depreciation/Amortisation					
Balance at 31/12/2000	-	(4,668,857)	(1,027,187)	(2,219,260)	(7,915,304)
Disposals	-	-	-	14,945	14,945
Depreciation Expense	-	(513,766)	(214,495)	(314,962)	(1,043,223)
Balance at 31/12/2001	-	<u>(5,182,623)</u>	<u>(1,241,682)</u>	<u>(2,519,277)</u>	<u>(8,943,582)</u>
Net Book Value					
As at 31/12/2000	29,565	10,297,101	4,290,337	2,844,162	17,461,165
As at 31/12/2001	<u>29,565</u>	<u>9,834,121</u>	<u>4,080,927</u>	<u>2,730,628</u>	<u>16,675,241</u>

Aggregate depreciation allocated during the year is recognised as an expense and disclosed above.

Note 6.

	2001	2000
	\$	\$
Current Borrowings		
Bank Overdraft (a)	110,447	860,649
Secured Loans (a)	1,850,000	850,000
Unsecured Loans	30,000	30,000
	<u>1,990,447</u>	<u>1,740,649</u>
Non-Current Borrowings		
Secured Loans (a)	1,500,000	2,500,000
Unsecured Loans	647,000	677,000
	<u>2,147,000</u>	<u>3,177,000</u>

(a) Borrowings are secured by way of negative pledge

Note 7.

Creditors and Accruals	2001	2000
	\$	\$
Trade Creditors	210,793	322,575
Accruals	190,289	293,350
GST	111,243	25503
	<u>512,325</u>	<u>641,428</u>

Note 8.

Related Parties

The names of the Councillors of the Society during the year are shown on page 13 of the Annual Report. In the course of their duties, Councillors have received reimbursement of expenses to the total of \$14,400

Note 9.

Financial Instruments Disclosure

(a) Significant Accounting Policies -

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect to each class of financial assets, financial liability and equity instruments are disclosed in note 1 to the financial statements.

(b) Interest Rate Risk -	2001			2000		
	Floating Interest maturing in year or less \$	Non Interest Bearing \$	Total \$	Floating interest maturing in year or less \$	Non interest bearing \$	Total \$
Financial Assets						
Trade Debtors	-	140,209	140,209	-	341,946	341,946
Cash	5,071	500	5,571	3,844	1,145	4,989
	<u>5,071</u>	<u>140,709</u>	<u>145,780</u>	<u>3,844</u>	<u>343,091</u>	<u>346,935</u>
Interest Rate	0.1% - 4.2%			1.25% - 5.65%		
Financial Liabilities						
Trade and other creditors	-	512,325	512,325	-	641,428	641,428
Bank overdraft	110,447	-	110,447	860,649	-	860,649
Loans payable within one year	1,880,000	-	1,880,000	880,000	-	880,000
Loans payable longer than one year	2,147,000	-	2,147,000	3,177,000	-	3,177,000
	<u>4,137,447</u>	<u>512,325</u>	<u>4,649,772</u>	<u>4,917,649</u>	<u>641,428</u>	<u>5,559,077</u>
Interest Rate	3.5% - 8.1%			3.5% - 10.6%		
Net Financial Assets	<u>(4,132,376)</u>	<u>(371,616)</u>	<u>(4,503,992)</u>	<u>(4,913,805)</u>	<u>(298,337)</u>	<u>(5,212,142)</u>

(c) Credit Rate Risk -

The carrying amount of financial assets recorded in the financial statements net of any provisions for losses represents the maximum exposure to credit risk without taking into account the value of any collateral or other security obtained.

(d) Net Fair Value -

The carrying amount of financial assets and liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with accounting policies disclosed in Note 1 of the financial statements.

Note 10.

Subsequent Event

Subsequent to year end the Society's bankers have approved further financing facilities of \$1,200,000 on which the Society has granted a negative pledge over its assets. Annual principal reductions of \$300,000 are to be made. In the event that principle reductions are not made by the due date, security by way of a registered first mortgage over the Society's real estate and a Fixed and Floating charge over the assets and undertakings of the Society will be granted to the Bank to secure Bank advances.

Note 11.

Retained Profits	2001	2000
	\$	\$
Balance at beginning of financial year	12,149,167	11,653,409
Net profit/(loss)	(81,210)	495,756
Balance at end of financial year	<u>12,067,957</u>	<u>12,149,165</u>

Note 12.

Sale of Assets

Sales of assets in the ordinary course of business have given rise to the following profits and losses:

	2001	2000
	\$	\$
Net Profits		
Property Plant & Equipment	3,817	12,200
Net Losses		
Property Plant & Equipment	-	2,390

Note 13.

Number of employees at end of financial year.

	2001	2000
	36	42

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF THE ROYAL AGRICULTURAL SOCIETY OF WESTERN AUSTRALIA INC.

Scope

We have audited the financial report of The Royal Agricultural Society of Western Australia Inc. for the financial year ended 31 December 2001 as set out on pages 6 to 11. The Councillors of the Society 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 Society.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material 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 issued in Australia and other mandatory professional reporting requirements and statutory requirements so as to present a view which is consistent with our understanding of the Society's financial position, 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 presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements the financial position of The Royal Agricultural Society of Western Australia (Inc.) as at 31 December 2001 and the results of its operations and its cash flows for the year then ended.

Inherent Uncertainty Regarding Continuation as a Going Concern

Without qualification to the opinion expressed above, attention is drawn to the following matter. As a result of the matters described in Note 1(j), there exists uncertainty whether the society will be able to continue as a going concern without the continued support of its financiers and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

DELOITTE TOUCHE TOHMATSU

GJ Wheeler, Partner

Chartered Accountants

Perth, Western Australia

Date 13 February 2002

Council's Declaration

The Council declares that:

- The attached financial statements and notes thereto comply with Accounting Standards;
- The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the Society;
- In the Council's opinion there are reasonable grounds to believe that the society will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Council made pursuant to the constitution of the Society.

On behalf of the council by

David White, Treasurer

PERTH 13 February 2002.

Councillors 2001



The strength of the RASWA is without doubt its people. As a Society, the organisation has the commitment and support from an enormous team which consists of staff, councillors, committee members and volunteers.

The RASWA employs 36 full time staff equivalents, which are organised into administration, finance, property services, marketing and commercial departments. In the lead up to and during the Perth Royal Show, this number increases to 192 full time staff.

In 2001 the Accountant Robert Coles announced his retirement. Robert was with the RASWA for twelve years and his knowledge of and commitment to the organisation will be missed. A new Finance Manager was appointed. Jamie Murdoch previously held the position of Finance Manager at the West Australian Football Commission. The CEO Mr Simon Lyas resigned his position soon after the Show in October and at the time of writing this report the Council had not yet confirmed a new appointment.

There is an estimated 2000 volunteers who assist with all aspects of staging the Perth Royal Show. 2001 was the Year of the Volunteer and for the first time the RASWA attempted to thank them in some co-ordinated way by hosting a BBQ luncheon. This will become an annual event in recognition of their efforts.

Councillors are the backbone of the RASWA, leading and participating in committees, which run the 42 competitive sections of the Show as well as other areas of the organisation. A Management Committee consists of 8 elected councillors and a treasurer who recommend broad policy directions to the Council.

Back Row Left to Right: Leon Giglia, Bevan Bessen, Greg Brockway, Peter Dempster, John Snowball, Bruce Campbell, Hugh Warden, Kevin Cahill, Deane Allen, Ross Bourne, Dudley Preston

Middle Row Left to Right: Michael Jones, Robert Hawes, Dr Robert Pearce, Shirley Thorn, Ellie Eaton, Margaret Bannister, John Carstairs, Don Forrest, David Buttfild, Bill Payne, Paul Carter

Bottom Row Left to Right: Martin Molony (Acting CEO), Robert Hayes-Thompson, John Wilding (Past President), Jim Horwood (Past President), Dr Don Robertson (President-Elect), Lou Giglia (President), Jim Webster (Past President), Peter Carter (Past President), Tom Wilding (Past President), David White (Treasurer)

Absent John O'Meehan (Immediate Past President), Milton Isbister (Past President), John Hanley, Trevor Barwick, Ivan Solomon, Geoffrey Shepherdson.



People of the Royal Agricultural Society of Western Australia

Patron

His Excellency Lieutenant General
John Sanderson AC Governor of
Western Australia

Vice Patron

The Hon David Malcolm AC
Chief Justice of Western Australia
Lieutenant Governor

President

Giglia L A (Lou)

President Elect

Robertson D, Dr (Don)

Immediate Past President

O'Meehan J F JP (John)

Treasurer

White D C (David)

Past Presidents

Carter P T, AM JP (Peter)
Horwood J K, AM BE (Jim)
Isbister M L (Milton)
Webster A J, OAM (Jim)
Wilding J H (John)
Wilding T D (Tom)
Wilkinson A (Arthur)

Honorary Life Members

Bartlett R F (Ron)
Burt, AC KCMG QC, Sir Francis
Carter, P T (Peter)
Howson J F, OBE JP (Jack)
Isbister M L (Milton)
Pope F R (Roy)
Wilding T D (Tom)
Wilkinson A (Arthur)

Hon Life Member Mr W C K Pearse
CBE JP Passed away in 2001.

Honorary Councillors

Burges K A (Keith)
Cunningham T M (Tom)
Dring P (Peter)
Gaze D O (Des)
Reading R (Ross)
Seymour T M (Theo)
Shepherd J H, AO (Jim)
Stone D T (Don)
Tate J (John)

Elected Councillors

Allen Mr D (Deane)
Bannister Mrs M (Margaret)
Barwick T E (Trevor)
Bessen B (Bevan)
Bourne R (Ross)
Brockway G (Greg)
Buttfield D (David)
Cahill K V (Kevin)
Campbell B G (Bruce)
Carstairs J FAICD, JP (John)
Carter P L (Paul)
Dempster P J (Peter)
Eaton Mrs E (Ellie)
Forrest D K (Don)
Giglia L (Leon)
Hanley J (John)
Hawes, R P (Robert)
Hayes-Thompson R B, BEM, MDM
(Milt.) JP (Robert)
Jones M B (Michael)
Payne W J (Bill)
Pearce Dr R, AM RFD JP (Robert)
Preston D F (Dudley)
Shepherdson G (Geoffrey)
Snowball J (John)
Solomon I F (Ivan)
Thorn Mrs S (Shirley)
Warden H (Hugh)

CEO

Simon Lyas resigned this position in
October. Commercial Manager Martin
Molony has been Acting CEO in the
interim.

Auditor

Deloitte Touche Tohmatsu
The auditors are appointed at the
Council Meeting following the Annual
General Meeting each year.

Retirement of Councillors

Seven of the twenty-eight Councillors
retire each year but become eligible
for re-election. The following table
sets out the respective years of
retirement.

2002

Mrs M Bannister
Mr R Bourne
Mr R Hayes-Thompson
Mrs S Thorn
Mr G Brockway
Mr W Payne
Dr D Robertson

2003

Mr D Buttfield
Mr D Preston
Mrs E Eaton
Mr K Cahill
Mr H Warden
Mr Leon Giglia
Mr J Carstairs

2004

Mr B Bessen
Mr J Snowball
Mr Paul Carter
Mr B Campbell
Mr D Allen
Mr J Hanley
Dr R Pearce

2005

Mr T Barwick
Mr P Dempster
Mr D Forrest
Mr R Hawes
Mr M Jones
Mr I Solomon
Mr D White