



RASV

ANNUAL REPORT 2009
The Royal Agricultural
Society of Victoria Limited



2009 OFFICE BEARERS

Patron

Professor David de Kretser, AC
Governor of Victoria

President

CJ (John) Fox, AM

Vice President

SC (Stephen) Spargo

Board of Directors

CJ (John) Fox, AM (Chairman)
SC (Stephen) Spargo (Deputy Chairman)
II (Ian) Bucknall
RCE (Richard) Cust
AJ (Alan) Hawkes
BE (Barrie) Laws
GJ (Geoff) Phillips
JA (Joy) Potter
PF (Peter) Sheldrake

Chief Executive Officer

M (Mark) O'Sullivan

Company Secretary

A (Adnan) Mansour
J (Jon) Perry

Registered Office

Melbourne Showgrounds
Epsom Road, Ascot Vale 3032
Victoria Australia
Telephone +61 3 9281 7444
Facsimile + 61 3 9281 7592

Auditors

PKF
Chartered Accountants
Level 14, 140 William Street
Melbourne 3000
Victoria Australia

Bankers

National Australian Bank Limited
Level 1, 330 Collins Street
Melbourne 3000
Victoria Australia

Solicitors

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

RASV COUNCILLORS

Life Councillors

RT Balderstone, CMG MC
J Balfour Brown
WRR Beggs, AM
AC Bott
JM Burston
RM Butler
A Gibson
JGW Head, OAM
CO Moore
IK Morton, AM
JW Rae, OAM
AJ Russell
JH Seymour, AM
IMcK Starritt
FRI Stephens
KW Urquhart

Council Members

J Allen
DG Beard
RS Bell
II Bucknall
M Carroll
BM Crotty
Dr RCE Cust
NA Edwards, AMP
L Falvey
CJ Fox, AM
RF Haselgrove, AM
J Helper, MP
WH Hill
K Jordan
N King, OAM
LR Latta
BE Laws
ER Lithgow
CR Lyons
P McMahon
MT Marriott
GJ Phillips
BWA Redpath
PJB Ronald, OAM
IMcC Rough
AF Rowden
A Shears-Carter
SR Shelmerdine, AM
SC Spargo
GB Starritt
JC Watson, AM

CONTENTS

Office Bearers	2
RASV Councillors	2
RASV Introduction	4
President's Report	6
CEO's Report	8
2008 Royal Melbourne Show	12
RASV Events & Awards	14
Venue Management	18
Corporate Governance	20
Financial Reports	23

The Royal Agricultural Society of Victoria (RASV) is a member-based, not-for-profit organisation that is dedicated to supporting excellence in Victorian agriculture.

Encouraging industry development and benchmarking standards, the RASV rewards and recognises excellence by showcasing the best Victorian produce through its prestigious events, competitions and associations in agricultural and rural communities.

In addition to Victoria's largest community event, the Royal Melbourne Show, the RASV conducts several other leading industry events, including the Australian International Beer Awards, Royal Melbourne Wine Show and the Royal Melbourne Horse Show.

Further showcasing its support for all facets of agriculture, the RASV launched the inaugural Royal Melbourne Fine Food Awards in 2008, previously established as the Dairy Produce Awards, to cater for emerging industry trends. The RASV conducts The Weekly Times Farm Business Awards and the Prime Lamb Carcase Awards, which both recognise and reward successful agribusiness practices.

The RASV is also responsible for management of the Melbourne Showgrounds, Victoria's largest and most versatile indoor/outdoor exhibition and event venue. The venue offers space and flexibility like no other for exhibitions, trade shows, film production, concerts and other events.

Vision

Facilitate and orchestrate Australia's best events including agribusiness – innovative, captivating and distinctive events that bring out the best in Victoria.

Mission

Make possible events, including agribusiness events, which provide opportunities for showcasing entertainment, education, and community participation and connection.

Values

We believe in:

- Maintaining trusted relationships with our members, customers and stakeholders;
- Delivering excellent service and value to all members and customers;
- Being motivated, passionate and committed to working as a team;
- Acting with honesty, integrity and treating everyone with respect;
- Empowering, supporting and developing our employees;
- Encouraging continuous improvement and innovation whilst being respectful to our heritage; and
- Supporting and contributing to the Victorian community, particularly agricultural and rural communities.







PRESIDENT'S MESSAGE

The Royal Agricultural Society of Victoria (RASV) is responsible for staging some of the state's most prestigious events, including the Royal Melbourne Show, the Australian International Beer Awards, the Royal Melbourne Wine Show, the Fine Food Awards and the Royal Melbourne Horse Show.

These events, along with the venue management of the Melbourne Showgrounds, contributed to a positive trading result for the organisation in 2008, prior to account obligations associated with the Melbourne Showgrounds Joint Venture (UJV) (see Annual Accounts).

We acknowledge the collaboration and support of our UJV Partner, lead by the Department of Primary Industries, along with UJV Chair Joh Barker, who shares our responsibility of ensuring the redeveloped Showgrounds reaches its full potential.

The Show

By any measurement the 2008 Show was an extremely successful event for patrons, organisers and our business partners.

The redeveloped Showgrounds continued to offer patrons easy access to pavilions, featuring a range of competitions and rural showcases, along with a host of carnival entertainment, food tasting experiences, and interactive educational activities.

The 2008 Royal Melbourne Show welcomed the return of the horse and equestrian program, reaffirming the positive contribution it makes to the annual event, which has educated and entertained Victorians for 153 years.

Each year, one of the most celebrated aspects of the equestrian program at the Royal Melbourne Show is the highly coveted Garryowen Trophy. Held in honour of the late Violet Murrell, the owner of the horse Garryowen, the event celebrated its 74th year in 2008, and fittingly the title was awarded to Shae Hanger, the great-great niece of Violet Murrell, riding her horse 'War Wind', marking a significant moment in the event's illustrious history.

We again thank our Patron, His Excellency Professor David de Kretser and Mrs de Kretser for their attendance at the Show and continued support for the Garryowen Trophy.



In response to the devastating bushfires that affected so many Victorian families, including several of our Show community, the Board donated \$50,000 to the Red Cross Bushfire Appeal.

The Venue

The redeveloped Showgrounds offers a combination of diverse pavilion space with versatile outdoor areas that have great appeal for trade shows and music events.

In order to maximise use of the venue for events and activities year round, the RASV in conjunction with its UJV partners, is exploring more suitable planning arrangements and prudent capital expenditure to further increase the flexibility of the venue. Climate control and catering are among the areas of focus, with the aim of creating a fully serviced and independent venue.

The centrepiece of the Showgrounds - 'The Grand Pavilion' - was successfully utilised during Equitana as an indoor arena, and demonstrated the versatility of the site, which opens up a range of future opportunities for the venue, both during and out of Show.

The Melbourne Showgrounds is ideally positioned on an elevated site in the outskirts of the CBD, lending itself to further development. The Showgrounds has enormous potential to become Victoria's premier venue to showcase sustainable environmental investments in water and energy utilisation. The Board is keen to pursue wider utilisation of the site with interested parties working within this area, which could lead to the site being a feature of Melbourne.

The Tragic Bushfires February 2009

In response to the devastating bushfires that affected so many Victorian families, including several of our Show community, the Board donated \$50,000 to the Red Cross Bushfire Appeal. Expressions of love, friendship and ongoing support are extended to all families involved.

Changes to the Board

During the year we farewelled Michael Carroll from the Board and acknowledge his valuable contribution to the RASV, particularly in enhancing the former farm competitions. We appreciate Michael's continued interest and support of our activities amongst his busy corporate responsibilities.

Mindful of the diverse nature of its business responsibilities, the Board has secured the services of Scott Chapman to fill the casual vacancy. Scott has an extensive background in tourism and major events in Melbourne, and through his experience

at the City of Melbourne, will no doubt enhance future venue management endeavours.

Valediction

The RASV celebrates a rich history, which was created by the commitment, dedication and foresight of our collective Council. I have enjoyed ongoing support from this experienced and valued resource and was saddened by the loss of a long serving member and Councillor, K.A (Andy) Finnin. Andy was a good friend and colleague who generously donated his time, skill and influence to Arts and Crafts, Woodchop, Dairy and farm management activities.

Support

Our ability to responsibly bring the country experience to a larger urban population at the Royal Melbourne Show is only possible through the generous support of our broad community of stakeholders who continue to share our values.

To our many business partners, volunteers, exhibitors and loyal supporters we express our sincere thanks for your ongoing commitment.

To my Board colleagues who so generously gave their time, skills and experience to encourage and support Mark O'Sullivan and his team in our diverse business activities, I extend my warm appreciation.

While our business continues to evolve to keep abreast of a more demanding society I thank Mark, his executives and staff for their continuing commitment and endeavours that help to secure a sustainable future for the RASV.



C John Fox AM
President



The 2008/9 year was a successful and satisfying one for the Royal Agricultural Society of Victoria (RASV). Our two key business segments, events and venue management, combined to produce a reasonable surplus at year end and therefore a positive contribution to cash reserves.

The 2008/9 year was a successful and satisfying one for the Royal Agricultural Society of Victoria (RASV). Our two key business segments, events and venue management, combined to produce a reasonable surplus at year end and therefore a positive contribution to cash reserves.

This result enables the business to invest in much needed capital items such as new dog benches and extended championship judging ring for the Royal Melbourne Dog Show and a revamped approach to accommodation and lockers for our horse exhibitors.

Whilst on the subject of horses, we were delighted to welcome the horses and horse exhibitors back to the Royal Melbourne Show (RMS) following the cancellation of horse events in 2007 due to the equine influenza outbreak in other States.

The return of horse events and the innovative development and delivery of unique interactive experiences to the customer combined to increase the interest and attendance at the 2008 Royal Melbourne Show. The RASV remains committed to continuously improving and delivering a unique country experience in the city through the Show – Victoria's largest community event.

All the animal competitions as well as art, craft and cookery, dairy produce and fine foods were well supported by exhibitors and conducted in accordance with the highest possible standards.

The Show also provides a unique educational experience involving the NAB Animal Nursery, the newly introduced Farm Discovery Trail, the Beef Experience delivered by Meat & Livestock Australia and the Picasso Cows, a new concept developed by Dairy Australia involving primary schools from across Victoria. These interactive and educational activities were well supported and appreciated by our customers. Other popular new experiences included the Heritage Sheep Display and the reintroduction of a Milking Barn, whereby children and adults alike were enthralled by the unique experience of hand milking a cow.

Central to showcasing the very best of Victorian produce was the introduction of the Great Tasting Trail where customers enjoyed fine food, wine and beer samples whilst gaining a deeper appreciation of the produce from a range of demonstrations and presentations on the Great Tasting Experience stage. Supporting this unique gastronomic experience was an impressive array of "paddock to plate" catering in the Grand Pavilion.

Some of the headline results from the 2008 RMS included:

- Overall customer satisfaction index of 76% up from 66% in 2007.
- 15% increase in attendances compared with 2007.
- 10% increase in family ticket sales compared with 2007.
- Absolute unique visitors to the website up by 20% compared with 2007.

The introduction of the Royal Melbourne Fine Food Awards in 2008, transformed the Royal Melbourne Dairy Produce awards by introducing confectionery and extra virgin olive oil. The response from both boutique and large manufacturers to these new initiatives was very pleasing and encourages the RASV to continue to develop new categories to meet demand.

Our 2008 Royal Melbourne Wine Show was conducted under the guidance of newly appointed Chief Judge Steve Webber. The wine judging was transferred to a new timeslot (Spring) and underwent some subtle changes to the qualification to the Jimmy Watson Memorial Trophy as well as some new classes introduced for the first time. The continued strong support from exhibitors and the wine industry across Australia was very pleasing and testimony to the high standards upheld by the Wine Show.

All other RASV events including the Australian International Beer Awards (AIBA) conducted in conjunction with the University of Ballarat; The Weekly Times Farm Business Awards; Prime Lamb Carcase Competition; Royal Melbourne Horse Show and RASV/VASL Rural Ambassadors Awards were successfully conducted and demonstrated the diversity of the RASV portfolio of events and our commitment to the continuous improvement of standards across a range of rural based industries.

The year in review marked the second full year of the Melbourne Showgrounds Venue Business since the redevelopment. Our sales and marketing team have successfully secured a diverse range of events capitalising on the versatility and flexible characteristics of the Melbourne Showgrounds. Combining our indoor and outdoor space coupled with magnificently restored heritage buildings, the Melbourne Showgrounds played host to major music festivals, exhibitions and trade shows, corporate events, television productions and community and family fun days.

The Melbourne Showgrounds was delighted to host for the first time events such as the biggest equine event of its kind in the Southern Hemisphere; Equitana Asia Pacific. The event attracted more than 52,000 horse enthusiasts from across Australia as well as a large contingent of international visitors.



Highlighting the versatility of the venue, television productions such as "Thank God You're Here" and "The Librarians" called the Showgrounds home whilst producing highly rated shows for television.

We also hosted The Stitches and Craft Show conducted by Living Creatively for the first time which proved to be a highly successful event. It provided a fresh creative approach and a diverse option to the highly popular craft market.

The Melbourne Showgrounds continues to present itself as the venue of choice for outdoor music festivals as it provides a safe, well managed environment for music lovers of varying genres to congregate as a community and enjoy the talent on offer.

The planning scheme, in respect to the Melbourne Showgrounds, currently restricts the number of outdoor music events to three each financial year. Given the demand and the ideal layout of the venue for such events we have applied to amend the scheme to permit an additional three music events per year in the future.

From a business perspective, the venue management business segment is extremely important to the long term sustainability of the RASV as it allows us to achieve economies of scale as well as providing diversification to our business. It is imperative that the RASV is in a position over the next 2-3 years to reinvest surpluses generated from its venue business into improved infrastructure to enable the business to compete effectively and provide first class facilities and services to our clients.

The RASV generated a surplus of \$1,062,289 for the 2008/09 year which was encouraging, in light of the global financial crisis which surfaced during the year. However, in accordance with Accounting Standards, we are required to report the RASV's interest in the Unincorporated Joint Venture, which results in a book loss of \$3.689 million. It is important to note this does not have an immediate impact on RASV's liquidity and accurately reflects the RASV's 50% interest in the Joint Venture with the State Government. As a consequence of the Showgrounds redevelopment, the RASV's total equity is currently \$68.1 million.

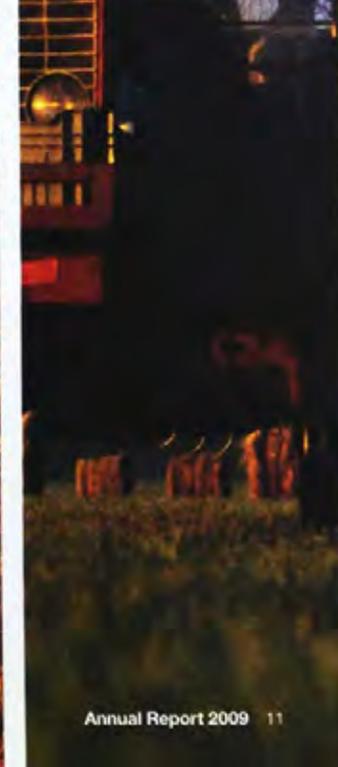
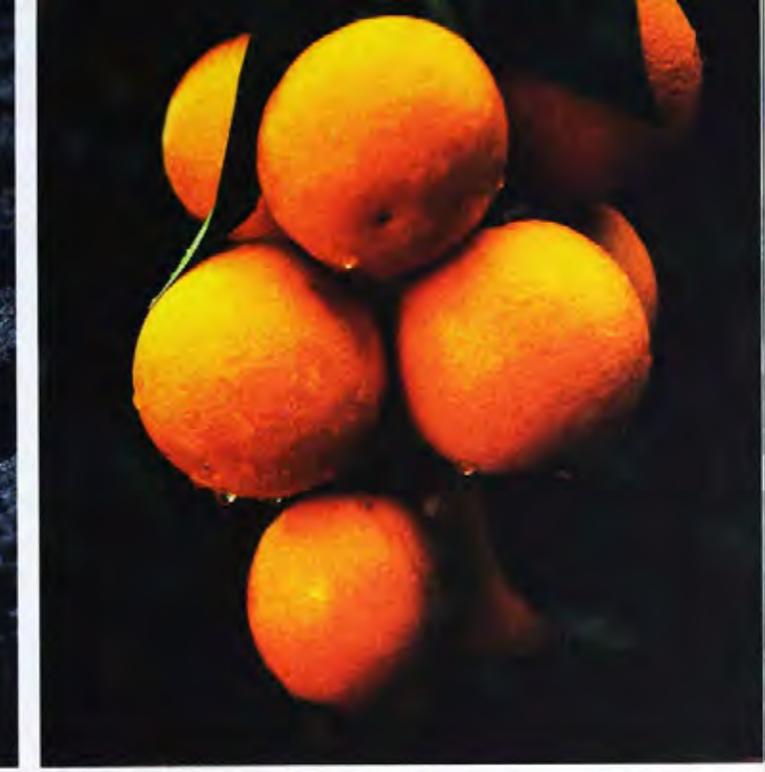
I take this opportunity to congratulate and acknowledge our President, Mr John Fox for being awarded a Member of the Order of Australia (AM) in the recent Queens Birthday Honours for his services to Primary Industry and the community over a sustained period of time. I also wish to thank John for his continued support of, and passion for, the RASV and its endeavours.

Thanks and appreciation go to the RASV Board of Directors, Councillors, Members, Operational and Event Committees and all RASV Staff for their commitment, dedication and desire to achieve the best possible outcomes for the Society.

I also recognise the support of our loyal volunteers, business partners and sponsors and the media for their ongoing support which is vital for the Society in achieving ongoing success in our endeavours.

Mark O'Sullivan
Chief Executive Officer





**BRINGING
OUT THE BEST
IN VICTORIA.**

2008 ROYAL MELBOURNE SHOW

Royal Melbourne Show

The Royal Melbourne Show reinforced its reputation as Victoria's most popular major community event in 2008.

The 153rd Royal Melbourne Show was an outstanding success with approximately 500,000 people attending Melbourne Showgrounds during the 11 day event to enjoy a range of unique and memorable experiences with family and friends.

An enhanced value proposition and repositioning of the brand combined with the return of the horse competitions and introduction of more free entertainment and interactive educational activities, such as the Farm Discovery Trail, the Milking Barn, and Great Tasting Experience stage contributed to strong crowds.

The animals maintained their reputation as a perennial favourite with more than 10,000 animals on show, including alpacas, cats, dogs, covies, poultry, horses, cattle, sheep, goats, rabbits and ferrets.

Other Show-stopping performances included the Racing and Diving Pigs, Animal Wranglers, Chook Washing, Duck Herding, NAB Animal Nursery and The Snakeman Stage Show.

Crowds again flocked to the Woodchop Pavilion to witness all the action, including the Australia versus New Zealand Test Series, with the 'green and gold' winning all three tests to take out the Series.

The best of the best competed in the Show's prestigious competitions including more than 4000 dogs, 2500 horses, 500 sheep, 160 dairy cattle, 550 beef cattle and more than 3300 art, craft and cookery exhibits.

Free fun, interactive and educational activities proved to be a hit at the 2008 Royal Melbourne Show. More than 20,000 showgoers participated in the new Farm Discovery Trail; more than 11,000 free samples of flavoured milk were handed out at the Milking Barn; and more than 5500 sunflower plants were potted and taken home by children participating in the environmental activities on the Animal Nursery Lawn.

There were also free activities available for adults, with more than 21,000 glasses of free beer and wine sampled over the 11-day event as part of the Great Tasting Experience stage program.



An enhanced value proposition and repositioning of the brand combined with the return of the horse competitions and introduction of more free entertainment and interactive educational activities, such as the Farm Discovery Trail, the Milking Barn, and Great Tasting Experience stage contributed to strong crowds.



2008 ROYAL MELBOURNE SHOW



Top quality entertainment on the Coca-Cola Arena was also a feature of the Show and included: Sampson The Monster Truck; Showtime FMX Bikes; the Ukrainian Cossack Stunt Horse Rider; Garryowen Equestrienne Turnout; Showjumping; Clydesdale Horse Parade; and Horses in Action.

The Royal Agricultural Society of Victoria greatly appreciates and values the support and contribution of the following sponsors:

Coca Cola
NAB
Mars Petcare
Safeway
RACV
Kubota
The Herald Sun
The Weekly Times
Nestlé
Procal
Seven Network
Dairy Australia
Rural Finance
City of Melbourne

RASV EVENTS & AWARDS



2009 AUSTRALIAN INTERNATIONAL BEER AWARDS

Held annually by the RASV in conjunction with the University of Ballarat, the Australian International Beer Awards (AIBA) recognise brewing excellence and assist in the promotion of the industry.

With its reputation as a globally recognised event growing each year, the 2009 AIBA attracted entries from a record 39 countries.

A panel of industry professionals, including the UK's own 'Beer Doctor', Dr George Philliskirk, critiqued 1140 individual entries over two weeks, with judging of packaged entries staged at the University of Ballarat and draught entries at the Melbourne Showgrounds.

Culminating with a gala dinner at Crown Palladium, Australian breweries dominated the Awards, taking out 10 of the 15 champion trophies on offer.

Western Australian brewery, Feral Brewing Company was the best performer, awarded five champion trophies including the coveted Champion Exhibitor.

Other Australian winners included two Victorian breweries, Mountain Goat Beer Pty Ltd and The Flying Horse Bar and Brewery, Queensland's Sunshine Coast Brewery, and Barons Brewery of New South Wales.

Showcasing the AIBA's international influence, breweries from Canada, Honduras, Germany and the United States of America also took out top honours.

Now in its 17th year, the AIBA is recognised as the second largest international beer competition in the world.

The Royal Agricultural Society of Victoria greatly appreciates and values the support and contribution of Cleanevent as the major sponsor of the Awards' presentation dinner.



2008 ROYAL MELBOURNE WINE SHOW

The future of the Australian wine industry looks healthy if the quality of entries in the 2008 Royal Melbourne Wine Show is anything to go by.

With 3300 wines entered from 518 wineries, the Royal Melbourne Wine Show continued its position as Australia's most prestigious wine competition.

From a field of more than 660 entries, a 2007 Cabernet Merlot from Flametree Winery in Margaret River, Western Australia, took home the coveted Jimmy Watson Memorial Trophy, awarded annually to the producer of the best one year-old red wine.

Award winners, Jeremy and Daniella Gordon, received the honour at a sold out gala dinner hosted by the RASV at the Hilton on the Park in Melbourne.

Not to be outdone by their western counterparts, wineries from South Australia took out five awards, Victoria and New South Wales with three a piece.

Celebrating the State Government's eleven year involvement with the awards, the Premier's Gold Trophy for the best Victorian white wine in show was presented to B Seppelt & Sons for its Seppelt Jaluka Chardonnay 2006, which was produced in Drumborg, Victoria.

Continuing its support of the state's wine industry, Regional Development Victoria introduced the Provincial Victoria Sommelier Scholarship in 2008, which was awarded to young sommelier, Gabrielle Poy.

Further illustrating the RASV's commitment to the Australian wine industry and its ability to cater to changing trends, a new category was introduced in 2008 - 'Wines with Character, Charm and Interest in the \$15-\$25 class'.

Under the guidance of newly appointed Chairman of Judges, Steven Webber, judging was conducted by a panel of experts including, Debra E Mellburg MW of Hong Kong and Sam Harrop MW from London - two of only 253 people in the world to be recognised as qualified Masters of Wine.

The Royal Agricultural Society of Victoria greatly appreciates and values the support and contribution of the Victorian Government, and in particular Regional Development Victoria, for their support of the Royal Melbourne Wine Show.



2009 ROYAL MELBOURNE HORSE SHOW

More than 1800 horses took centre stage this year at the National Equestrian Centre, Werribee Park for the 2009 Royal Melbourne Horse Show, from 22 - 26 January.

With a record level of interest, the event played host to more than 1100 exhibitors and recorded 5000 individual entries.

The 2009 Royal Melbourne Horse Show featured more than 40 breeds, including new additions such as the Western Horse Program, Hackney Horses, Sport Horse and Pony classes, Halfingers, Cleveland Bays, Paints and Appaloosas.

Building on the success of its introduction in 2008, the four days of breed competitions culminated in the Best of Show Championship and concluded with a strong contingent of Pony Club, HRCav and Riding for Disabled competitors.

The Breeds of the World Showcase returned in 2009 with 17 breeds on display, including crowd favourite, Noddy - the world's tallest horse - and Nash, a Suffolk Punch, the rarest horse breed in the world.

The RASV this year introduced an educational component to the event, including breed demonstrations, and confidence and performance training. Other highlights included educational talks covering nutrition, Bowen therapy, equine art and general horse care and health.

RASV EVENTS & AWARDS



2008 RURAL AMBASSADOR AWARD

Organised by the Royal Agricultural Society of Victoria, in conjunction with Victorian Agricultural Shows Ltd (VAS Ltd), the Rural Ambassador Award aims to highlight and reward the talent, creativity and ingenuity of young Victorians who are making a significant contribution to rural communities.

Victorians aged 20 – 30 are eligible to enter the awards and automatically qualify for the Preliminary Finals staged at their local agricultural show.

Throughout the 2007/2008 show season, 47 agricultural shows conducted Preliminary Finals, leading into ten Regional Finals conducted by VAS Ltd Groups around Victoria. A panel of expert judges selected the best entrant from each Regional Final to attend the State Finals held at the 2008 Royal Melbourne Show.

State finalists are required to undertake a written component, 20-minute interview and deliver a three-minute presentation to more than 150 guests at the annual State Final Award Presentation dinner, held last year on Saturday, 20 September during the 2008 Royal Melbourne Show.

Finalists are critiqued on their communication and leadership qualities, and level of involvement, or readiness to become actively involved, in their local agricultural show.

Representing the Beaufort Agricultural and Pastoral Society, Laura Tayler (pictured above) won the Rural Ambassador Award in 2008, taking home \$8,000 in prize money funded by the Department of Primary Industries.

As part of the Award, Ms Tayler also attended the 23rd Commonwealth Agricultural Conference in New Zealand, joining 57 Next Generation Delegates from across the Commonwealth, to discuss topical issues and strategies surrounding sustainability and agricultural shows.

Runner up in 2008, Jackie Peacock who represented the St Arnaud Agricultural and Pastoral Society, received a \$2000 cash prize, which will go towards funding leadership training and equipment for a Young Business Network she is developing in the Grampians and Wimmera regions.

The Royal Agricultural Society of Victoria greatly appreciates and values the support and contribution of major sponsor of the Rural Ambassador Award, Kubota.

2008 ROYAL MELBOURNE FINE FOOD AWARDS

Formerly the Dairy Produce Awards, the Royal Melbourne Fine Food Awards were created in 2008 to cater for two new sections – Confectionery and Extra Virgin Olive Oil – presenting the opportunity for all producers, from the big players to small boutiques, to benchmark their products.

For more than 50 years, the Dairy Produce Awards have been a highly anticipated industry event and a qualifier for the Australian Grand Dairy Awards. In 2008, the awards recorded 461 entries from 57 exhibitors and were judged over three days.

The newly formed Confectionery section highlighted some of Australia's best chocolate, licorice, jellies, aerated confectionery and boiled sweets.

Also making its debut in 2008, the Extra Virgin Olive Oil section showcased 117 individual entries from 54 exhibitors, an outstanding result for the section's first year.

The 2008 Royal Melbourne Fine Food Awards were presented at a luncheon for exhibitors and judges during the 2008 Royal Melbourne Show.

The Royal Agricultural Society of Victoria greatly appreciates and values the support and contribution that Dairy Australia provides in relation to the Royal Melbourne Fine Food Awards.



2008 RASV PRIME LAMB CARCASE AWARDS

The 2008 RASV Prime Lamb Carcase Awards Presentation was held at the Hamilton Department of Primary Industries in conjunction with the Sheep CRC Information Nucleus Open Day.

Developed by the RASV in 2002 to identify and reward excellence in prime lamb production within the commercial sector, the 2008 program attracted 27 entries across Victoria, New South Wales and South Australia. More than 9000 lambs were processed, with Australia's best prime lamb producers recognised at the presentation luncheon.

Top honours went to David Ware of Warrong in South West Victoria, taking home the \$4000 RASV sponsored prize for his consignment of 218 lambs, sired by Texel rams out of East Friesian, Coopworth and Texel Composite ewes.

Second place was awarded to Graeme Wright of Boree Creek, NSW, for his consignment of Prime SAMM sired lambs, with third prize awarded to David Brown from Mitcham SA, with lambs sired by Dorset rams out of Border Leicester Merino Cross ewes.

The Awards are based around VIAscan technology for assessing lean meat yield. This technology provides important feedback to producers to help improve production as well as being used to determine the overall winner.

The Royal Agricultural Society of Victoria greatly appreciates and values the support and contribution of the major sponsors of these awards: The Weekly Times and Castricum Brothers.

THE WEEKLY TIMES FARM BUSINESS AWARDS 2008

Conducted by the RASV, The Weekly Times Farm Business Awards recognise farm businesses that have demonstrated innovation and business practices that maximise productivity and profitability, and shape the future of Australian agribusiness.

In 2008, The Weekly Times Farm Business of the Year was awarded to Gippsland Water Agribusiness at a presentation luncheon at the Melbourne Showgrounds. Fittingly, The Department of Primary Industries Young Farmer of the Year was presented to Michael Bannon, farm manager of the Gippsland Water Agribusiness, which was also named The RASV Crop Producer of the Year.

Four other Victorian businesses took out top honours including Rathjen Vineyard of Colbinabbin, Uondo Pastoral Co Pty Ltd of Kerang, Wildflower Alpacas of Macarthur, PE and JA Johnson of Currajung Lower, along with one winner from New South Wales, Injemira Beef Genetics of Book Book.

Judged each year by a panel of leading industry specialists, The Weekly Times Farm Business Awards is open to all farmers in Victoria and the Riverina district of New South Wales.

The Royal Agricultural Society of Victoria greatly appreciates and values the support and contribution of the following sponsors:

The Weekly Times

Rural Finance

Bayer CropScience

Genetics Australia

Victorian Government – Department of Primary Industries

Judged each year by a panel of leading industry specialists, The Weekly Times Farm Business Awards recognise producers who demonstrate best practice in agribusiness and is open to all farmers in Victoria and the Riverina district of New South Wales.

VENUE MANAGEMENT

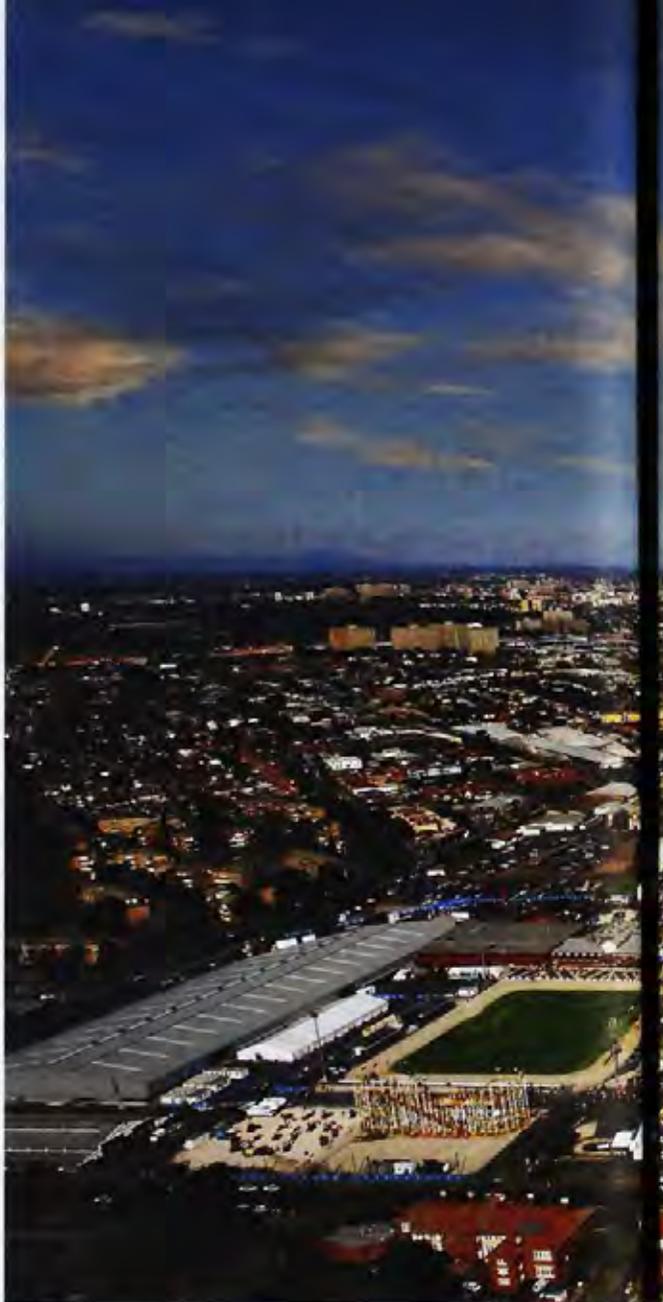
The RASV has continued to build the Melbourne Showgrounds business in the past 12 months, attracting a diverse range of trade shows and exhibitions, major music festivals, film and television productions, corporate events and family days.

Highlighting its credentials as Melbourne's largest and most versatile indoor/outdoor venue for exhibitions, tradeshows and events, Melbourne Showgrounds hosted a variety of tradeshows and exhibitions including the International Truck, Trailer and Equipment Show; the Gift and Homeware Fair; National Tradesmans Expo; Stitches and Craft Show; Landscape Expo; Paperific; Timber & Working with Wood Expo; and Supanova Pop Culture Expo.

The Melbourne Showgrounds was also the venue for the biggest equine event in the Southern Hemisphere, Equitana Asia Pacific where the Grand Pavilion was transformed into an arena complete with stadium seating for over 4000 patrons.

In addition, the Melbourne Showgrounds hosted an array of music festivals including: V Festival; Stereosonic; and Soundwave all of which attracted large crowds.

Showcasing the venue's versatility and adaptability, the Melbourne Showgrounds' poultry pavilion was also secured as the site for top rating Channel Seven television show set Thank God You're Here while a season of the ABC program The Librarians was also filmed at Melbourne Showgrounds which is due to be screened in August 2009.





The RASV has continued to build the Melbourne Showgrounds business in the past 12 months, attracting a diverse range of trade shows and exhibitions, major music festivals, film and television productions, corporate events and family days.

The Board's overarching objectives are to represent and serve the interests of members, guide and monitor the business and affairs of the RASV...

Board of Directors

The Board's overarching objectives are to represent and serve the interests of members, guide and monitor the business and affairs of the RASV, and implement good corporate governance structures consistent with relevant ASX governance principles, specifically to:

- Provide strategic guidance and approve the organisation's strategic/business plans, budgets and performance targets.
- Lay solid foundations for management and oversight.
- Structure the Board to add value.
- Promote ethical and responsible decision making.
- Safeguard integrity in financial reporting.
- Recognise and manage risk.
- Encourage enhanced performance – from economic, social and environmental standpoints.
- Remunerate fairly and responsibly.
- Recognise the legitimate interests of the RASV's stakeholders.

The Board will continue to foster strong relationships with the RASV's joint venture partner and ensure that the Redevelopment Project Objectives are achieved.

Board Composition

The Board comprises 10 Directors and is chaired by the person so elected by the Directors.

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

Human Resources Committee

The Human Resources Committee is appointed by the Board of Directors and chaired by the person so elected by the Board. The Committee consists of a minimum of three members and is assisted by the Company Secretary.

The Committee provides an efficient mechanism for reviewing, assessing and recommending where necessary to the Board, remuneration and other human resources policies and practices that meet the needs of the RASV and that enhance corporate and individual performance.

Audit and Risk Management Committee

The Audit and Risk Management Committee consists of Non Executive Directors and suitably qualified independent persons.

It is charged with:

- Assisting the Board and RASV senior management in discharging their responsibilities for financial reporting and in maintaining a reliable system of internal controls covering all of the RASV's operations and activities.
- Monitoring the implementation of RASV's relevant strategies, in relation to their risk management components.
- Fostering the organisation's ethical environment.
- Overviewing and appraising the quality of the audits conducted both by the internal and external auditors.
- Fostering and maintaining open lines of communication between the internal and external auditor to ensure information exchange and coordination of activity.
- Monitoring and assessing the adequacy and scope of the RASV's procedural, operating and accounting controls.
- Providing an independent and objective review of operational and financial information provided by management to the Board.



Nominations Committee

The Nominations Committee is appointed by the Board of Directors and is primarily responsible for making recommendations to the Board regarding the selection and nomination of chairpersons and members of:

- The Board.
- Board Committees.
- Industry Advisory and Show Event Committees.

The Committee is also appointed to oversee the implementation of performance evaluation processes for members of the above groups.

Political Activity

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



A dark, high-contrast photograph of a wooden surface. The wood grain is clearly visible, with a prominent knot on the right side. A large, dark, shadowed object is positioned on the left side, partially obscuring the wood. The overall tone is very dark, with deep blacks and dark greys.

**The Royal Agricultural
Society of Victoria**

FINANCIAL REPORTS

Auditor's Independence Declaration	27
Income Statement	28
Balance Sheet	29
Statement of Changes in Equity	30
Cash Flow Statement	30
Notes to the Cash Flow Statement	31
Notes to the Financial Statements	32
Directors' Declaration	44
Independent Audit Report	45

The directors present their report together with the financial report of The Royal Agricultural Society of Victoria Limited ("the Company") for the year ended 31 March 2009 and the auditor's report thereon.

Directors

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

Name	Experience and Special Responsibilities
Charles John Fox	John has experience in mixed farming and in the finance industry. He has been a Councillor since 1989 and a Director since 1993. He is currently President of the Company and Chairman of the Board.
Stephen Charles Spargo	Stephen has experience in commercial law and corporate finance. He has an interest in a small beef stud, and was appointed a Councillor and Director in July 2000. He is currently Vice President of the Company and Deputy Chairman of the Board.
Ian Ivor Bucknall	Ian has had pastoral interests and has operated a successful stud sheep enterprise and consulted on animal breeding services. He has been a Councillor since 1986 and a Director since 1993.
Michael Carroll	Michael serves a range of agribusiness companies in a board and consulting capacity and the Federal Government as a member of the Wheat Export Marketing Consultation Committee. He has extensive experience in agricultural finance and working with primary producers, businesses involved in the processing and marketing of agricultural produce, and businesses involved in providing services to agriculture. He was appointed a Director in October 2003. Mike resigned as a Director in October 2008.
Richard Charles Embley Gust	Richard has a background in Veterinary Science. He has interests in horse and commercial beef studs. He became a Councillor in 2000, was appointed as a Director in February 2003 and has been a member of the RASV Veterinary Panel since 1972.
Alan John Hawkes	Alan has significant financial, banking and treasury experience and is a member of the Board Audit and Risk Committee. He joined the Board in April 2008.
Barrie Ernest Laws	Barrie has a background in investment and corporate management. He has rural interests in the beef, dairy and fruit industries and became a Councillor and Director in 1998. He is also Chairman of the Audit and Risk Management Committee.
Geoffrey James Phillips	Geoff has a background in rural journalism and marketing with a particular interest in the beef industry. He became a Councillor in 1999 and was appointed a Director in April 2002.
Joy Anita Potter	Joy has extensive experience in sheep and cattle farming and serves on several agricultural committees. She has an interest in the Arts and is a Board member of the Port Fairy Spring Music Festival. Joy was elected as a Director and her term commenced in August 2007.
Peter Francis Sheldrake	Peter is Professor of Business Entrepreneurship at RMIT University and has held a number of educational positions in the private, public and not-for-profit sectors for more than 30 years. Peter was appointed a Director in August 2007.

Company Secretary

Adnan Mansour	Adnan has extensive financial and general management experience, including leading major projects. Adnan is the Chief Operating Officer and was appointed Company Secretary in 1996. Adnan holds a Bachelor of Business, is a Fellow CPA, CIS and ANZII and is a member of the Australian Institute of Company Directors. Adnan resigned as Company Secretary on 1st June 2009 and retired from The Royal Agricultural Society of Victoria Limited on 1st July 2009.
Jonathan Perry	Jonathan is a Certified Practising Accountant with over twenty years experience in financial management. He was appointed Company Secretary on 1st June 2009.

Principal Activities

The principal activities of the Company during the course of the year ended 31 March 2009 have comprised of promoting the development of all phases of the agricultural, pastoral, horticultural, viticultural, stock raising, manufacturing and industrial resources of Australia, and the venue management of the Melbourne Showgrounds and the Royal Melbourne Show. There were no significant changes in the nature of these activities during the year.

Review and Results of Operations

The operating result of the Company for the year before income tax and joint venture contribution was a profit of \$1,062,289 (2008: profit of \$453,691). After inclusion of the joint venture interest the net loss of the Company for the year after tax was \$3,341,114 (2008: loss \$3,739,843). During the year:

- The Company received funding of \$200,940 (income of \$100,470, net of 50% joint venture interest) from the Joint Venture as the balance of a one-off reimbursement of transitional costs relating to the operation of the 2006 Royal Melbourne Show.
- After submissions to the Australian Taxation Office, the Company received exemption from GST under Section 38-250(2)(v)(ii) of the GST Act for certain classes of admissions and entries relating to the Royal Show. This resulted in a revenue contribution of \$416,196 during the current financial year relating to the 2006 Royal Melbourne Show.
- The Company was appointed Venue Manager for the Melbourne Showgrounds in December 2007 for the provision of venue management services for a term of five years, effective 1st April 2007.
- The Company paid fees to the Joint Venture and the Concessionaire as part of its contractual obligations. These fees will be ongoing until the completion of the 25 year term of the Concessionaire.

Dividends

The Company is limited by guarantee and is prohibited by its Constitution from paying a dividend to its members.

State of Affairs

Other than as described elsewhere in this report there were no significant changes in the Company's state of affairs during the year.

Events Subsequent to Balance Date

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

Directors' Meetings

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

	Directors Meetings Attended	Directors Meetings Eligible to Attend	Audit and Risk Management Meetings Attended	Audit and Risk Management Meetings Eligible to Attend
I I Bucknall	9	10	-	-
M Carroll	5	6	-	-
RCE Cust	6	10	-	-
CJ Fox	10	10	-	-
AJ Hawkes	9	10	3	4
BE Laws	9	10	4	4
GJ Phillips	7	10	-	-
JA Potter	9	10	-	-
PF Sheldrake	5	10	-	-
SC Spargo	7	10	-	-

Mr RCE Cust was granted leave of absence for the June 2008 Board meeting.

Mr PF Sheldrake was granted leave of absence for the March 2008 to May 2008 Board meetings.

Derivatives and Other Financial Instruments

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

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

Likely Developments

There are no likely developments at the date of this report.

Performance in relation to Environmental Regulation

The Company aims to ensure that the highest standards of environmental care are achieved. The Board maintains the responsibility for ensuring that the Company is aware of and is in compliance with all relevant environmental legislation. The operations of the Company are not subject to any site specific environmental licences or permits which would be considered as particular or significant under laws of the State of Victoria or the Commonwealth Government nor does the Company have any exposure to significant environmental reporting requirements.

Indemnification and Insurance of Directors and Officers

Indemnification

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

Insurance premiums

During the year, the Company has paid premiums in respect of directors' and officers' liability and legal expenses for the year ended 31 March 2009. The contracts insure against certain liability (subject to specific exclusions) for persons who are or have been directors or executive officers of the Company.

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

Auditor Independence Declaration

The Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 is set out on page 27 and forms part of the Directors' Report for the year ended 31 March 2009.

Signed in accordance with a resolution of the Board of Directors made pursuant to Section 298(2) of the Corporations Act 2001.

On behalf of the Directors



C J Fox
Director



B E Laws
Director

Dated this 18th day of June 2009
Melbourne, Victoria

AUDITOR'S INDEPENDENCE DECLARATION

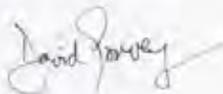
PKF

Chartered Accountants
& Business Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the Royal Agricultural Society of Victoria Limited for the year ended 31 March 2009, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.



David J Garvey
Partner
PKF

18 June 2009
Melbourne

Tel: 61 3 9603 1700 | Fax: 61 3 9602 3870 | www.pkf.com.au
PKF | ABN 83 236 985 726
Level 14, 140 William Street | Melbourne | Victoria 3000 | Australia
GPO Box 5099 | Melbourne | Victoria 3001

PKF East Coast Practice is a member of PKF Australia Limited a national association of independent chartered accounting and consulting firms each trading as PKF. The East Coast Practice has offices in NSW, Victoria and Brisbane. PKF Australia Limited is a member of PKF International, an association of highly independent chartered accounting and consulting firms.

Liability limited by a scheme approved under Professional Standards Legislation.

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2009

	Note	2009 \$	2008 \$
Continuing Operations			
Revenue	2	18,779,173	16,817,119
Expenses			
Salaries and Wages		(4,887,204)	(4,290,441)
Finance Costs		(4,154)	(3,970)
Advertising, Promotion & Market Research		(810,788)	(1,006,272)
Attractions		(508,101)	(1,017,006)
Catering		(922,874)	(863,347)
Cleaning		(947,846)	(804,533)
Commission to Third Party Ticket Sellers		(509,393)	(506,210)
Competition Expenses		(612,861)	(588,788)
Computer/Website Expenses		(302,443)	(171,265)
Contribution to Asset Replenishment Fund		-	-
Depreciation		(320,823)	(327,483)
Hire Costs		(1,397,466)	(1,764,451)
Insurance Costs		(449,830)	(315,164)
Venue Access & Service Fees		(906,513)	(822,433)
Venue Lease Payment		(100,000)	(50,000)
Venue Profit Share		(65,571)	-
Maintenance & Event Set Up		(1,104,320)	(630,021)
Police, Fire, Security & Medical		(533,766)	(460,151)
Printing Costs		(322,660)	(310,494)
Professional Fees		(1,551,777)	(1,098,696)
Signage & Theming		(317,802)	(266,802)
Utilities & Rates		(458,696)	(437,007)
Other Expenses		(681,996)	(628,894)
Result before income tax and Joint Venture loss		1,062,289	453,691
Joint Venture Revenue	2	3,505,026	3,689,785
Joint Venture Expenses			
Interest Expense – Finance Lease		(5,128,987)	(5,184,669)
Concessionaire Fees		(927,309)	(814,540)
Depreciation		(1,313,974)	(1,313,974)
Project Expenses		(538,159)	(570,136)
Joint Venture loss before income tax		(4,403,403)	(4,193,534)
Loss before income tax		(3,341,114)	(3,739,843)
Income tax expense	1B(b)	-	-
Net loss after income tax attributable to members		(3,341,114)	(3,739,843)

The Income Statement is to be read in conjunction with the attached notes.

BALANCE SHEET

AS AT 31 MARCH 2009

	Note	2009 \$	2008 \$
Current Assets			
Cash and Cash Equivalents	4	3,567,317	4,149,133
Trade and Other Receivables	5	6,804,196	3,672,036
Inventories	6	2,391	685
Prepayments		390,226	538,096
Total Current Assets		10,764,130	8,359,950
Non-Current Assets			
Property, Plant and Equipment	7	76,644,221	78,058,324
Receivables	8	38,648,573	43,412,392
Total Non-Current Assets		115,292,794	121,470,716
Total Assets		126,056,924	129,830,666
Current Liabilities			
Trade and Other Payables	9	3,548,209	3,362,541
Provisions	10	348,056	355,868
Interest Bearing Liabilities	11	655,703	594,264
Total Current Liabilities		4,551,968	4,312,673
Non-Current Liabilities			
Income in Advance	8	2,701,801	2,747,930
Interest Bearing Liabilities	12	50,572,362	51,220,842
Provisions	13	45,715	23,029
Total Non-Current Liabilities		53,319,878	53,991,801
Total Liabilities		57,871,846	58,304,474
Net Assets		68,185,078	71,526,192
Equity			
Contributed Equity	14	-	-
Retained Earnings		68,185,078	71,526,192
Total Equity		68,185,078	71,526,192

The Balance Sheet is to be read in conjunction with the attached notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2009

	Retained Earnings \$	Total \$
As at 31 March 2007	75,266,035	75,266,035
Changes in Equity		
Loss for the Period	(3,739,843)	(3,739,843)
As at 31 March 2008	71,526,192	71,526,192
Changes in Equity		
Loss for the Period	(3,341,114)	(3,341,114)
As at 31 March 2009	68,185,078	68,185,078

The Statement of Changes in Equity is to be read in conjunction with the attached notes.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2009

	Note	2009 \$	2008 \$
Cash Flows from Operating Activities			
Receipts from customers and State Funding		21,273,492	23,303,854
Payments to suppliers and employees		(19,401,250)	(19,380,339)
Interest received		3,518,464	3,645,020
Interest and other costs of finance paid		(5,128,987)	(5,184,669)
Net Cash flows provided by Operating Activities (iii)		261,719	2,383,866
Cash Flows from Investing Activities			
Payments for property, plant and equipment		(256,720)	(325,304)
Proceeds from sale/transfer of property, plant and equipment		4,379	1,207
Net Cash flows used in Investing Activities		(252,341)	(324,097)
Cash Flows from Financing Activities			
Repayment of interest bearing liabilities		(594,264)	(538,582)
Receipts/(Repayment) of trophy funds		3,070	(1,382)
Net Cash flows used in Financing Activities		(591,194)	(539,964)
Net Increase/(Decrease) in Cash held		(581,816)	1,519,805
Cash and Cash Equivalents at Beginning of Financial Year		4,149,133	2,629,328
Cash and Cash Equivalents at End of Financial Year	(i)	3,567,317	4,149,133

The Cash Flow Statement is to be read in conjunction with the attached notes.

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2009

Notes to the Cash Flow Statement

(i) Reconciliation of Cash

For the purposes of the Cash Flow Statement, cash includes cash on hand, in banks, and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of the year as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

		2009 \$	2008 \$
Cash	4	3,567,317	4,149,133

(ii) Financing Facilities

A commercial bill facility of \$1 million (2008: \$1 million) exists with National Australia Bank Limited. The facility is available for one year. At 31 March 2009, \$nil (2008: \$nil) was in use.

The commercial bill facility is secured by the Company's interest in the Joint Venture as well as by way of a fixed and a floating charge on all assets. Liquidity risk is considered low.

(iii) Reconciliation of Net Cash provided by Operating Activities to Operating Result

	2009 \$	2008 \$
Net loss after tax	(3,341,114)	(3,739,843)
Add/(less) non-cash items:		
Depreciation	1,634,797	1,641,456
Interest accrued on Trophy Funds	4,154	3,970
Loss/(Gain) on sale of fixed assets	(4,379)	2,227
Bad Debts Expense	11,187	17,623
Write-off of Assets	36,025	-
Changes in Assets and Liabilities:		
Decrease in Receivables	1,620,472	2,396,277
Decrease/(Increase) in Prepayments	147,870	(73,541)
Decrease/(Increase) in Inventories	(1,706)	2,915
Increase in Payables	139,539	2,038,399
Increase in Provisions	14,874	94,383
Net Cash Provided by Operating Activities	261,719	2,383,866

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

1 A) Corporate Information

The financial report of the Company for the year ended 31 March 2009 was authorised for issue in accordance with a resolution of the Directors on 18th June 2009.

The Company is a company limited by guarantee incorporated and domiciled in Australia.

The nature of operations and principal activities of the Company are described in the Directors report.

The Company's registered office and principal place of business is at Royal Melbourne Showgrounds, Epsom Road, Ascot Vale, Victoria, 3032.

1 B) Summary of Significant Accounting Policies

The principal accounting policies adopted by the Company are stated in order to assist in the general understanding of this financial report. These policies have been consistently applied except as otherwise indicated.

(a) Basis of Preparation

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

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

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

The financial report has been prepared in accordance with the requirements of the Corporations Act 2001, the recognition and measurement aspects of all applicable Accounting Standards, including Australian equivalents to International Financial Reporting Standards (IFRS), and other mandatory professional reporting requirements that have a material effect.

(b) Income Tax

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

(c) Cash and Cash Equivalents

Cash and short term deposits in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. These are carried at face value of the amounts deposited. The carrying amounts of cash and short term deposits approximate net fair value. Interest revenue is accrued at the market or contracted rates and is received on a monthly or quarterly basis.

(d) Trade and Other Receivables

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

(e) Prepayments

Expenses paid in the current financial year for which the economic benefits have not been completely consumed at balance date, have been deferred and recorded as a prepayment in the Balance Sheet. Prepayments are amortised as an expense in the Income Statement in following years as the economic benefits of the payment are consumed.

(f) Plant and Equipment

Acquisition

Items of plant and equipment are initially recorded at cost and are depreciated over their estimated useful lives using the straight line method.

Depreciation

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

Building & Improvements	2.5% - 10%
Plant & Equipment	10% - 33.3%
Motor Vehicles	20%

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

Subsequent Additional Costs

Costs incurred on plant and equipment subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Company in future years. Where these costs represent separate components they are accounted for as separate assets and are separately depreciated over their useful lives.

(g) Inventories

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

(h) Employee Benefits

Wages, Salaries and Annual Leave

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

Long Service Leave

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

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

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

Superannuation

Contributions to employee superannuation funds are charged against income as they are made. Each employee has the ability to choose the fund they wish their contributions to be paid into and also have the ability to choose from a range of investment options within the superannuation fund. The employer contributions where an employee has not elected to choose a superannuation fund are either paid into an accumulation scheme managed by BT Funds Management Ltd for permanent staff or an industry accumulation scheme, HOST PLUS, for casual staff.

(i) Revenue Recognition

Rendering of Services

Revenue for services is recognised when the service has been performed on an accruals basis. Show admission revenue is recognised at the time of the Royal Show being held. Non-cash sponsorship revenue is not recorded in the financial statements of the Company.

Rental Income

Rental income is recognised as it accrues over the period that the properties are leased to third parties.

Interest Income

Interest revenue is recognised as it accrues.

Sale of Assets

The net profit or loss on asset sales not originally purchased for the intention of resale are included as revenue or expense at the date an unconditional contract of sale is signed.

(j) Trade and Other Payables

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

(k) Goods and Services Tax

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

Exemption from GST has been determined under Section 38-250(2)(v)(ii) of the GST Act for certain classes of admissions and entries relating to the Royal Show. The determination of GST-free status for admissions and entry fees is carried out on an annual basis.

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

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

(l) Finance Costs

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

(m) Joint Venture

Joint ventures are contractual arrangements between the Company and one or more other parties to undertake an economic activity that is subject to joint control. Joint control only exists when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

Interests in jointly controlled operations and jointly controlled assets are accounted for by recognising in the Company's financial statements its share of the assets, liabilities and any income and expenses of such joint ventures.

(n) Impairment

The carrying values of non-current assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication of impairment exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of non-current assets is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses are recognised in the income statement.

(o) Adopting AASB 8 and AASB 2007-3 in advance of their effective dates

The Company has adopted AASB 8 'Operating Segments' and AASB 2007-3 'Amendments to Australian Accounting Standards' arising from AASB 8 in advance of their effective dates, with effect from 1 April 2008. AASB 8 applies only to the separate or individual financial statements of an entity and the consolidated financial statements of a group with a parent, whose debt or equity instruments are traded in a public market or that files, or is in the process of filing, financial statements with a securities commission or other regulatory organisation for the purposes of issuing instruments in a public market. As a result of the early adoption of AASB 8 the Company is not required to make any segment reporting disclosures in the financial statements as the Company is a public company limited by guarantee and does not have debt or equity instruments that trade in a public market.

(p) Impact of New and Revised Accounting Standards or Interpretations that are not yet effective

There have been a number of amendments made to Accounting Standards issued by the Australian Accounting Standards Board ("AASB") that are not yet effective.

The directors do not believe that the new and revised standards issued by the AASB that are not yet effective will have any material impact on the financial statements.

(q) Significant Judgements and Key Assumptions

There are no significant judgements or key assumptions made by management in the application of accounting policies that are considered to have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year.

(r) Leases

A distinction is made between finance leases which transfer from the lessor to the lessee substantially all the risks and rewards incidental to ownership of the leased asset and operating leases under which the lessor retains substantially all the risks and rewards. Where an asset is acquired by means of a finance lease, the fair value of the leased property or the present value of minimum lease payments, if lower, is established as an asset at the beginning of the lease term. A corresponding liability is also established and each lease payment is apportioned between the finance charge and the reduction of the outstanding liability. Operating lease rental expense is recognised as an expense on a straight line basis over the lease term, or on a systematic basis more representative of the time pattern of the user's benefit.

The buildings of the joint venture have been accounted for on a finance lease basis.

(s) Financial Risk Management

Financial Risk Management is the responsibility of the Board, which takes advice from the Audit & Risk Management Committee under an authorised Investment Policy. This policy outlines the key objective of achieving the maximum possible investment return within approved investment criteria and risk parameters, utilising a balanced portfolio of investments with varied maturity dates to minimize the effect of interest rate movements.

The following authorised investment instruments have been determined:

- Cash Deposits
- Short Term Money Market Trust Accounts
- Fixed Interest Term Deposits
- Government Securities & Bonds
- Bank Bills

Authorised investment instruments may only be transacted with the following institutions:

- Commonwealth Government
- State Government
- Australian Banks or institutions with a Standard & Poors rating of BBB+ or higher

Several financial instruments are specifically prohibited, these are:

- Foreign Exchange Transactions
- Derivatives
- Australian or Foreign share transactions
- Any transaction undertaken solely for the purpose of speculating

As a general rule, no more than 30% of available funds or \$2 Million (whichever is the lesser) available for investment should be placed into any one investment without prior ratification of the Board. Any recommendation for the utilisation of investment instruments or institutions not separately authorised within the Investment Policy must be presented to the Board for approval. A mechanism of reporting all current investment instruments to the Audit & Risk Management Committee is undertaken.

2. Revenue	2009 \$	2008 \$
Rendering of Services		
Admissions Revenue	6,110,424	5,658,701
Members Subscriptions	210,205	225,509
Rental Income	6,210,804	5,686,085
Catering Premiums	1,612,095	1,395,100
Sponsorship	1,303,649	1,434,784
Competition Income	1,134,425	926,773
Secretarial and Management Fees	71,066	89,630
Parking Revenue	519,896	386,832
	17,172,564	15,803,414
Other Income		
GST Reimbursement	418,196	-
Joint Venture Interest Income	3,325,846	3,412,647
Joint Venture Other Income	179,180	277,138
Interest	192,619	232,374
Gain/(loss) on disposal of property, plant & equipment	4,379	(2,227)
Government Grant	50,000	-
Other revenue	941,415	783,558
	5,111,635	4,703,490
Total Revenue	22,284,199	20,506,904

3. Items included in result

Lease rental expense - operating leases	169,668	151,290
Employee benefits expense	297,846	268,196
Superannuation contribution expense	317,383	268,374
Salaries - permanent employees	3,074,117	2,896,562

4. Cash and Cash Equivalents

Cash on hand	3,600	1,500
Cash at bank and on deposit	3,563,717	4,147,633
	3,567,317	4,149,133

Average interest rates at 31 March 2009 on cash accounts were 3.02% (2008: 7.11%).

5. Trade and other Receivables	2009 \$	2008 \$
Trade Receivables	500,608	494,220
Allowance for Doubtful Debts	-	(17,623)
	500,608	476,597
<hr/>		
Sundry Receivables	6,303,588	3,195,439
	6,804,196	3,672,036

(a) Trade Receivables and Allowance for Bad Debt

Trade Debtors are subject to normal terms of trade which provide for settlement within 14 days. The carrying values of receivables approximate fair values. All credit and recovery risk has been provided for in the balance sheet.

As at 31 March 2009 debts that were past due but not doubtful amounted to \$116,112 (2008: \$171,194). No net receivables are considered impaired at 31 March 2009 or 31 March 2008 and all are deemed to be recoverable.

At 31 March, the ageing analysis of trade receivables is as follows:

	As at March 2009		As at March 2008	
	Debtor	Allowance	Debtor	Allowance
Current	384,496	-	305,403	-
31 – 60 days	22,681	-	50,296	-
61 – 90 days	8,868	-	30,250	-
91 days and over	84,563	-	108,271	(17,623)
Closing Balance	500,608	-	494,220	(17,623)

6. Inventories (Current)	2009 \$	2008 \$
Finished Goods	2,391	685

7. Property, Plant and Equipment	2009 \$	2008 \$
Land - at cost	25,500,000	25,500,000
Buildings & Structures		
- at cost	52,698,495	52,732,300
- accumulated depreciation	(3,438,119)	(2,110,206)
	49,260,376	50,622,094
Motor Vehicles		
- at cost	29,535	29,535
- accumulated depreciation	(20,407)	(14,820)
	9,128	14,715
Plant and Equipment		
- at cost	3,009,645	3,404,587
- accumulated depreciation	(1,134,928)	(1,483,072)
	1,874,717	1,921,515
Total land, buildings and structures, motor vehicles, plant and equipment	76,644,221	78,058,324
- Net book value		

Reconciliation of Movements in 2009

Asset Class	Opening Balance \$	Additions \$	Depreciation/ Amortisation \$	Disposals \$	Closing Balance \$
Land	25,500,000	-	-	-	25,500,000
Buildings & Structures	50,622,094	2,220	(1,327,913)	(36,025)	49,260,376
Motor Vehicles	14,715	-	(5,587)	-	9,128
Plant and Equipment	1,921,515	254,500	(301,298)	-	1,874,717
	78,058,324	256,720	(1,634,798)	(36,025)	76,644,221

Reconciliation of Movements in 2008

Asset Class	Opening Balance \$	Additions \$	Depreciation/ Amortisation \$	Disposals \$	Closing Balance \$
Land	25,500,000	-	-	-	25,500,000
Buildings & Structures	51,769,826	173,376	(1,321,108)	-	50,622,094
Motor Vehicles	25,372	-	(7,223)	(3,434)	14,715
Plant and Equipment	2,082,712	151,928	(313,125)	-	1,921,515
	79,377,910	325,304	(1,641,456)	(3,434)	78,058,324

The Company transferred its land, buildings and improvements during the year ended 31 March 2006 to Showgrounds Nominees Pty Ltd which is a nominee company for a joint venture between the State of Victoria and the Company for the redevelopment of the Showgrounds. The Company retains a 50% interest in the Joint Venture. Refer to note 8.

8. Investment in Joint Venture

The redevelopment of the Showgrounds, which was completed in August 2006, was delivered under the Government's *Partnerships Victoria* methodology.

The State has made a funding commitment of approximately \$100.7 million and RASV has transferred its land with buildings and improvements to the Joint Venture. The State and the Company are each 50% participants in the Joint Venture.

The Joint Venture structure involves an unincorporated Joint Venture which delivered the project and an incorporated entity known as the Project Company – Showground Nominees Pty Ltd – which has the role of holding the project land on a bare trust basis for and on behalf of the Joint Venture participants. Each participant, the State and the Company, owns 50% of the shares in the Project Company.

As Showgrounds Nominees Pty Ltd holds the Showgrounds land on a bare trust basis for the State and the Company as 50% participants in the Joint Venture, the financial statements have been prepared on the basis that the Company has indirectly recognised its 50% interest via its accounting for the Joint Venture.

The reporting date for the Joint Venture is 30 June 2009. Interim information has been extracted for the purpose of preparation of the Company's financial statements as at 31 March 2009, which is subject to audit by the Company's auditor.

The Company's interest in the assets and liabilities of the jointly controlled operation at 31 March 2009 are as follows:

Name of Entity	Principal Activity	Interest	
		2009	2008
		%	%
Unincorporated joint Venture	To carry out the redevelopment of the Melbourne Showgrounds	50	50
Current Assets			
		2009 \$	2008 \$
Cash		273,160	1,574,891
Prepayments		-	-
Receivables		6,345,501	3,109,689
Total Current Assets		6,618,661	4,684,580
Non-Current Assets			
Land		25,500,000	25,500,000
Buildings & Structures – net book value		49,141,878	50,455,852
Receivables		38,648,573	43,412,392
Total Non Current Assets		113,290,451	119,368,244
Total Assets		119,909,112	124,052,824
Current Liabilities			
		2009 \$	2008 \$
Creditors & Accruals		1,601,784	1,719,441
Income in Advance		79,449	33,320
Interest Bearing Liability		655,703	594,264
Total Current Liabilities		2,336,936	2,347,025
Non Current Liabilities			
Rental Income Received in Advance		2,701,801	2,747,930
Interest Bearing Liability		50,462,036	51,117,739
Total Non Current Liabilities		53,163,837	53,865,669
Total Liabilities		55,500,773	56,212,694
Net Assets		64,408,339	67,840,130

Showgrounds Nominees Pty Ltd, as nominee for the Joint Venture, has entered into a number of agreements with the developer of the Showgrounds, referred to as the Concessionaire. These agreements included settlement for the construction of the buildings and infrastructure and the ongoing maintenance and life-cycle costs during the duration of the concession deed of 25 years.

These costs will be met from existing assets of the Joint Venture, some of the future revenue streams from the Showground facilities, and where necessary, funding from the State Government, in accordance with agreements entered into between the Joint Venture, the Joint Venture participants and Showgrounds Nominees Pty Ltd.

Under the State Support Deed – Core Land, the State has undertaken to ensure the performance of the payment obligations in favour of the Concessionaire and the performance of the Joint Venture financial obligations in favour of the security trustee.

Under the State Commitment to the RASV, the State has agreed to support certain obligations of the Company which may arise out of the Joint Venture Agreement. In accordance with the terms set out in the State Commitment to the RASV, the State will pay (in the form of a loan), the amount requested by the Company. If any outstanding loan amount remains unpaid at 25th August 2031, which is 25 years after the commencement of the operation term under the Development and Operation Agreement, the Company will be obliged to satisfy and discharge each such outstanding loan amount. This may take the form of a transfer to the State of the whole or part of the Company's participating interest in the Joint Venture.

A fixed and floating charge has been entered into between the Company and the State. The Company has granted the fixed and floating charge to the State as security for the due and punctual performance of the Company's obligations under or in connection with the charge, the Project Objectives Agreement, the Intellectual Property Agreement or the Events Agreement.

9. Trade and other Payables	2009 \$	2008 \$
Creditors and Accruals	3,400,755	3,296,412
Income in Advance	147,454	66,129
	3,548,209	3,362,541

10. Provisions (Current)		
Employee Benefits	348,056	355,868

11. Interest Bearing Liabilities (Current)		
Finance Lease – Showgrounds Redevelopment	655,703	594,264

12. Interest Bearing Liabilities (Non-Current)		
Finance Lease – Showgrounds Redevelopment	50,462,036	51,117,739
Trophy Funds	110,326	103,103
	50,572,362	51,220,842

13. Provisions (Non-Current)		
Employee Benefits	45,715	23,029

14. Contributed Equity

The Royal Agricultural Society of Victoria Limited is a company limited by guarantee, thereby the Company has been formed on the principle of having the liability of its members limited by the Constitution to the respective amounts that the members undertake to contribute to the property of the Company in the event of it being wound up.

15. Commitments	2009 \$	2008 \$
Future operating lease rentals not provided for in the financial statements.		
Payable:		
Not longer than one year	140,054	139,395
Longer than one year but not longer than two years	62,256	79,508
Longer than two years but not longer than five years	25,870	9,408
	228,180	228,311
Operating leases have an average lease term of 4 years. Assets that are subject to operating leases include office and IT equipment.		
Future finance leases provided for in the financial statements.		
Payable:		
Not longer than one year	655,703	594,264
Longer than one year but not longer than five years	3,374,503	3,058,315
Longer than five years	47,087,533	48,059,424
	51,117,739	51,712,003

The finance leases relate to the Showgrounds buildings with a lease term of 25 years. The buildings will revert to the joint venture on the conclusion of the lease arrangement.

As part of the contractual obligations with the State, the Company is obliged to contribute to the Joint Venture a defined percentage of its cash surplus based on a pre-determined formula. Subject to a floor of \$500,000 and a ceiling of \$2.27 million, the Company must contribute a percentage of its cash surplus (before including the 50% share of joint venture results) as follows:

Years	Percentage
1 - 2	50%
3 - 5	60%
6 - 25	75%

Based on the Company's result, the current year contribution payable to the Asset Replenishment Fund is \$0 (2008: \$0).

16. Employee Benefits	2009 \$	2008 \$
Aggregate employee benefits, including on-costs:		
- Accrued salaries and wages	90,444	-
- Provisions (Current)	348,056	355,868
- Provisions (Non-current)	45,715	23,029
	484,215	378,897

17. Financial Instruments

(a) Financial risk management objectives and policies

The company's principal financial instruments comprise receivables, payables, and cash and cash equivalents. These activities expose the company to a variety of financial risks: market risk, interest rate risk, credit risk and liquidity risk.

Although the company does not have documented policies and procedures, the Board manage the different types of risks to which the company is exposed by considering risk and monitoring levels of exposure to interest rates and by being aware of market forecasts for interest rates. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk, liquidity risk is monitored through general business budgets and forecasts.

The entity holds the following financial instruments:

	2009 \$	2008 \$
Financial Assets:		
Cash and cash equivalents	3,567,317	4,149,133
Receivables	45,452,769	47,084,428
Total Financial Assets	49,020,086	51,233,561
Financial Liabilities:		
Trade and other payables	3,548,209	3,362,541
Interest Bearing Liabilities	51,228,065	51,815,106
Total Financial Liabilities	54,776,274	55,177,647
Net Exposure	(5,756,188)	(3,944,086)

(b) Risk Exposures and Responses

Interest Rate Risk

The entity's exposure to market interest rates relates primarily to short term deposits held.

Management monitors term deposit rates and balances the achievement of high rates against the flexibility offered by at call funds.

Sensitivity analysis

At 31 March 2009, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

	Net Profit Higher / (Lower)		Net Assets Higher / (Lower)	
	Year Ended 31 March		As at 31 March	
	2009 \$	2008 \$	2009 \$	2008 \$
+1% (100 basis points)	35,673	41,491	35,673	41,491
-1% (100 basis points)	(35,673)	(41,491)	(35,673)	(41,491)

Price Risk

All investment decisions are subject to regular Board review, after scrutiny and recommendations received from the Audit & Risk Management Committee. The Company does not engage in any significant transactions which are highly speculative in nature. The company does not have any material exposure to price risk.

Credit Risk

The maximum exposure to credit risk at balance date to recognised financial assets is the carrying amount of those assets as disclosed in the Balance Sheet and notes to the financial statements. The Company had no significant concentrations of credit risk with any single counter party or group of counter parties.

Liquidity Risk

The company manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Maturities of sundry creditors & financial liabilities

The table below analyses the company's financial liabilities:

	Maturing within 0 – 60 days	Maturing 60 days – 1 year	1 year +	Total
2009	\$	\$		\$
Trade and other payables	3,027,270	520,939	-	3,548,209
Interest Bearing Liabilities	-	655,703	50,572,362	51,228,065
Total financial liabilities	3,027,270	1,176,642	50,572,362	54,776,274
2008				
Trade and other payables	3,362,541	-	-	3,362,541
Interest Bearing Liabilities	-	594,264	51,220,842	51,815,106
Total financial liabilities	3,362,541	594,264	51,220,842	55,177,647

(c) Net Fair Values

The net fair value of assets and other liabilities approximates their carrying value.

18. Events Subsequent to Balance Date

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

19. Auditors Remuneration

	2009 \$	2008 \$
Total of all remuneration received and receivable		
in connection with:		
(a) Audit of the Annual Financial Report	27,103	26,500
(b) Other Services:		
Royal Melbourne Show Assurance Procedures	2,273	2,500
Other Audit Services – Joint Venture	42,000	21,408
Taxation/Compliance & Other Services	500	40,350
	71,876	90,758

20. Directors Remuneration

	2009 \$	2008 \$
Directors of the Company do not receive remuneration for services provided	-	-

21. Related Party Transactions

- i. The Company performed accounting and secretarial functions for Victorian Agricultural Shows Limited and Stud Beef Victoria Incorporated. The fees charged for these services were \$71,066 (2008: \$89,630).
- ii. The names of all Directors who have held office during the year are:
 - Ian Ivor Bucknall
 - Michael Carroll
 - Richard Charles Embley Cust
 - Charles John Fox
 - Alan John Hawkes
 - Barrie Ernest Laws
 - Geoffrey James Phillips
 - Joy Anita Potter
 - Peter Francis Sheldrake
 - Stephen Charles Spargo
- iii. Mr S C Spargo is a partner of Allens Arthur Robinson whose firm provides legal services to the Company. The total amount paid by the Company for the legal services provided by the firm was \$56,495 (2008: \$21,867).
- iv. Directors and Councillors had related party transactions at arms length with the Company involving the purchase of goods/ services considered to be trivial or domestic in nature.
- v. The Royal Agricultural Society of Victoria Limited has a 50% interest in an unincorporated joint venture. Refer to note 8 for transactions for the year ended 31 March 2009.

22. Key Management Information

Key management personnel comprise directors and other persons having authority and responsibility for planning, directing and controlling the activities of the Company.

The amounts paid or payable to key management are as follows:

	2009 \$	2008 \$
Short-term employee benefits	1,143,766	1,066,273
Other long-term benefits	129,184	118,676
Termination benefits	68,934	3,334
	1,341,884	1,188,283

DIRECTORS' DECLARATION

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

- a) the accompanying financial statements and notes thereto, are in accordance with the Corporations Act 2001, comply with the accounting standards and give a true and fair view of the Company's financial position as at 31 March 2009 and of its performance for the year ended on that date; and
- b) at the date of this declaration there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to Section 295(5) of the Corporations Act 2001.



C J Fox
Director

Dated this 18th day of June 2009
Melbourne



B E Laws
Director



Chartered Accountants
& Business Advisers

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

We have audited the accompanying financial report of the Royal Agricultural Society of Victoria Limited, which comprises the balance sheet as at 31 March 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's Opinion

In our opinion the financial report of the Royal Agricultural Society of Victoria Limited 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 2009 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

David J. Garvey
Partner

PKF
East Coast Practice

18 June 2009
Melbourne

Tel: 61 3 9603 1700 | Fax: 61 3 9602 3870 | www.pkf.com.au
PKF | A&N 63 236 985 726
Level 14, 140 William Street | Melbourne | Victoria 3000 | Australia
GPO Box 5099 | Melbourne | Victoria 3001

PKF East Coast Practice is a member of PKF Australia Limited a national association of independent chartered accounting and consulting firms and is a member of PKF. The East Coast Practice has offices in NSW, Victoria and Brisbane. PKF Australia Limited is a member of PKF International, an association of legal, independent chartered accounting and consulting firms.

PKF is a member of the Institute of Chartered Accountants in Australia (ICAA).



CONSUMER

The Royal Agricultural
Society of Victoria USGS
Greenhouse Friendly™
ENVI Recycled 50/50
Carbon Neutral Paper

ENVI Recycled 50/50 Carbon Neutral
Paper is an Australian Government
certified Greenhouse Friendly™ Product.