

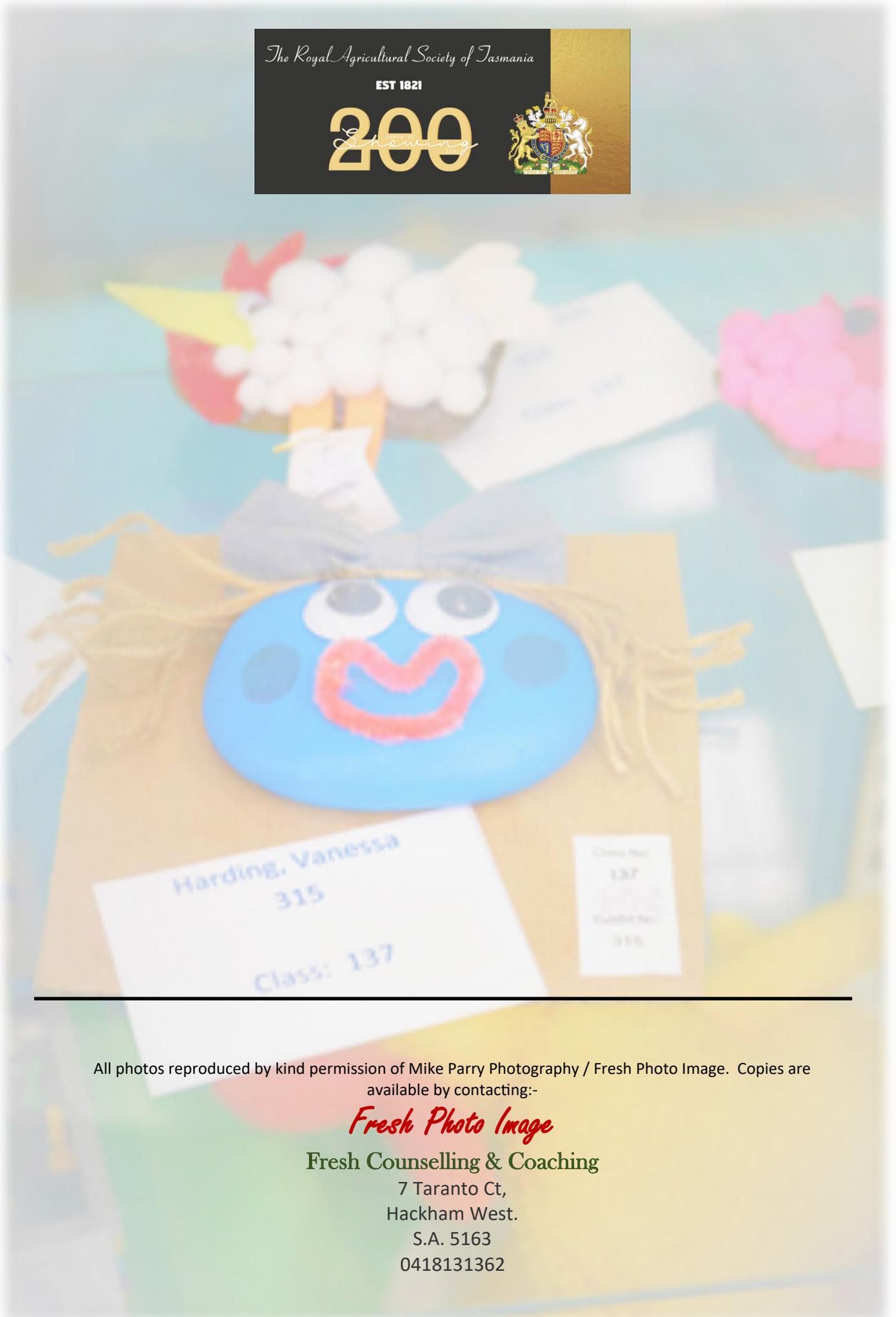
The Royal Agricultural Society of Tasmania

Annual Report 2019 – 2020

The Royal Agricultural Society of Tasmania

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of
Tasmania



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The Royal Agricultural Society of Tasmania

Our Mission

To promote excellence in Tasmania's products and resources through exhibition and education

Our Values

We value:

- Agriculture, heritage and the environment
- Competitive advantage through knowledge, training and demonstration
- Customer service and community partnerships
- Our staff and our volunteers
- Our sponsors and our exhibitors
- Leadership through innovation and reward
- The involvement of youth
- Diligence, accuracy and fair judgement

Our History

The Royal Agricultural Society of Tasmania traces its history back to 1821 when a group of residents of Van Diemen's Land corresponded with the Official Secretary and gained approval for the establishment of a Society for the protection of animals. Thus Tasmania has the distinction of being the first colony in Australia to form an Agricultural Society when the "Van Diemen's Land Agricultural Society" was formed in Hobart Town on 1st January 1822. The first show was conducted in December 1822, in the Old Market Place, just in front of the present State Parliament House. This makes the Royal Hobart Show the oldest Show still operating in Australia and one of the oldest in the world.



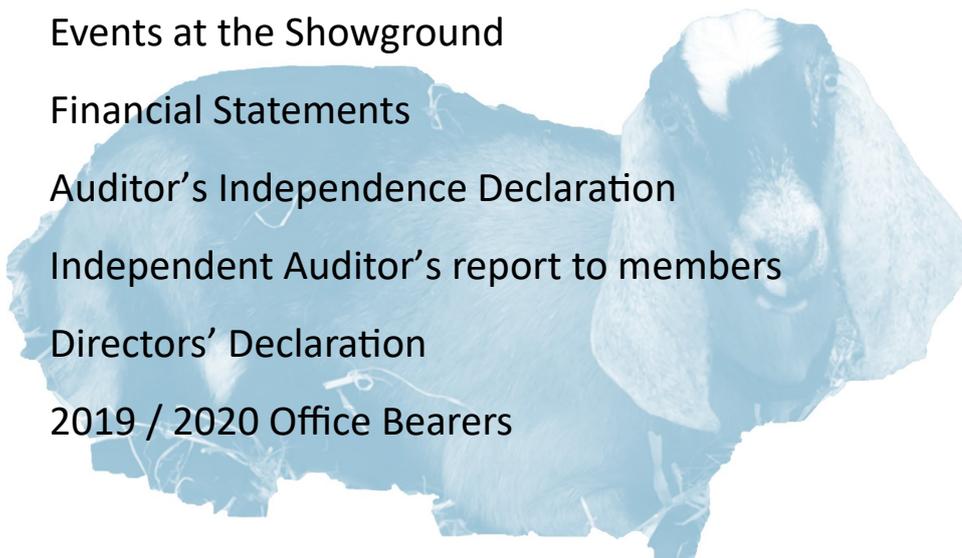


The Royal Agricultural Society of Tasmania Annual Report 2019 - 2020

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President's Report

The past year has seen significant strides towards a major reinvention and rejuvenation of the Society, the Show and the Showground.

The Stage 2 redevelopment is underway, and our focus has now turned to the necessary planning for Stage 3 which will be the most exciting stage. The aim is to create a new event precinct that will deliver a modern and vibrant space for the Show and many other events throughout the year.

New Insights Australia headed by Brett Torossi has been engaged to project manage the new master plan and event precinct design elements. Brett and her team are working closely with our CEO and our Transition Development Committee to develop concepts for further consultation before embarking on the approvals processes.

Nationally renowned architects, Partners Hill, have been engaged to develop both the masterplan and the design concepts for the event space. Timothy Hill, the principal, recently relocated to Hobart and now two of his team have followed suit on the strength of this project. We look forward to discussing these concepts with all of our stakeholders around the end of June 2020.

Our declared interest in the old Derwent Entertainment Centre (DEC) was overtaken by a glamorous NBL bid headed by Larry Kestelman and his promises of a \$200 million retail development. None the less we will work to ensure that our development and the DEC development can complement each other in a way that benefits both.

There is no doubt that the efforts of the Glenorchy City Council and the State Government in securing the Kestelman vision for the Wilkinson's Point site has set a new benchmark for local and state government support which bodes well for our own Stage 3 developments.

I'd like to thank both Richard Dax and Margaret Brinckman for assisting myself and our CEO on the Transition Development Committee and for the tireless efforts, particularly from Richard, in moving this project forward at a pace we never imagined was possible.

The rest of the Board has also been extremely busy this year especially in the later part when the COVID-19 situation emerged. It necessitated specific business continuity plans and risk management strategies to be developed and updated almost daily as the crisis evolved.

The Board has been able to support our CEO throughout this crisis and continues to do so. This required altering the way the Board met and also increasing the frequency of meetings to weekly. Many Directors were introduced to Zoom video conferencing for the first time and meeting attendance has been 100% for most meetings.

This past year saw the resignation of Wes Hazell from the Board and existing Director Greg Melick was asked by the Board to fill that vacancy. Wes is a three times former President and made a significant commitment to the Board over many years. He remains an RAST Councillor. Our CEO, Scott Gadd, has also agreed to sign on for a new three year contract from April 1st.

Finally I must thank all of our Directors, our CEO and our staff who have all responded to a very trying set of challenges in a most remarkable way. The Society is very fortunate indeed to have such people working for us and their loyalty and commitment bodes us well for the future.

I would also like to thank our Councillors, committee members and many volunteers. It goes without saying that we couldn't do what we do without those dedicated individuals and I sincerely appreciate their efforts.

Peter Spotswood, President



Vintage Machinery Display

CEO Report

It's almost a cliché now but yet another momentous year has passed. Of note during the year is the Stage 2 Showground redevelopment is up and running with planning for Stage 3 now well underway, the Royal Hobart Show closed due to bad weather for the first time in living memory, bushfires across mainland states impacted our motorhome business and the economic and health apocalypse that is COVID-19 descended on the globe in the first quarter of 2020.

All of these have required difficult and unprecedented decisions and I'd like to personally thank those staff and Board members who have consistently stepped up and supported me through these difficult times.

Financially, RAST experienced a good year despite the challenges although the bushfires and COVID-19 situations toward the end of the financial year had a dramatic impact on the overall result. Excluding the COVID-19 impact on our investments, the Society posted a small profit for the year which included a good result from the Royal Hobart Show, Sunday Market, Food and Wine shows, and Vineyard of the Year.

The Spotlight Property Group development (stage 2) achieved final approval and got under way. The development is expected to realise a Spotlight, Anaconda and four other large format retailers on the site. The demolition work is complete with the timber stables, caretaker's house, toilet block, kennel pavilion and other sheds all removed. Some were sold or recycled and a lot of material was salvaged for future use and archival purposes. The stables in particular yielded a range of interesting items from behind the kick panels including old cans, newspapers, and horse crops. The Spotlight development has been temporarily halted due to COVID-19 but is expected to be back underway around July 2020. All new services including power, water and NBN have been re-installed.

The 2019 Royal Hobart Show started off very strongly with comparatively good crowds experienced on Wednesday, Thursday and Saturday. Friday was also shaping up to be a record crowd until wind forced the temporary closure of the site at around 11.30am. Despite the Friday suspension, overall numbers were on par with 2019 and competition entries were slightly up on that year.

Feedback on the Show was largely quite positive, leaving organisers to conclude we are on the right track in terms of recapturing our audience. The marketing of Wednesday to other groups apart from schools is starting to pay dividends with a healthy number of school, disability, aged care and migrant communities visiting.

The 2019 Show layout took into consideration the expected changes needed for 2020 as a result of the stage 2 redevelopment, and worked quite effectively. We noted a few changes that will be required but overall were very happy with the result.

The Sunday Market performed very well all year, exceeding budget consistently until it was closed by the Government's social distancing policies. While this was unfortunate, but necessary, we remain committed to reopening the market, with a celebration including a possible event with a night market to kick it off. During the year, we introduced the use of golf buggies to assist people with mobility issues who are now forced to park further away from the Market due to the Stage 2 redevelopment.

The Royal Hobart Fine Food Awards performed satisfactorily although numbers were a little down on expectations. We subsequently invested a significant amount into the rejuvenation of these awards through the engagement of a consultant and long term supporter of the Awards, Mr Rod Wyker. Rod developed a new strategic plan in conjunction with the Chair, Annette Emmett, and her committee. We have also changed the name to the Royal Tasmanian Fine Food Awards as well as the branding. In the future we see an increased level of food industry partnerships and cooperation with the event; and Rod has been instrumental in progressing these goals.

The Royal Hobart Wine Show was a success with the financial result coming in above budget thanks to the committee's focus on managing costs and entry numbers being as budgeted. The expertise of this committee is





now being sought by the Tasmanian Whisky and Spirits Association to assist with an inaugural Tasmanian Whisky Competition to be, hopefully, followed by a Tasmanian Spirits competition.

Our venue hire and motorhome businesses took a major hit from the COVID-19 closures occurring during the peak months and have come in under budget. The Motorhome Park also experienced a notable downturn during and immediately after the catastrophic mainland bushfires which made global headlines. Unfortunately, these fires were immediately followed by forced closures due to COVID-19. On the upside, I believe the one part of the tourism market that will bounce back from COVID-19 fairly quickly will be the caravan and motorhome touring market; and we will see an increase long before the air and sea domestic and international tourists return.

The Vineyard of the Year competition also performed strongly in 2019 largely due to our major sponsor and renewable energy partner, Gravitax Energy. Their sponsorship of this event as well as the Paris trip for the best pinot noir in the wine show represents a significant investment in our business from Gravitax and is very much appreciated.

Our tenancies remained strong in 2019 and far exceeded our budget expectations due to achieving over 90% occupancy. We also managed to look after some of our community based tenants displaced by the stage 2 redevelopment of the Showground, with only the Hobart Vintage Machinery Society deciding to relocate to Sorell, although they have maintained their Men's Shed activities in a new building on site. The other factor driving our success is the advertising on the static and electronic billboards. Until COVID-19 we had around 90% coverage of the available space for the year.

There is no doubt the world has now changed dramatically and that nobody can predict just exactly what it will mean for our businesses post COVID-19. However we are working through continuity plans and reassessing the stage 3 development concepts continuously to make sure we are in the best position possible. The fact that we had managed to build a much diversified business model prior to COVID-19 has assisted us enormously, even though most of those businesses were eventually impacted. I have no doubt that we have the capacity in terms of human, financial, strategic and management resources to not only survive through this, but also to continue to prosper once on the other side.

Scott Gadd, CEO

Vale Graham Hughes

Graham Paul Hughes, who was a Life Member of the Society, passed away during the year. He was immensely proud of his association with the RAST both as a Life Member and for his involvement with the Show as a Stock Inspector with the then Department of Agriculture.

Interestingly, Graham's Life Membership was purchased for him 74 years ago for his 21st Birthday, as a present from his parents. Our condolences to Graham's family, including his two sons, Chris and Paul Hughes.

Audit Chair's Report

The second year of operation for the XERO accounting package has gone very well. The Audit committee and the CEO are quite happy with the quality of reporting now available in 'real time'. The CEO is now able to have the system live during meetings enabling committee members to see for themselves how the various businesses are performing. The reports generated for each meeting are now in a simplified format and are much easier to read and understand.



We have managed to draw a regular income from our investments to support the operating costs as was our intention when we devised the strategy to sell the Bunnings lease. The investments performed better than expected throughout the year until the COVID-19 crisis struck and had such a dramatic impact on the stock market. Luckily a large portion of the investment is in property, so the fallout was minimised to some degree' although as at year end we had a decrease in value of close to \$1,000,000. It is our expectation that we will claw this back over the next 2—3 years. We'd prefer to not substantially change the prevailing investment strategy as that would risk locking in and crystallizing losses unnecessarily. We believe the current strategy remains appropriate for this asset.

The balance sheet dropped by nearly \$1 million dollars due to the investment losses that occurred in March. Current Assets were approximately \$8.75 million and Total Assets \$20.25 million. Total liabilities were just over \$1.1 million. Our fixed assets improved slightly by \$50k due to building refurbishments and investments in equipment. Prior to COVID-19 emerging we were on track for a modest profit for the year. Excluding the reduction in the value of the investment fund we would have posted a profit of around \$15k.

Our business units performed well until around March 2020 when COVID-19 closures started to impact. The exception was the Motor Home Park which performed slightly under budget until early 2020 and then started to decline due to the mainland bushfires affecting our primary source of clients. This then flowed into the COVID crisis leaving the Motor Home business under budget by about \$80k. Similarly our Venue Hire business witnessed many cancellations at the normally busy period and posted a \$52k loss against budget.

The Sunday Market performed ahead of budget all year and despite being closed down in late February posted a \$41k better than budget result. The Royal Hobart Show also performed well against budget considering the forced closure on Show Friday due to weather. The Show came in at just under \$40k below budget posting a small loss overall. The Show potentially would have been one of the better outcomes in recent years if it had remained open all day Friday. The Property leasing business delivered \$132k above budget in what was an outstanding result driven by unexpected advertising income on the billboards and staff achieving well over 90% occupancy of the buildings on-site. Other Events posted a small loss but was still \$3.2 k better than budget. Membership was up by 100% against budget.

This year represented our first full year of generating our own power through our solar energy investments. Effectively we managed to halve our power bills representing a saving of around \$55k for the year. The system was financed so the result has seen the net result move further into positive territory ahead of what was originally anticipated.

Overall the committee is happy with the financial performance of the Society for the 2019/20 year. Toward the end of that period we faced some unexpected and quite dramatic challenges that could have, under previous circumstances, potentially wiped us out. However due to the solid fiscal position that we are now in we have been able to weather the storm and start to plan our way through to the other side. We were forced to develop new COVID specific business continuity plans, risk assessments and risk mitigation strategies. These plans have served us well allowing us to maintain a focus on what needed to be done and do so in a strategic and coordinated manner. I would like to thank my fellow committee members for their input throughout the year as well as our CEO and Accounts Manager, Lian Lu, who has inspired great confidence by her methodical and competent approach to the accounts.

Russell Cripps, Finance & Audit Chair, Company Secretary

2019 BBX Royal Hobart Show

It was a challenging year for the Royal Hobart Show. Two initial positive days of the event were followed by gale force winds that led to an unprecedented, temporary closure to the Show on the Show Friday.

Although the interruption to the Show only lasted about four hours, and the event resumed after the winds eased, crowds did not fully recover for the rest of Friday.

Nevertheless, the first two days exceeded expectations. Going into a gale swept Friday the Show at that point looked like being a bumper year. At the end of the Show, the result was a small financial loss over the course of the four days.

Despite the shut-down, overall crowd numbers were on average, thanks to the strong Wednesday and Thursday public holiday. Crowd numbers for the entire Show were more than 40,000, with more than 20,500 attending on the Show public holiday.



Entries for the Show reached into their thousands, with increased entries in nine categories, in particular: Youth Art, Alpaca Fleece and Cavies.

Interstate entertainment included a Human Cannonball who lent a touch of old-time carnival to the Show, and the acrobatic Wheel of Steel. Children were provided with dozens of opportunities to immerse themselves in the Show, whether it was meeting baby animals, trying their hand at

woodwork, or digging for potatoes.

A virtual reality farm allowed showgoers to experience a real working farm environment in virtual reality. The Tasmanian Government mounted a major display of its agencies and services, and Cricket Tasmania was one of several sporting codes at the Show.

There was a children's charity pageant and a major new sponsor, First National Real Estate, partnered the Society to bring entertainment acts to the Arena.

The huge kennel section moved into the Market Pavilion this year because of preparations for the construction of the Spotlight retail outlet on Showground land facing onto Howard Rd, next to Bunnings.

The Society also engaged **UTAS** to undertake research during the Show to inform the Society of how the community would like to see the Show developing in the years following its 200th anniversary.

Again in 2019, the Society produced The Show Mag, a comprehensive guide to the Show which was contained in the Mercury newspaper as a lift-out.

Attending the Show were two visiting Rural Ambassadors from South Australia: Karl Milde and Amy Doeke. They awarded ribbons to the best commercial spaces at the Show and undertook other duties. The Rural Ambassador program identifies and supports young people who want to work in the rural sector.

In 2019 the Show reverted to a full four day event after piloting a three day Show in 2018. The pilot was designed to identify any cost savings that could be made on the event, but a review showed that the cost savings were only minimal.

As planning commenced for the 2020 Show in the opening months of the new calendar year, the sudden outbreak of Coronavirus across the world led to an uncertain period of Government restrictions on personal movement.

Daily news conferences by the Prime Minister and state premiers contained dramatic announcements of restrictions on personal movement, and the closure of international and state borders. The televised announcements were often the only form of communication between government and organisations such as the Society.

As the Society's financial year wound up, the Sydney Royal Easter Show and some other major shows were cancelled. But with a remaining six months to the 2020 Royal Hobart Show, the Society was keeping a close, daily watch on events, with a view to making a final decision on the staging of the 2020 Royal Hobart Show in late May, 2020.

Living Legends 2019



2019 Living Legends Paul & Elizabeth Geard receive RAST's highest honour from Her Excellency The Hon Prof Kate Warner and RAST President Mr Peter Spotswood

The annual Living Legend of the Show is announced each year during a Vice Regal luncheon at the Show. The recipients honoured in 2019 were Paul and Elizabeth Geard.

Paul started showing with his parents in 1954, exhibiting Tamworth Pigs and Jersey cows. He first exhibited Holstein Friesian cattle two years later in 1956 when he won champion dairy cow. He's won countless broad ribbons in the 63 years since.

Paul and Elizabeth have spent many hours at the Hobart showground, volunteering time not just at the Show, but in between, helping to develop the ground, building judging rings, redeveloping the central arena, and general ground maintenance.

Paul started on the Show Council around 30 years ago, and was elected President in 2005. He held this position for six years. He has been on the RAST Board since its inception in 2010. He has been a Councillor since the 1980's and is an Honorary Life Member and Honorary Life Councillor. He remains a director of the board to this day.

Show time has also been an extremely busy time for Elizabeth. In the early days helping Paul prepare and clean the team of dairy cattle, while also tending to their five children, and in recent times grandchildren. She has also been involved with the Show Ambassador awards as a judge and with the functions committee.

2019 Royal Hobart Show Facebook & Website Statistics

For the month of October 2019, the Royal Hobart Showgrounds Facebook Page and Website saw the following statistical highlights:

- The Facebook page reached a daily total of over 205,791 people during the month of October
- The Facebook page and its content (*posts made by the page*) had a total daily engagement of 22285 people during the month of October
- The total daily impressions for Facebook was 499,913 for October
- The total daily video repeats for October was 2316
- Our Facebook fans are 78% women with 56% of them in the 18—44 year age group
- The website experienced 52,328 page views from just under 16,000 users. 80% were new visitors and 20% returning visitors
- The average time spent for each website session was 1:48 with 2.4 pages visited

Redevelopment of the Showground

During the year, the RAST continued its planning for the redevelopment of the Hobart Showground into a vibrant asset for both the community and the Society.

The planning process pressed ahead despite another proposal involving a private developer, Glenorchy City Council, and the Tasmanian Government, for the redevelopment of the Derwent Entertainment Centre.

This proposal and the negotiations around it were kept confidential, and included turning the DEC into a basketball hub as well as a housing and retail development at Wilkinson's Point.

Ultimately, as information became available on the scope of the DEC project, the Society determined that it was in most major respects dissimilar to the Showground's own plans, being commercial in nature, as opposed to the Society's vision for a new community precinct which had the potential to be transformative for the northern suburbs.

The Society was also re-assured by the Government's proposed financial support for the DEC project. This established a financial benchmark for major developments, and given the superior community benefits attending to the Showground redevelopment, once the Society's own plans were finalised, significant Government support could be expected to help realise the vision.

A three stage approach to the Showground project followed extensive research, consultation, and an awareness that the Society must re-vision its role if it is to prosper beyond its 200th anniversary.

Stage 1 of the Showground Master Plan involved the sale of Showground land to Bunnings Warehouse. Previously, Bunnings had leased the land. The \$14 million sale in late 2018 gave the Society the financial flexibility to consider the future use of the underutilised Showground.

Stage 2 was the Spotlight development. Demolition of old stables and other structures commenced during the year under review, and land preparation was undertaken ahead of construction. As the financial year ended, the Spotlight developers put a pause on construction due to the uncertainty and physical restrictions caused by the sudden emergence of Coronavirus.

Stage 3 involves a new Master Plan for the 12 ha site and planning for a new Showground Pavilion as the first phase of a wider transformation of the Showground which, during the year under review, remained a focus of planning and financial modelling.

To progress planning, the Society's Board established a sub committee during the year to meet regularly, pursue planning considerations, and report back to the Board.

This sub committee was chaired by the Board's Richard Dax, and included fellow Board members Margaret Brinckman and the President, Peter Spotswood, with the support of specialist, outside, disciplines.

At the recommendation of the sub committee – later re-titled the “Transition Development Panel” - the Board appointed a leading company in the field, New Insights Australia, to act as the Society’s facilitator for the project.

New Insights called for expressions of interest from architectural firms, and early in calendar year 2020 a nationally significant architect, Timothy Hill of Hobart-based Partners Hill, was appointed to provide a concept master plan, and design for the new Pavilion.

"The Society's transition development panel wanted – not just a site for annual events at the Showground – but a precinct that would become 'a part of town', They want us to deliver a place for communities to live, cultivate, celebrate, trade, learn, eat and visit throughout the year. It needs to be an exemplary project that encourages new standards and new insights. It's a great time to re imagine Hobart Showground.

Timothy Hill, Partners Hill

Timothy Hill has been recognised with numerous awards and is the recipient of the prestigious national 2019 Robin Boyd Award for Residential Architecture. The Australian Institute of Architects awarded him this prize for his Daylesford Longhouse in rural Victoria.

As the year progressed, Mr Hill held his first meetings with the Society to scope out a design for the site; and the Society reached out to all key stake holders, communicating a plan with major features that may include:

- ⇒ **A** new Pavilion, incorporating enhanced exhibitor, visitor, tourism, attendee and community facilities and amenities on three levels.
- ⇒ **A** new arena, with under arena parking
- ⇒ **Emergency**, Evacuation, Distribution and Recovery facilities to accommodate displaced persons and animals in the event of a major disaster
- ⇒ **Public**, green open spaces and a commercial precinct
- ⇒ **Possible** housing or other commercial elements to generate capital and recurrent revenue
- ⇒ **New** access to the precinct
- ⇒ **Integration** with the existing 'station' infrastructure to facilitate a proposed 'light rail' (or other) service between Hobart and Glenorchy
- ⇒ **A** new pedestrian overpass across the Brooker Highway to connect future developments at the DEC site, Elwick Racecourse, Mona, Gasp, etc.

Planning showed that Hobart Showground is situated in a strategically central location in Hobart’s northern suburbs and its redevelopment, as revealed in the planning that occurred this year, makes it one of the most important redevelopment projects in recent decades in Tasmania, supporting the community in multiple ways. For instance, a current proposal for a Northern transport corridor to Glenorchy could see a new state of the art transport stop at the main Showground entrance, providing a much enhanced connectivity between the Hobart CBD and Glenorchy.

Wide ranging discussions on an on-going basis commenced with key stakeholders in December 2019, although interrupted early in the new year, when the Premier resigned from Parliament.

Throughout this process, briefings were held on site, and discussions occurred off-site. The Society’s evolving plans through-out this process met with support from Tasmania’s major political parties, at a state and a national level, as well as independents and the Greens party.

At the end of the financial year, as the Coronavirus crisis shut down the world, the Society remained in touch with all major stake holders, issuing a paper which emphasised that the project would be a major “shovel ready” stimulus for the economy once Australia began emerging from the shut-down, if governments partnered the Society to commence the development.

This paper met with strong support from key stake holders.



2019 Royal Hobart Wine Show

Tasmanian wines put in another strong performance at the 2019 Royal Hobart Wine Show. The event itself also contributed positively to the Society's FY19-20 result. Coming in above budget due to the efforts of the committee in containing and managing costs. Of particular note was the performance of Riversdale Estate wines which was awarded an unprecedented eight trophies by the national and international judging panel. Riversdale Estate is based in the Coal River Valley near Cambridge.

Chief Judge was Sue Bell of Bellwether Wines, and judging occurred over four days in August with some 20 judges assessing the year's entries. Seven of the judges and associate judges were Tasmanian. James Godfrey of Treasury Wine Estates is Chair of the Wine Show organising committee. Yoshiko Takahashi from Japan was the designated international judge.

Following the 2019 Wine Show, planning for the 2020 Show was made more complicated by the Coronavirus outbreak. Wine shows in a number of other states were either cancelled or postponed until later in 2020, when they could clash with a delayed or postponed Royal Hobart Wine Show.

Rod Cuthbert: 2019 Tasmanian Wine Industry Award

At the combined food and wine awards dinner held at the Showground and attended by some 200 people, Rod Cuthbert was awarded the annual Tasmanian Wine Industry Award for an individual who has made an exceptional contribution to the Tasmanian wine industry.

An engineer by trade, a keen yachtsman and accomplished vigneron, Rod established Iron Pot Bay Vineyard at Rowella near the Tamar in the late 1980's. Significantly, he produced the first unwooded Chardonnay in Tasmania, and supplied the chardonnay grapes for Andrew Hood's first Wellington wooded Chardonnay.

Rod was also involved in the establishment of the Tamar Valley Wine Route, and later ran the Iron Pot Bay cellar door from his home at Retreat Cove.

Aside from grape and wine industry matters, Rod also designed the fountain at the old railway (now ABC) roundabout in Hobart.



Mr Rod Cuthbert receives his award from a former recipient and RAST Life Member, Mr Bill Geeves



Above: John Di Monda from GDA and James Godfrey, Wine Show Chair, present the Chairs award to Pat Colombo from Deep Woods Estate for his 2018 Reserve Chardonnay.

Below: Dr Alice Perry from the Department of State Growth presents the Claudio Alcorso Trophy for the best Tasmanian wine to Ian Roberts from Riversdale Estate for his Cygnus Riesling. Riversdale took out eight awards overall which is an unprecedented result. Congratulations to the Riversdale team.



Combined food and wine show awards dinner

The Royal Hobart Fine Food awards night was held in conjunction with the awards for the Royal Hobart Wine Show in 2019. The two events are now virtually back to back.

The dinner attracted a sell-out 200 participants.

The Awards evening included announcements of major awards in both the wine show and the food awards, and showcased gold medal wine and produce. Included in the ticket price was a multiple course meal designed and created by award winning executive chef, Paul Foreman.

2019 Gravitas Energy Vineyard of the Year

Stargazer Vineyard at Tea Tree in the Coal River Valley was named the winner of the 2019 Gravitas Vineyard of the Year in May 2019. This program by the Society aims to promote excellence in Tasmanian viticultural management.

Judges Paul Smart, Matthew Pooley, Frank Walker and Jen Doyle undertook vineyard inspections as part of their judging process. Stargazer's winemaker, Samantha Connew, is also the vineyard's owner. An accomplished industry professional, Samantha was named International Red Winemaker of the Year at the International Wine Challenge, London, in 2007.

As part of the Award of Tasmanian Vineyard of the Year, Stargazer hosted a field day for wine professionals and lovers of wine alike so that they could learn about the vineyard's winning techniques.

Vineyard of the Year was sponsored by Gravitas Energy in conjunction with Bennett's Petroleum, Geotas, and Wine Tasmania.

The 2020 Vineyard of the Year was paused so that a review could be conducted into the program, with a possibility it could take place later in 2020. However, at the end of the financial year it appeared unlikely that the 2020 program would occur given the onset of Coronavirus.

Stargazer owner, Samantha Connew, receives the Richard Langdon Trophy from Richard Langdon's daughter Francis Stewart, who is representing Caroline Langdon Matterson.



Royal Hobart Fine Food Awards



The 2019 Awards saw increases in entries in Delicatessen products (up 85% on the previous year); olive oil (up 49%), seafood (up 24%), beverages – ranging from ciders to fruit liqueurs (up 21%), and the catch-all section Any Other Product (up 58%).

However, overall entries were down on some previous years, and as a result the Society engaged a food industry consultant to develop a strategic plan to evolve the Awards to a new level.

Respected industry identity Rod Wyker was appointed by the Society to develop the strategic plan as well as developing closer links with the food making industry.

As part of this plan, the Royal Hobart Fine Food Awards were renamed the Tasmanian Fine Food Awards to recognize that entries come from every part of Australia and from all over Tasmania. The strategic plan also outlined some innovations for the Awards, such as master classes for participating food makers.

A great deal of work was undertaken in preparation for the 2020 Awards, based on the new plan, but by the end of the financial year it was clear the Awards could not proceed because of the virtual shut down of the nation due to Coronavirus. The Awards are one of the oldest and most respected food awards programs in Australia.

The strategic plan will now provide the impetus for the 2021 Awards next year. Entries for the re-energised 2021 Awards are expected to open in March 2021.

Attending the 2019 Awards for the judging of tea and tisanes was Cathy Zhang, who holds a Chinese degree in Tea. She's an international tea judge and a Tea Ambassador. Tea judging at the Awards in 2019 was to international standards using ISO-compliant crockery from China.



Ministers Encouragement Award

The Minister for Primary Industries, The Hon Guy Barnett MP, sponsored an award for a Tasmanian product that stood out to the judges as one with enormous potential. This years winner was Southern Wild Distillery for their Dasher & Fisher Sloe Gin.

Pictured is Grant Hirst from Southern Wild Distillery receiving the award from the Speaker of the House of Assembly, The Hon Sue Hickey, MP and Member for Clark representing the Minister.



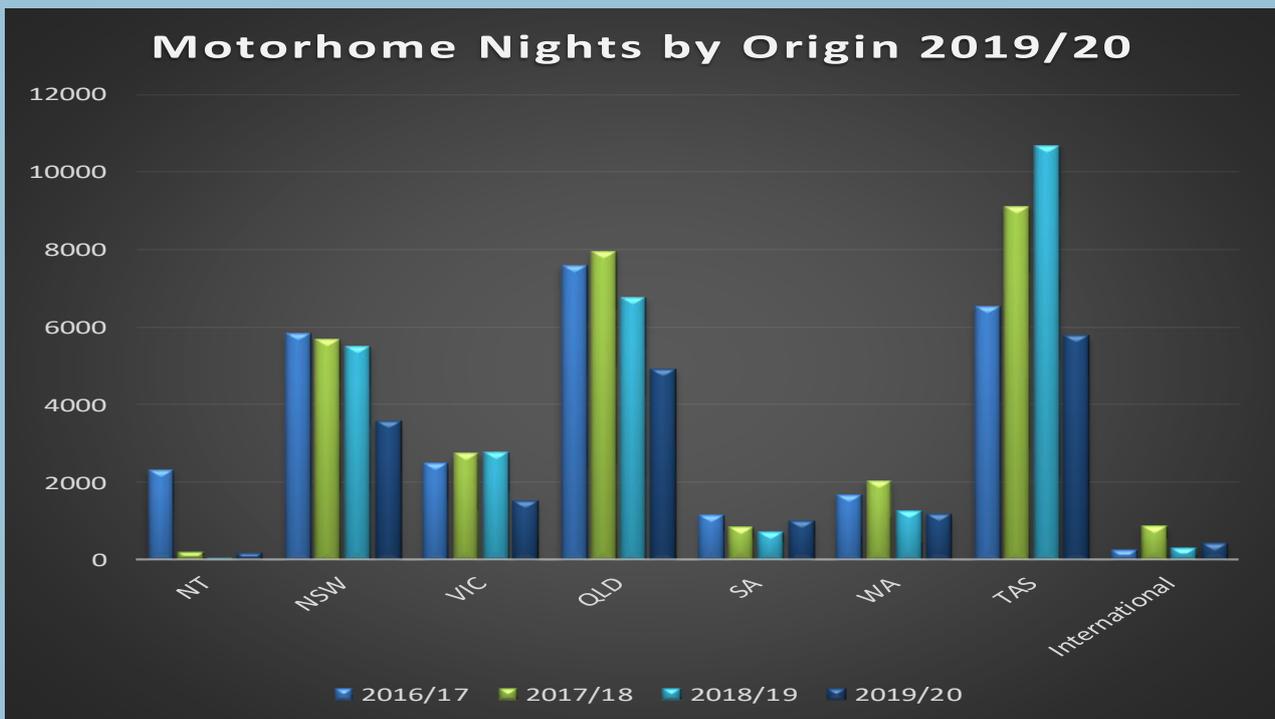
Showground Motorhome Park

The Hobart Showground Motor Home Park is now a well established and popular destination for holiday makers.

Its financial contribution to the Society was important during the year, although slightly down, partly due to the lack of a Wooden Boat Festival in Hobart in 2019. This biennial festival always brings strong patronage to the Motor Home Park.

As the new calendar year began (2020) parts of eastern Australian were engulfed in major bushfires. Most Motor Home Park users come from the eastern states and the bushfires caused a serious decline in patronage, as the motor home, caravanning and camping market dried up.

This was exacerbated when the global coronavirus epidemic unfolded soon afterwards, with restrictions of travel to Tasmania and gatherings of groups of people. By the first week of March, the Motor Home Park was all but closed down. Given these crises, the financial performance of the Park stood up well although finished well below budget having effectively lost our busiest months.



Sunday Market

The Hobart Showground Sunday Market performed strongly over most of the year. Its financial contribution to the Society increased over the previous year with month on month better than budget results until the closure.

The market attracts about 2,000 visitors each Sunday to 150 stalls.

Unfortunately, the market had to be suspended at the start of March (2020) due to the Coronavirus outbreak. Stall holders were assured the market would re-open promptly once government restrictions were lifted.

In the longer term, the Market is a very important part of the Society's business model, and it is being incorporated into the planning process for the redeveloped Showground as part of a vibrant living and events space. We imagine a new reinvigorated market that incorporates what we have now with more craft and fresh produce stalls and brand new facilities.



Venues and Tenants

Most Showground buildings were occupied during the year, contributing to the Showground's income stream.

Every Dog Day Care took up residence at the Showground, but along with other tenancies, was affected by the COVID-19 outbreak.

During the year some tenancies moved to other buildings on-site to allow demolition and site clearance ahead of the Spotlight retail redevelopment: These included the Ford Classic Car Club; Hobart Alternative Pigeon Club; and the Hobart Vintage Machinery Society Men's Shed.





Billboards income

The billboards facing the busy Brooker Highway enjoyed strong demand and income over the year. New technology was incorporated into the portable electronic billboard to upgrade it during the year.

Events at the Showground

The Showground hosted many different events during the year, living up to its reputation as the most versatile events space in the State. Apart from regular shows involving dogs and other animals, some of the highlights included:

Southern Bantam Club 70th anniversary Show

The Southern Tasmanian Bantam Club held its 70th anniversary Show with 36 exhibitors entering 542 birds. The Club was established in 1949 and has been resident at the Hobart Showground Poultry Pavilion ever since.

The Club won international recognition when it launched its rooster round-up campaign three years ago in association with the RAST. Not only did this initiative attract national news, but was also covered by Reuters and the Huffington Post.

The rooster round-up aims to lessen the problem of stray roosters which inhabit the bush environs close to Hobart.

Cracker night 2019

The Showground hosted its annual cracker night in May 2019. A big crowd attended.

Designed as a family night to let children enjoy the great Australian tradition of cracker night, the event also drew couples and groups without children who came to enjoy the evening of entertainment and the food and beverages on offer.

The decision was taken soon after the appearance of Coronavirus in Tasmania to cancel the 2020 Cracker Night.

Gem Shows

The Lapidary Club of Tasmania mounted its annual Hobart Gem, Mineral and Fossil Show at the Hobart Showground, There were displays and sales of gemstones, minerals, crystals, fossils, jewellery, books and machinery along with demonstrations and children's activities. A large crowd attended. The 2021 National Gemboree will be held at the Showground during April 2 – 5 2021.





Inflatable Wonderland school holiday entertainment 2019

Cracker night also saw the launch of Bounce Around, a jumping castle attraction for children. There were multiple jumping castles, inflatable play equipment, and other activities for children.

As well as hosting children's parties, organisers received requests for parties from other age groups, as something completely different to do in Hobart that's indoors and weather proof. Bounce Around was held in partnership with Active Amusements and continued at the Showground for several weeks.

February 2020 equestrian events at Showground

More than 200 entries registered for two big equestrian events at the Hobart Showground in February 2020. Competitors came from all over Tasmania and competed for more than \$2,000 in prizes.

The day consisted of a Breed Show for pure breed classes, and Ridden Classes. A grant from the Community Infrastructure Fund in 2018 allowed the Society to upgrade the arena surface. The equestrian community said the work made the Arena a top class equestrian events venue.





The Royal Agricultural
Society of Tasmania
Financial Statements
31 March 2020

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001
to the Directors of The Royal Agricultural Society of Tasmania

In relation to our audit of the financial report of The Royal Agricultural Society of Tasmania for the year ended 31 March 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the *Corporations Act 2001* or any applicable code of professional conduct.



JOANNE DOYLE
Partner
Wise Lord & Ferguson

Dated: 2 June 2020

Independent Auditor's Report to the Members of The Royal Agricultural Society of Tasmania

Opinion

We have audited the financial report of The Royal Agricultural Society of Tasmania (the Company), which comprises the statement of financial position as at 31 March 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of The Royal Agricultural Society of Tasmania, is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 March 2020 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in *the Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 31 March 2020, but does not include the financial report and our auditor's report thereon.

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

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

Liability limited by a scheme approved under Professional Standards Legislation

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink, appearing to read 'Joanne Doyle', with a long horizontal line extending to the left.

JOANNE DOYLE

Partner

Wise Lord & Ferguson

Date: 2 June 2020

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

DIRECTORS' REPORT

The Directors of The Royal Agricultural Society of Tasmania submit herewith the financial report for the year ended 31 March 2020.

Directors

The Directors in office during the year and until the date of this report are as follows:-

R. Cripps	W. Hazell
H. Geard	D. Skinner OAM
P. Geard	M. Brinckman
P. Grubb	P. Spotswood
R. Dax	G. Melick

The Directors were in office from the start of the year until the date of this report unless otherwise stated.

All the Directors of the Company are Non-Executive Directors.

No emoluments of any kind are received by the Directors of the Company.

No loans or receivables are outstanding to or from Directors of the Company.

The following related party transaction occurred during the year:

- \$880 was paid to Saunders & Pitt for valuation services by Mr R Cripps.
- \$83,193 was paid to Mr P Spotswood for the instalment of the administration building roof replacement.

Principal Activities

The Royal Agricultural Society of Tasmania's principal activities are the staging and administration of the annual Royal Hobart Show in Tasmania and allied activities. The society also conducts an annual wine show, motor home park, annual food show and weekly markets.

During the year there was no significant change in the nature of those activities.

Review & Results of Operations

The surplus/(deficit) of the company for the year ended 31 March 2020 was (\$1,074,990), (2019: \$8,401,361)

Significant Changes in the State of Affairs

During the year there was no significant change in the state of affairs of the Company other than that referred to in the accounts or notes thereto.

Significant Events After Balance Date

Shortly before the end of the financial year a Corona Virus pandemic has occurred that has required the Federal and State Governments to introduce restrictions on the movement of the general population, including social distancing, closure of some businesses and work from home requirements. It is not known how long the pandemic will last and how long the Federal and State Government social isolation restrictions will be in place. Some of the effects of the pandemic have already been realised but further economic impacts are unknown at the date of signing this report. Management and the Board are working hard to ensure that any economic impact is understood and well managed.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

Likely Developments & Expected Results

There are no significant likely developments that the Company is planning on commencing subsequent to year end, except for pursuing further commercial developments on the site.

Environmental Regulation

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of the State of Tasmania.

Indemnification & Insurance of Directors & Officers

During the year, the Company paid a premium insuring the Directors and Officers of the Company against liabilities incurred as a Director or Officer to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an Officer or Auditor of the Company or of any related body corporate against a liability incurred as such an Officer or Auditor.

Proceedings on Behalf of Company

No person has applied for leave of court or to bring proceedings on behalf of the company or intervene in any proceedings to which the company is party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Directors Meetings

The number of meetings of Directors held during the year and the number of meetings attended by each Director were as follows:

	BOARD	
	Eligible Meetings	Meetings Attended
Peter Spotswood	11	10
Helen Geard	11	10
Marg Brinckman	11	8
Russell Cripps	11	10
Richard Dax	11	11
Paul Geard	11	7
Paul Grubb	11	10
Wes Hazell	7	4
Greg Melick	11	4
David Skinner	11	11

Company Secretary

Mr Russell Cripps held the position of company secretary at the end of the financial year.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the *Corporation Act 2001* has been received and is attached to this Report.

Signed in accordance with a resolution of the Directors.

Director 
Dated: 2nd June 2020

Director Russell CRIPPS

Director 
Dated 2/6/2020

Director PETER SPOTSWOOD.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 \$	2019 \$
Revenue	2	1,340,805	9,241,214
Depreciation and Amortisation Expenses	3(a)	(112,568)	(96,591)
Other Expenses	3(b)	(2,303,227)	(2,555,637)
SURPLUS/(DEFICIT) FOR THE PERIOD		(1,074,990)	6,588,986
OTHER COMPREHENSIVE INCOME			
Fair Value Revaluation Increment / (Decrement) of Land and Buildings		-	1,512,375
Fair Value Revaluation Increment / (Decrement) of Investment Buildings	1(q)(i)	-	300,000
TOTAL SURPLUS / (DEFICIT) OF COMPREHENSIVE INCOME FOR THE PERIOD		(1,074,990)	8,401,361

The Statement of Comprehensive Income should be read in conjunction with the accompanying Notes.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 \$	2019 \$
CURRENT ASSETS			
Cash & Cash Equivalents	4	588,798	10,030,463
Receivables	5	62,576	69,348
Other	6	238,684	234,353
TOTAL CURRENT ASSETS	q (ii) (iii)	890,058	10,334,164
NON CURRENT ASSETS			
Property, Plant & Equipment	7	8,179,988	8,130,867
Investment	8	11,316,740	2,905,000
Goodwill	9	9,000	9,000
TOTAL NON CURRENT ASSETS		19,505,728	11,044,867
TOTAL ASSETS		20,395,786	21,379,031
CURRENT LIABILITIES			
Creditors	10	626,082	469,601
Provisions	11	79,599	84,705
Interest-Bearing Liabilities	12	69,165	64,870
TOTAL CURRENT LIABILITIES		774,846	619,176
NON CURRENT LIABILITIES			
Provisions	13	39,833	34,592
Interest-Bearing Liabilities	14	328,883	398,049
Other	15	27,082	27,082
TOTAL NON CURRENT LIABILITIES		395,798	459,723
TOTAL LIABILITIES		1,170,644	1,078,899
NET ASSETS		19,225,142	20,300,132
MEMBERS' EQUITY			
Members' Funds	16	13,857,141	14,932,131
Asset Revaluation Reserve	16	5,368,001	5,368,001
TOTAL MEMBERS' EQUITY		19,225,142	20,300,132

The Balance Sheet should be read in conjunction with the accompanying Notes.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Retained Earnings	Asset Revaluation Reserve	Total
Balance at 1 April 2018	3,456,553	8,442,218	11,898,771
Comprehensive Income			
Surplus/(Deficit) for the Period	6,588,986	-	6,588,986
Other Comprehensive Income for the Period:			
Transfer from Asset Revaluation Reserve	4,586,592	(4,586,592)	-
Revaluation of Land and Buildings	-	1,512,375	1,512,375
Revaluation of Investment Buildings	300,000	-	300,000
Balance at 31 March 2019	14,932,131	5,368,001	20,300,132
Balance at 1 April 2019	14,932,131	5,368,001	20,300,132
Comprehensive Income			
Surplus/(Deficit) for the Period	(1,074,990)	-	(1,074,990)
Other Comprehensive Income for the Period:			
Revaluation of Land and Buildings	-	-	-
Balance at 31 March 2020	13,857,141	5,368,001	19,225,142

The Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 \$	2019 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Operations		1,335,294	2,384,715
Payments to Suppliers and Employees		(2,126,501)	(2,349,405)
Interest Received		37,598	-
Borrowing Costs		(29,756)	(243,913)
NET CASH FLOW (USED IN) FROM OPERATING ACTIVITIES	17(a)	<u>(783,365)</u>	<u>(208,603)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		(161,690)	(404,907)
Proceeds of Property, Plant and Equipment		-	13,892,529
Purchase of Investments		(8,411,740)	-
NET CASH (USED IN) FROM INVESTING ACTIVITIES		<u>(8,573,430)</u>	<u>13,487,622</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net (Payments) / Proceeds from Borrowings		(84,870)	(3,447,167)
NET CASH FROM (USED IN) FINANCING ACTIVITIES		<u>(84,870)</u>	<u>(3,447,167)</u>
Net Increase/(Decrease) in Cash Held		(9,441,665)	9,831,852
Cash and Cash Equivalents at Beginning of Period		10,030,463	198,611
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4	<u><u>588,798</u></u>	<u><u>10,030,463</u></u>

The Statement of Cash Flows should be read in conjunction with the accompanying Notes.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

The financial statements and notes represent those of The Royal Agricultural Society of Tasmania (RAST). RAST is a company limited by guarantee, incorporated and domiciled in Australia. If RAST were to be wound up the Memorandum of Association states that members are not required to contribute towards meeting any outstanding obligations of the RAST.

The financial statements were authorised for issue by the Directors RAST.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result on financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded off to the nearest dollar unless stated otherwise.

Accounting Policies

(a) Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Goodwill is not amortised.

(b) Income Tax

The RAST is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997*.

(c) Fair Value of Assets and Liabilities

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

(d) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost or fair value, as, indicated, less, where applicable, any accumulated depreciation or impairment losses.

(i) Property

Land and Buildings are measured at fair value. Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the revaluation surplus in equity. Revaluation decreases that offset previous increases of the same class of assets shall be recognised in other comprehensive income under the heading of revaluation surplus. All other decreases are recognised in profit or loss.

(ii) Plant and Equipment

Plant and Equipment are measured using the cost basis and are therefore carried at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss in the financial period in which they occur.

The depreciable amount of all fixed assets, including buildings is depreciated on a diminishing value basis over the asset's useful life to the Company, commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

<i>Class of Fixed Asset</i>	2020	2019
Buildings	2.5%	2.5%
Motor Vehicles	20%	20%
Plant	4-40%	4-40%
Furniture and Equipment	1.8-40%	1.8-40%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in profit or loss when the item is derecognised. When revalued assets are sold, amount included in the revaluation surplus relating to that asset are transferred to retained earnings.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

(e) Investment Buildings

Initially, investment buildings are measured at cost, including transaction costs. Subsequent to initial recognition investment buildings are stated at fair value. Gains or losses arising from changes in fair value of investment buildings are included in profit and loss in the year in which they arise.

Independent valuations are performed with sufficient regularity to ensure that the carrying amount of property and investment buildings does not differ materially from the asset's fair value at balance sheet date.

(f) Financial Instruments

(i) Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Entity commits itself to either the purchase or sale of the.

Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss", in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted. Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient has been applied as specified in AASB 15.

(ii) Classification and subsequent measurement

Financial liabilities

Financial liabilities are subsequently measured at amortised cost or fair value through profit and loss. A financial liability is measured at fair value through profit and loss if the financial liability is a contingent consideration of an acquirer in a business combination to which AASB 3 applies, held for trading or initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at fair value, amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition. A financial liability is held for trading if it is incurred for the purpose of repurchasing or repaying in the near term, part of a portfolio where there is an actual pattern of short-term profit taking or a derivative financial instrument.

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The change in fair value of the financial liability attributable to changes in the issuer's credit risk is taken to other comprehensive income and is not subsequently reclassified to profit or loss. Instead, it is transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

(f) Financial Instruments cont.

Financial assets

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss. A financial asset is subsequently measured at amortised cost when it meets the following conditions:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset is subsequently measured at fair value through other comprehensive income when it meets the following conditions:

- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; and
- the business model for managing the financial asset comprises both contractual cash flows collection and the selling of the financial asset.

By default, all other financial assets that do not meet the conditions of amortised cost and the fair value through other comprehensive income's measurement condition are subsequently measured at fair value through profit and loss.

The entity initially designates financial instruments as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as "accounting mismatch") that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance to the documented risk management or investment strategy and information about the groupings was documented appropriately, so the performance of the financial liability that was part of an entity of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis; and
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit and loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading or is not a contingent consideration recognised by an acquirer in a business combination to which AASB 3 applies, the entity made an irrevocable election to measure the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit and loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the entity's accounting policy.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

(f) Financial Instruments cont.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability, is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder's contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the entity no longer controls the asset (ie it has no practical ability to make unilateral decisions to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings

(iii) Impairment of Non-Financial Assets

At the end of each reporting period, the company assesses whether there is any indication that an asset may be impaired.

If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount immediately through profit or loss, unless the asset is carried at a revalued amount in accordance with another standard. Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other standard.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

(f) Financial Instruments cont.

(iv) Intangibles Other than Goodwill

Intangible assets, other than goodwill, have finite useful lives. The current amortisation charges for intangible assets are included under depreciation and amortisation expense per the statement of comprehensive income

(v) Employee Benefits

(i) Short-Term Employee Benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employee rendered the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as salaries and wages and sick leave are recognised as part of the current liability section of the balance sheet. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

(ii) Other Long-Term Employee Benefits

Provision is made for employees' long service leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates that approximate the terms of the obligations. Upon the re-measurement of obligations due to change in assumptions for the long-term employee benefits, the net change in the obligation is recognised in profit or loss as a part of employee benefits expense in the periods in which the change occurs.

The Company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions

(vi) Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

(vii) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as short-term borrowings in current liabilities in the balance sheet.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

(f) Financial Instruments cont.

(viii) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any discounts allowed.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Events Income

Revenue is recognised on a receipts basis.

Rental Income

Rental income arising from investment buildings is accounted for on a straight-line basis over the lease term.

Interest

Control of the right to receive the interest payment.

All revenue is stated net of the amount of Goods and Services Tax.

(ix) Trade and Other Receivables

Trade and Other Receivables include amounts due from customers from goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Receivables are initially recognised at original invoice amount less any provision for doubtful debts. A provision for doubtful debts is recognised when collection of the full amount is no longer probable.

Bad debts are written off as incurred.

(x) Trade and Other Payables

Trade and Other Payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

(f) Financial Instruments cont.

(xi) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Finance Leases

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Royal Agricultural Society of Tasmania are capitalised at the present value of the minimum lease payments and disclosed in the appropriate fixed asset class. A lease liability of equal value is also recognised.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term. Minimum lease payments are allocated between interest expense and reduction of the lease liability with the interest expense calculated using the interest rate implicit in the lease and recognised directly in surplus or deficit.

Operating Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses in the periods in which they occur. Lease receipts for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as income in the periods in which they occur.

(xii) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except where the amount of GST incurred is not recoverable from the Australian Taxation 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 expenses.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows included in receipts from customers or payments to suppliers.

(xiii) Comparative Figures

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES CONT'D

(f) Financial Instruments cont.

(xiv) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

(i) Key Estimates

(i) *Impairment*

The Company assesses its assets for impairment when events or changes in circumstances indicate that the assets' carrying values may not be recoverable.

(ii) *Valuation of Buildings and Investment Properties*

The Directors have assessed that the fair value determination of Land, Buildings and Investment Buildings obtained in the 2019 financial year from Saunders & Pitt equates to the fair value of those assets in 2020.

(ii) Key Judgements

(iii) *Provision for Impairment of Receivables*

A number of receivables were aged over 60 days due at the end of the reporting period. There is some uncertainty that some of these amounts are fully recoverable and therefore a provision for doubtful debts has been created.

(iv) *Employee Benefits*

As the Company expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the Directors consider that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the (undiscounted) amounts expected to be paid to employees when the obligations are settled.

(xv) New Accounting Standards for Application

Australian Accounting Standards that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 31 March 2020. The company has not yet assessed the impact of these new or amended Accounting Standards or Interpretations.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	\$	\$
2. REVENUE		
Revenue from Operating Activities		
Events, Rentals, Venue Hire and Outgoings Recoveries	2(a) 1,669,064	2,382,425
Membership	12,798	10,994
Other Income	11,644	3,399
Total Revenues from Operating Activities	<u>1,693,506</u>	<u>2,396,818</u>

(a) Material decrease in revenue due to the sale of the Bunnings site in 2019.

REVENUES FROM NON-OPERATING ACTIVITIES

Grant Income	79,592	50,000
Interest	37,598	1,867
Gain/(Loss) on Disposal of Assets	-	6,792,529
Gain/(Loss) on Investment Fund	(792,764)	-
Investment Income	299,596	-
Insurance Claim Income	23,277	-
Total Revenues from Non-Operating Activities	<u>(352,701)</u>	<u>6,844,396</u>
TOTAL REVENUE	<u>1,340,805</u>	<u>9,241,214</u>

3. EXPENSES

(a) Depreciation and Amortisation of Non-Current Assets

Plant	71,591	58,176
Furniture	14,157	12,866
Buildings	12,375	12,375
Motor Vehicle	14,445	13,174
Total Depreciation of Non-Current Assets	<u>112,568</u>	<u>96,591</u>

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	\$	\$
3. EXPENSES (Cont'd)		
(b) Other Expenses		
- Wages and Staff Costs	985,505	844,813
- Hire In	72,481	82,611
- Interest	29,756	244,450
- Entertainment	98,832	85,499
- Catering	45,198	41,607
- Show Expenses / Judging	125,745	171,404
- Postage / Stationary / Telephone	104,514	63,903
- Legal / Advertising / Accounting	154,489	101,129
- Motor Vehicle	12,487	10,553
- Rates / Water	83,717	282,223
- Utility / Electricity	58,576	107,748
- Repairs and Maintenance	47,050	64,617
- Insurance	228,755	184,813
- Security	52,048	51,788
- Grant Expenses	-	50,000
- GDA Investment Fund	35,092	-
- Other	168,982	168,479
Total Other Expenses	2,303,227	2,555,637
4. CASH & CASH EQUIVALENTS		
Cash at Bank	585,993	722,998
Cash on Hand	2,805	7,465
Short-term Deposits	-	9,300,000
	588,798	10,030,463

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 \$	2019 \$
5. RECEIVABLES (CURRENT)			
Accounts Receivable	(a)	62,685	76,612
Less Provision for Doubtful Debts		(20,109)	(7,264)
Loan - RNAPS		20,000	-
		<u>62,576</u>	<u>69,348</u>

(a) Terms and conditions relating to the above financial instruments:

Sundry debtors are non-interest bearing and generally on 30 day terms.

Credit Risk

The Company has no significant concentration of credit risk with respect to any single debtor included in the balance above.

6. OTHER

Expenses Paid in Advance		231,346	227,207
Inventory on Hand		6,021	6,021
Motorhome Key/Swipecard Register		1,317	1,125
		<u>238,684</u>	<u>234,353</u>

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 \$	2019 \$
7. PROPERTY, PLANT & EQUIPMENT			
Land at Directors Valuation 2019	7 (b)	6,500,000	6,500,000
Buildings at Directors Valuation 2019	7 (b)	495,000	495,000
Redevelopment – New Building		49,592	-
Admin Building Upgrades		78,407	-
- Accumulated Depreciation		(12,375)	-
		610,624	495,000
Plant at Cost		1,426,991	1,408,359
- Accumulated Depreciation		(453,581)	(381,990)
	7 (b)	973,410	1,026,369
Furniture and Office Equipment at Cost		193,450	190,391
- Accumulated Depreciation		(143,131)	(128,974)
		50,319	61,417
Motor Vehicle at Cost		90,947	78,947
- Accumulated Depreciation		(45,312)	(30,866)
	7 (b)	45,635	48,081
		8,179,988	8,130,867

(a) Valuations

Land and Buildings are stated at fair value, which has been determined by the Directors of the Royal Agricultural Society of Tasmania based on valuations performed by Saunders and Pitt as at 31st March 2019. The valuation has been completed by Mr Russell Cripps, Certified Practising Valuer and endorsed by Mr Bill Parsons, Certified Practising Valuer and a Principal of Saunders and Pitt. Mr Russell Cripps is a Director of Royal Agricultural Society of Tasmania.

The valuation undertaken was based on a market value supported by market evidence in which assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the date of valuation, in accordance with Australian Valuation Standards.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 \$	2019 \$
7. PROPERTY, PLANT & EQUIPMENT (Cont'd)		
(b) Reconciliations		
Reconciliations of the carrying amounts of land, buildings, plant, furniture and office equipment and motor vehicles at the beginning and end of the current financial period.		
 <i>Land</i>		
Opening Balance	6,500,000	12,100,000
Disposals	-	(7,100,000)
Revaluation increment	-	1,500,000
	6,500,000	6,500,000
 <i>Buildings</i>		
Opening Balance	495,000	495,000
Redevelopment – New Building	49,592	-
Admin Building Upgrades	78,407	-
Depreciation expense	(12,375)	(12,375)
Revaluation increment	-	12,375
	610,624	495,000
 <i>Plant</i>		
Opening Balance	1,026,369	681,862
Additions	18,631	402,683
Depreciation expense	(71,590)	(58,176)
	973,410	1,026,369

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 \$	2019 \$
7. PROPERTY, PLANT & EQUIPMENT (Cont'd)			
<i>Furniture and Office Equipment</i>			
Opening Balance		61,417	72,059
Additions		3,059	2,224
Depreciation expense		(14,157)	(12,866)
		50,319	61,417
 <i>Motor Vehicles</i>			
Opening Balance		48,081	61,255
Additions		12,000	-
Depreciation Expense		(14,446)	(13,174)
		45,635	48,081
 8. INVESTMENTS (NON-CURRENT)			
Investment Buildings	(a)	2,905,000	2,905,000
Investment Fund		8,411,740	-
		11,316,740	2,905,000

(a) Valuations

Investment buildings are stated at fair value, which has been determined by the Directors of the Royal Agricultural Society of Tasmania based on valuations performed by Saunders and Pitt as at 31st March 2019. The valuation has been completed by Mr Russell Cripps, Certified Practising Valuer and endorsed by Mr Bill Parsons, Certified Practising Valuer and a Principal of Saunders and Pitt. Mr Russell Cripps is a Director of Royal Agricultural Society of Tasmania.

The valuation undertaken was based on a market value for the property having been developed to obtain maximum return to the Royal Agricultural Society of Tasmania after taking into account the estimated cost of development and sale. It is supported by market evidence in which assets could be exchanged between a knowledgeable willing buyer and a knowledgeable willing seller in an arm's length transaction at the date of valuation, in accordance with Australian Valuation Standards.

9. INTANGIBLE ASSETS

Goodwill	9,000	9,000
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THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 \$	2019 \$
10. CREDITORS (CURRENT)			
Accounts Payable	(a)	280,601	405,697
Accrued Expense		43,841	13,917
Income Received in Advance		35,315	30,000
ATO Liabilities		28,628	(15,542)
Superannuation Payable		28,808	27,048
Unclaimed Monies		8,481	8,481
Unused Grant Funding		200,408	-
		<u>626,082</u>	<u>469,601</u>
 (a) Terms and Conditions relating to the above financial instruments:			
	(i)	Sundry creditors and accruals are non-interest bearing and are normally settled on 30-day terms.	
 11. PROVISIONS (CURRENT)			
Annual Leave		53,317	52,287
Long Service Leave		26,282	32,418
		<u>79,599</u>	<u>84,705</u>
 12. INTEREST-BEARING LIABILITIES (CURRENT)			
Asset Hire Purchase Loan		<u>69,165</u>	<u>64,870</u>
 13. PROVISIONS (NON-CURRENT)			
Long Service Leave		<u>39,833</u>	<u>34,592</u>
 14. INTEREST-BEARING LIABILITIES (NON-CURRENT)			
Asset Hire Purchase Loan		<u>328,883</u>	<u>398,049</u>

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 \$	2019 \$
15. OTHER LIABILITY (NON-CURRENT)			
Trust Accounts		26,632	26,632
Bond Monies		450	450
		27,082	27,082
16. RESERVES AND RETAINED PROFITS			
Retained Earnings	(a)	13,857,336	14,932,131
Asset Revaluation Reserve	(b)	5,380,376	5,368,001
		19,237,712	20,300,132
(a) Retained Earnings			
(i) Nature and Purpose of Reserve			
Retained earnings is used to accumulate net profits or losses.			
(ii) Movements in Reserve			
Balance at beginning of period		14,932,131	3,456,553
Transfer from Asset Revaluation Reserve		-	4,586,592
Net surplus/(deficit) attributable to members of RAST		(1,074,990)	6,888,986
Balance at end of period		13,857,141	14,932,131
(b) Asset Revaluation Reserve			
(i) Nature and Purpose of Reserve			
The asset revaluation reserve is used to record increments and decrements in the value of non-current assets.			
(ii) Movements in Reserve			
Balance at beginning of period		5,368,001	8,442,218
Transfer to Retained Earnings		-	(4,586,592)
Revaluation increment		-	1,512,375
Balance at end of period		5,368,001	5,368,001

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 \$	2019 \$
17. STATEMENT OF CASH FLOWS		
a) Reconciliation of Operating Surplus/(Deficit) to the Net Cash Flows from Operations		
Surplus/(Deficit) for the Period	(1,074,990)	6,588,986
Non-Cash Items		
Depreciation	112,568	96,591
(Profit)/Loss on Sale of Property, Plant and Equipment	-	(6,792,529)
Changes in Assets and Liabilities		
(Increase)/Decrease in Receivables	26,772	16,030
(Increase)/Decrease in Other Current Assets	(4,331)	(28,104)
Increase/(Decrease) in Creditors	156,481	(123,583)
Increase/(Decrease) in Other Current Liabilities	-	1,603
Increase/(Decrease) in Provisions	135	32,403
Net Cash Flows from (used in) Operating Activities	<u>(783,365)</u>	<u>(208,603)</u>

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

	2020 \$	2019 \$
18. AUDITORS' REMUNERATION		
Amounts Received or Due and Receivable by the Auditors for:		
Audit of Financial Statements	13,800	13,000
Other Services	-	-
	<u>13,800</u>	<u>13,000</u>

19. SEGMENT INFORMATION

The Royal Agricultural Society of Tasmania operates predominantly in the one geographical region being Tasmania. The Royal Agricultural Society of Tasmania's activities are the management of the Royal Showgrounds in Tasmania including the staging and administration of the annual Royal Hobart Show and allied activities.

20. RELATED PARTY DISCLOSURES

Directors

The Councillors of The Royal Agricultural Society of Tasmania who served as Directors during the financial period were:

R. Cripps	W. Hazell
G. Melick	D. Skinner OAM
H. Geard	M. Brinckman
P. Geard	P. Spotswood
P. Grubb	R. Dax

No emoluments of any kind are received by the Directors of the Company.

No loans or receivables are outstanding to or from Directors of the Company.

There following related party transaction occurred during the year:

- \$880 was paid to Saunders & Pitt for valuation services by Mr R Cripps.
- \$83,193 was paid to Mr P Spotswood for the instalment of the administration building roof replacement.

All transactions were arm's-length transactions at normal market rates and on normal commercial terms.

21. CAPITAL COMMITMENTS

The Royal Agricultural Society Tasmania have received a grant from the Tasmanian Community Fund for the 'Refurbishment of the RAST Administration Building'. The agreement requires the Company to contribute \$30,000 to the project in the 2019 / 2020 financial year. The Royal Agricultural Society also received grant funding from the Department of Communities Tasmania totalling \$1.5m over 2 years to contribute towards the redevelopment of the Royal Hobart Showgrounds.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principle financial assets comprise cash, cash investments and trade debtors whilst its principle financial liabilities comprise trade payables and loan facilities.

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. Receivables balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant.

The company's cash assets are invested with Approved Deposit-taking Institutions within Australia.

The company has no significant concentrations of credit risk.

The company's maximum credit risk exposure at balance date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the balance sheet and notes to the financial statements.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they fall due. The Company manages this risk through the following:

- Preparing forward looking cash flow analyses in relation to its operating, investing and financing activities
- Only investing surplus cash with major financial institutions; and
- Comparing the maturity profile of its financial liabilities with the realisation profile of financial assets.

23. EVENTS AFTER THE END OF THE REPORTING PERIOD

Shortly before the end of the financial year a Corona Virus pandemic has occurred that has required the Federal and State Governments to introduce restrictions on the movement of the general population, including social distancing, closure of some businesses and work from home requirements. It is not known how long the pandemic will last and how long the Federal and State Government social isolation restrictions will be in place. Some of the effects of the pandemic have already been realised but further economic impacts are unknown at the date of signing this report. Management and the Board are working hard to ensure that any economic impact is understood and well managed.

The Directors are pursuing further large-scale retail outlet developments to Lot 2 and are awaiting planning approval. The State Government have allocated \$1.5 million to proceed to stage 3 of the redevelopment.

THE ROYAL AGRICULTURAL SOCIETY OF TASMANIA
ABN 56 009 475 898

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 31 MARCH 2020

In accordance with a resolution of the Directors of The Royal Agricultural Society of Tasmania, the Directors of the Company declare that:-

1. The financial statements and notes thereto are in accordance with the *Corporations Act 2001* and:
 - (a) comply with Accounting Standards which, as stated in Accounting policy note 1 to the financial statements and;
 - (b) give a true and fair view of the financial position as at 31 March 2020 and of the performance for the year ended on that date of the company.
2. In the Directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Chair of the Board



Director



Dated this 2 day of JUNE 2020



2019—2020 RAST Office Bearers

Executive

President—Mr Peter Spotswood

Vice President—Ms Helen Geard

Company Secretary—Mr Russell Cripps

Chief Executive Officer—Mr Scott Gadd

Executive Committee Chairs

Finance & Audit—Mr Russell Cripps

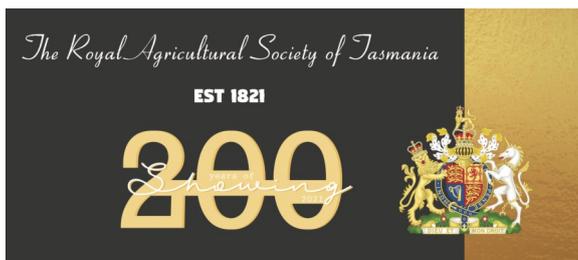
Emergency Management—Mr Peter Spotswood

Nominations—Mr David Skinner

Transition Development Panel—Mr Richard Dax

200 years celebrations—Mr Paul Grubb





The Royal Agricultural Society of Tasmania

Hobart Showground, 2 Howard Rd, Glenorchy, TAS, 7010

PO Box 94, Glenorchy, TAS, 7010

**www.hobartshowground.com.au
www.facebook.com/HobartShowground**