

102ND ANNUAL REPORT 2017-18



Hastings Lettuce Farm owner Tracey Eastwood with
Timbertown SUPA IGA manager Carol Leach.

Working together for a better tomorrow

Hastings Co-op at a glance

Vision: Building better communities through diverse and competitive services and retail solutions



- More than 300 local jobs
- 15 businesses: Fuel, supermarkets, liquor stores, department stores, hardware, rural supplies, cafes and condiment manufacturing
- \$913,760 Net profit after tax in 2017-18

- Constantly growing: New Sovereign Hills IGA supermarket, hardware and liquor store opening in late 2019
- 4,380 active Shareholder members: \$235,075 returned in rewards vouchers
- 4,253 Co-op 100 loyalty program members: \$42.165 returned in rewards vouchers



- Net Promoter Score of +30 (Dec 2017 Customer Survey)
- Supporter of hundreds of local community groups and local producers, through the distribution of locally-grown products
- \$212,500 in Community Chest grants returned to the community since the program's inception
- Port Macquarie Chamber of Commerce Hall of Fame inductees, July 2018

Working together for a better tomorrow

Annual General Meeting 2018

Notice to all active Shareholder Members of Annual General Meeting 2018

Notice is hereby given that the 102nd Annual General Meeting of the Hastings Co-operative Limited will be held on Tuesday, November 20, 2018 at the auditorium of Wauchope Country Club, commencing at 10.30am.

Agenda

1. **Welcome and apologies**
2. **Acknowledgement of country**
3. **Co-operative prayer**
4. **Receipt and noting of minutes**
To receive and note the minutes of the 101st Annual General Meeting held on November 21, 2017 as adopted by the Board. Copies will be available at the meeting of shareholder members. A member can request a copy prior to the meeting from the Co-operative Secretary.
5. **Business arising from the minutes**
6. **Report from the Chair**
7. **Report from the Chief Executive Officer**
8. **Report from the Independent Auditor**
9. **To receive and adopt the following for the year ending June 30, 2018.**
 - a. Directors' report and Directors' declaration
 - b. Annual financial statements; and
 - c. Independent auditor's report
10. **Questions from members– with notice**
11. **Directors' remuneration**
It is recommended that the total remuneration, for a Board of seven, be \$102,815.24 (2017 \$99,820.62). This represents an increase of 3% over the 2017 figure.
12. **To agree on the appointment of the independent auditor for 2018-19**
13. **To confirm the appointment of Robert Preston as an independent director**
14. **To declare the result of the special resolution - repurchase of share limit for 2018-19**
15. **Concluding remarks**

By Order of the Board of Directors

Allan Gordon - Co-operative Secretary

October 2, 2018

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Chairman's report

This is the Co-operative's 102nd year of operation serving the various communities of the Hastings Valley and Comboyne plateau and on behalf of the Board of Directors of Hastings Co-operative Limited I am pleased to present my Chairman's Report for the 2017/18 year.

The results for the current year on a Net Profit After Tax basis of \$913,760 was below the budget set by the Board and our CEO Allan Gordon will report in more detail on divisional results achieved.

Whilst some divisions have made a positive contribution to the Co-operative others have not fared all that well in what continues to be an extraordinarily competitive retail environment.

Our flagship Department Store was impacted by significant internal water damage during a storm on Boxing Day 2017, not long after internal modifications had been completed. After many months of negotiations with our insurers, builders finally made a start on the repair and re-placement of flooring and other fixtures and fittings during July 2018. A closure period of 12 to 16 weeks was required to complete the project.

An upside to this closure is that the Co-operative will expand its family of Department Stores with the opening of a small shop in Laurieton to meet the customer demand in the Camden Haven. That store opened in August.

The Co-operative family has continued to participate in the Greater Port Macquarie Business Awards. A culmination of this participation was achieved in July 2018 when we were inducted into the Port Macquarie Business Chamber's "Hall of Fame", in recognition of our successes over the past five years. This is certainly an honour and reflects the drive and commitment of our CEO Allan Gordon and all of our supportive staff members in ensuring the businesses are a destination for members, and the community at large, to do business.

The Co-operative continues to support the educational and creative aspirations of local students through the Hastings Education Fund, the Luminosity Youth Summit and Charles Sturt University, where sponsorships are made available to younger community members to pursue their dreams.

Our community is not forgotten, with a number of organisations being recipients of monies under the annual Community Chest grants program. Community Chest is run in our three IGA stores and since inception we have provided more than \$212,500 in grants. The program continues to evolve, and we look forward to presenting the next round of grants in February 2019.

During 2017-18 the Co-operative also provided sponsorships in excess of \$31,000 as well as providing in-kind donations and space at stores for charity groups to raise much needed funds.

The Co-operative shares in the community's concern for the protection of the environment and has phased out the use of single use plastic bags. In addition, we have facilitated the installation of reverse vending machines on one of our Wauchope sites to support the NSW State Government's "Return and Earn" Container Deposit Scheme, which has been an outstanding success to date. The majority of our premises also now have solar panels installed for the generation of electricity.

Chairman's report

The Board's strategy continues to sustainably expand our business operations as appropriate opportunities arise and your Board subscribes to a five pillars philosophy when making those business decisions:

- To ensure a sound financial platform
- To provide value back to shareholders and the community
- To be an employer of choice
- To demonstrate good governance; and
- An all-encompassing culture of excellence across the organisation.

CEO Allan Gordon will elaborate in more detail about our progress and I, on behalf of the Board, extend thanks to Allan for his work and commitment to leading the team at the Co-operative as we continue the journey into our second century of operation.

Special thanks are extended to the shareholder members, staff, customers, suppliers and the local community for the continuing support of the Co-operative. It is this support that makes the Co-operative businesses strong and unique.

In closing, I thank my fellow Directors for their individual contributions to the Board over the past 12 months and the varied skills that they bring to the Board in its deliberations.

David Johnson - Chairman

Chief Executive Officer's report

Dear Shareholder Members,

It has been my privilege to have led the organisation through some very difficult times, and to see it once again become an organisation that the community can be proud of.

I am indebted to the loyal support you, our members, have shown over the years and my only regret is not to have finalised the repurchase of share requests that have been a major source of angst for members waiting for their money. This however is expected to be resolved in the near future and the last of the issues that arose from the freezing of the repurchase of shares in 2011 will have been finalised. It has been a long journey for many of you and I commend your patience. The Co-op will then be in a position to move forward with its development and growth plans, with shareholders playing a large part in the future of the organisation.

Many of you will be aware that the retail game is changing rapidly, with strong competitors coming in to disrupt the industries in which we operate. The Co-op has not been immune to effects of competition and this has been reflected in reduced margins being experienced in our stores, especially the supermarkets. Increased labour costs and overheads, especially energy costs, in an environment of grocery price deflation has contributed significantly to the decline in performance of all the IGA supermarkets. This is the first year, in many, that we have not experienced sound and above average revenue growth for the supermarkets.

I believe the net profit result of \$913,760 (2017 - \$1,215,568) in the current environment is a sound result, but not outstanding, and we will need to review a number of our operations to ensure that we identify efficiencies that can be implemented. A number of initiatives have already commenced or are planned to ensure we reach our potential.

Our vision is to, "Build better communities through diverse and competitive services and retail solutions" and this is what we are endeavouring to do daily for all our customers. Our decisions are based on this premise and our ongoing strategy puts you, our shareholder members, at the forefront of all that we do. We understand that the retail environment will remain constrained for the foreseeable future, however, we must look for opportunities that will support the activities of our members.

We know our industries are being disrupted and we cannot afford any complacency. The Co-op is entering a transitional phase where it needs to evolve to successfully operate in the retail environment of the future. An environment where lower margins are the new normal, where the consumer has so much choice that loyalty must be earned every time the customer visits our stores, where expectations are being set by our competitors with far greater capacity than the Co-op. The direction that the Co-op takes over the coming 24 months will set it up for the next decade.

An example of the changes that we are making can be seen in our fuel business. Earlier this year the fuel division was renamed the energy division with a mandate to look at new and emerging energy industries. Whilst we know that the demise of the fossil fuel business is not imminent, over the next 20 years it will see very significant changes with emerging alternatives such as electric vehicles.

Our main focus for 2018-19 is to secure a business model that will allow the Co-op to grow and enable it to better utilise its current assets. A current list of projects that we have on the horizon include: Sovereign Hills supermarket; the redevelopment of the Cedar Service Station; the development of the Lake Road milk depot and; the development of the bulk fuel site at 229 High Street, Wauchope.

Chief Executive Officer's report

All of these projects will require significant investment by the Co-op. An investment that will ensure better returns are received on the assets that we already own.

Our rewards program has again proved very popular with shareholder members. Rewards vouchers totalling \$235,075 to shareholder members and \$42,165 to Co-op 100 members were issued during the year, with more than 93% of vouchers being redeemed. I believe this program is well regarded by our members and is a tangible way that we give back to our members who continue to support us.

In closing, there are three very special groups of people that I would like to thank. Firstly, to you, our shareholder members, your loyalty, your encouragement and your faith in this organisation have remained steadfast during 2017-18 and I thank you sincerely. Secondly, to our dedicated and hardworking employees, you are the face of the organisation and have proved time and time again that we are different to our competitors and it is a difference to be proud of. Finally, to Chair David Johnson and the Board of Directors, your wisdom and guidance will always be welcome.

Allan Gordon - Chief Executive Officer

Giving back to the community

We've been a part of the Hastings community since 1916 and look forward to supporting local clubs, community groups, schools and charities for many years to come.

As well as sponsoring hundreds of groups each year, we love the fact that we work, play and live in this beautiful part of the world. Our 'locals supporting locals' philosophy encompasses everything from local job opportunities and showcasing local producers in our stores to working with the community to ensure the region continues to thrive.

Here are the groups we've supported during the 2017-18 financial year –

- 2nd Wauchope Scout Group
- Beechwood Public School
- Beechwood Public School P&C
- Beechwood Shamrocks Rugby League Football Club
- Byabarra Community Hall
- Byabarra Sport and Tennis Club
- Charles Sturt University scholarships
- Comboyne Community Preschool
- Comboyne Public School
- Comboyne Tigers Rugby League Football Club
- Comboyne Show 2017
- Comboyne Spring Fair 2016
- Comboyne Campdraft
- FAWNA
- Hastings Community Connect Day
- Hastings Country Music Association
- Hastings District Pony Club
- Hastings Education Fund (HEF) scholarship
- Hollisdale Rural Bushfire Brigade
- Huntingdon Public School
- Lions Club of Wauchope
- Long Flat Rugby League Football Club
- Lost Plot Community Gardens Spring Fair
- Luminosity Youth Summit 2018
- NSW Regional Business Awards
- Pappinbarra Progress Association
- Port Cup Fashions on the Field
- Port Macquarie Community Preschool
- Port Macquarie Cycle Club
- Port Macquarie Black Tie Ball
- Rollands Plains Community Group
- Slice of Haven 2017
- St Joseph's Primary School, Wauchope
- Tacking Point Surf Life Saving Club
- Timbertown Heritage Park Annual Steam Fair 2018
- Tour De Cure
- Upper Rollands Plains Public School
- Wauchope and Port Macquarie Riding for the Disabled
- Wauchope Bonny Hills Surf Life Saving Club
- Wauchope Boxing Club
- Wauchope District Memorial Hospital
- Wauchope Fitness Centre (Pink Ladies fundraiser)
- Wauchope Girl Guides
- Wauchope High School
- Wauchope Lady Golfers
- Wauchope Mens Golf Day
- Wauchope Netball Club
- Wauchope Park Run
- Wauchope Public School
- Wauchope Public School P&C
- Wauchope Rotary Club
- Wauchope RSL Amateur Fishing Club
- Wauchope RSL Cricket Club
- Wauchope Show Society
- Wauchope Soccer Club
- Wauchope Veterans Womens Golf
- Westpac Rescue Helicopter
- Woop Woop Cup
- Yesteryear Truck and Machinery Show

Congratulations to long serving staff

Congratulations to the following Hastings Co-op staff who have contributed more than 10 years of service as at June 30, 2018.

| | |
|---------------------|----------|
| Gwenda Johnson | 49 years |
| Patricia Miller | 32 years |
| Annette Kay Monkley | 29 years |
| Sonny Hackney | 25 years |
| Rhonda Hawley | 25 years |
| Denise Moore | 25 years |
| Elizabeth Moulton | 25 years |
| Matthew White | 23 years |
| Kim Barnes | 22 years |
| Darren Partridge | 21 years |
| Maxine Byatt | 20 years |
| Sarah Huisman | 20 years |
| Luke Mackay | 20 years |
| Michael Smith | 19 years |
| Gemma Bannister | 18 years |
| Helen Ruth Currey | 17 years |
| Andrew Quibell | 17 years |
| Craig Swain | 16 years |
| Cecil Bruce Blanch | 15 years |
| Colleen Hollis | 15 years |
| Lynn Ryan | 15 years |
| Dionne Allen | 14 years |
| Tania Arentsen | 14 years |
| Jarrold Eyles | 14 years |
| Emma Nicholson | 14 years |
| Kathryn Nocke | 14 years |
| Allan Farley | 13 years |
| Daniel Langens | 13 years |
| Kylie Joseph | 12 years |
| Mario Lenkic | 12 years |
| Lisa Attkins | 11 years |
| Kelvin Kelly | 11 years |
| Warren McWhirter | 11 years |
| Kerrie Pead | 11 years |
| Susan Shaw | 11 years |
| Coralie Hindmarch | 10 years |
| Bradley Leach | 10 years |
| Michelle McKay | 10 years |
| Judith Standing | 10 years |



Wauchope SUPA IGA staff threw their support behind Beanie for Brain Cancer Day.

“Our employees are the backbone of Hastings Co-op, the reason we’ve built a strong, healthy and vibrant family of businesses.”

CEO Allan Gordon



Wauchope SUPA IGA Plus Liquor staff, winners of the NSW Liquor Retailer of the Year Award.



FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2018

ABN 86 601 035 121

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Hastings Co-operative Limited

ABN: 86 601 035 121

DIRECTORS' REPORT

30 June 2018

Your Directors present their report on the Co-operative for the financial year ended 30 June 2018.

Directors

The names of the Directors in office at any time during, or since the end of, the year are:

| | |
|------------------|------------------------|
| David Johnson | (Chairperson) |
| Anthony Abi-Saab | |
| Lisa Intemann | |
| Richard McGovern | |
| Jane Dawson | |
| Rodney Barnaby | |
| Jaclyne Fisher | (Appointed 21/11/2017) |
| Julie Muller | (Retired 21/11/2017) |

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Co-operative Secretary

Allan Gordon B.Bus (Monash), Grad Dip Ed (QUT) was appointed Co-operative Secretary on 01/05/2013 and is Chief Executive Officer of Hastings Co-operative Limited.

Principal Activities

The principal activities of the Co-operative during the financial year were retail operations in grocery, fresh foods, soft goods, hardware, rural supplies, liquor stores, service stations bulk fuel and hospitality. There has been no significant change in the nature of these principal activities during the financial year.

Operating Results

The total revenue for the Co-operative was \$86,061,097 for the current financial year as compared to revenue of \$81,416,752 for the previous financial year. The profit of the Co-operative for the financial year after providing for income tax amounted to \$913,760 compared to a profit of \$1,215,568 in the previous financial year.

Dividends

No dividend is recommended to be paid for the financial year ended 30 June 2018.

Shareholder reward vouchers issued for the financial year totalled \$235,075 and Co-op 100 Vouchers issued for the financial year totalled \$42,165.

Review of Operations

The overall retail environment remains extremely competitive with reduced margins being experienced across most sectors.

Hastings Co-operative Limited

ABN: 86 601 035 121

DIRECTORS' REPORT

30 June 2018

Significant changes in State of Affairs

There were no significant changes in the state of affairs of the Co-operative during the financial year.

Events after the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Co-operative, the results of those operations or the state of affairs of the Co-operative in future financial years.

Future Developments

Likely developments in the operations of the Co-operative and the expected results of those operations in future financial years have not been included in this report, as the inclusion of such information is likely to result in unreasonable prejudice to the Co-operative.

Environmental Regulations

The Co-operative's operations are not subject to any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

The Board believes that the Co-operative has adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Co-operative.

Indemnifying Officers or Auditor

During the financial year the Co-operative held a Directors and Officers Insurance Policy. The policy has an exclusion clause which precludes any further disclosure.

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, for any person who is or has been an auditor of the Co-operative.

Proceedings on Behalf of Co-operative

No person has applied for leave of Court to bring proceedings on behalf of the Co-operative or intervene in any proceedings to which the Co-operative is a party for the purpose of taking responsibility on behalf of the Co-operative for all or any part of those proceedings.

The Co-operative was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been received and is included in this financial report.

Hastings Co-operative Limited

ABN: 86 601 035 121

DIRECTORS' REPORT

30 June 2018

Meetings of Directors

During the financial year, 25 meetings of Directors (including committees of Directors) were held. Attendances by each Director during the year were as follows:

| | Directors' Meetings | | Special Meetings | | Audit and Risk Committee | | Marketing and Innovations Committee | | Governance Committee | |
|------------------|---------------------------|-----------------|---------------------------|-----------------|---------------------------|-----------------|-------------------------------------|-----------------|---------------------------|-----------------|
| | Number eligible to attend | Number attended | Number eligible to attend | Number attended | Number eligible to attend | Number attended | Number eligible to attend | Number attended | Number eligible to attend | Number attended |
| David Johnson | 12 | 12 | 2 | 2 | - | - | - | - | 3 | 3 |
| Anthony Abi Saab | 12 | 10 | 2 | 2 | 4 | 4 | 4 | 4 | - | - |
| Lisa Intemann | 12 | 10 | 2 | 2 | 4 | 4 | - | - | - | - |
| Richard McGovern | 12 | 11 | 2 | 2 | - | - | 4 | 4 | 3 | 3 |
| Jane Dawson | 12 | 11 | 2 | 2 | 4 | 4 | - | - | - | - |
| Rodney Barnaby | 12 | 11 | 2 | 2 | - | - | 4 | 3 | - | - |
| Jaclyne Fisher | 8 | 7 | 1 | 1 | - | - | - | - | 2 | 2 |
| Julie Muller | 5 | 5 | 1 | 1 | - | - | 1 | 1 | 1 | 1 |

Hastings Co-operative Limited

ABN: 86 601 035 121

DIRECTORS' REPORT

30 June 2018

Information on Current Directors

David Johnson – Independent Non-Executive Director, BA, CPA, Grad Dip AICD, JP



David has been a member of the Board since 2013 and has been Chair since 2016. David holds the position of Chair of the Nominations Committee and is member of the Governance Committee. David is a professional company director and has over 30 years' experience in the banking and finance industry as well as 12 years company secretarial experience. David brings to the Board a wealth of experience in business management and accounting as well as governance, policy development and risk management. David holds two outside directorships with Bundaleer Care Services Ltd and Holiday Coast Credit Union Ltd.

Anthony Abi-Saab – Independent Non-Executive Director – B.Sc, BA., HBA, Grad Dip (Hons) IASOS, Grad Dip AET, Cert III IT, Cert IV Multi-Media, Cert IV TAE



Anthony Abi-Saab has been a member of the Board since 2012. Anthony is a member of the Audit and Risk Committee as well as Chair of the Marketing and Communications Committee. Anthony has been a small business owner in Wauchope for a number of years and operates a business in the consumer beverages market. Anthony brings to the Board his expertise in business to consumer sales as well as legal and communications. Anthony holds the following outside directorships Saab Industries Pty Ltd, Hastings Valley Spring Water Pty Ltd, Maxabi Pty Ltd, and SAAB Pty Ltd

Lisa Intemann – Independent Non-Executive Director PhD, BA (Hons), BSc, Grad. Dip Soc.Sc. Cert of Mediation, MAICD



Lisa joined the Board in 2012 and is currently the Chair of the Audit and Risk Committee and is a member of the Marketing and Communications Committee. Lisa is currently an elected Councillor for the Port Macquarie Hastings Council serving from 1995 to 2008 and from 2012 to the present. Lisa has an extensive background in small business management having managed family businesses for many years. Lisa brings to the Board her expertise in governance and strategic planning, risk management and policy development.

Richard McGovern – Independent Non - Executive Director - Cert III in Bus Mkt/Promotions and Customer Service



Richard McGovern holds the position of Chair of the Governance Committee and is a member of the Marketing and Communications Committee. Richard has been a small business owner in Wauchope since 2004 and operates several businesses in the promotions and marketing sphere. Richard has a background in sales, marketing and promotion and brings knowledge and expertise to the Board in these areas. Richard is a member of the Port Macquarie Hastings Council – Mayors Sporting Fund Committee and has been a Director of the Co-operative since 2013.

Jane Dawson – Independent Non-Executive Director – BVSc, MVPH Mgt, Grad Dip AICD, Grad Dip Animal Science (Genetics), Cert Int Assoc of Public Participation



Jane joined the Board in 2015 and is a member of the Audit and Risk Committee. Jane is a small business owner and operates a business specialising in strategic planning, project management and livestock health. Jane brings her expertise in corporate agriculture, farmer representation and small business to the Board. Jane has worked for shareholder organisations for 21 years and with business for 12 years. Jane holds one outside directorship with Dawson Agri Enterprises Pty Ltd.

Hastings Co-operative Limited

ABN: 86 601 035 121

DIRECTORS' REPORT**30 June 2018**

Rodney Barnaby – Independent Non-Executive Director - MBA (Technology Management) Deakin, BEng Civil (Hons) UNSW, Ass Dip (Personnel Administration)



Following a successful military career as an officer in the Australian Army, Rod has extensive corporate experience from owning and managing a national high-volume customer facing service business. He has also owned and managed smaller businesses including a local training and development company. Rod brings to the Board skills in strategic planning and leadership, governance and commercial decision making. Rod currently sits on the Board of Regional Development Australia, Destination Network North Coast and Bundaleer Care Services Ltd. He is also an owner and Director of Future Ambition Pty Ltd and Biodiversity Solutions Australia Pty Ltd

Jaclyne Fisher – Independent Non-Executive Director – B.Comm (UNSW) MBA (UQ/Mt Eliza Bus School)



Jaclyne joined the Board in 2017 and is a member of the Governance Committee. Jaclyne has had a career spanning over 35 years including senior executive and strategic management roles in Australia and overseas. Jaclyne brings a wealth of experience to the Board in leadership, strategic planning, risk management and corporate governance. Jaclyne is currently the Secretary/Board member for the Advocacy Law Alliance as well as the Treasurer for the Hastings Valley Dressage Club, she is also a former President of the Australia Warmblood Horse Association.

Acknowledgements

The Board of Directors wishes to extend to all shareholder members their appreciation for the support given to the Co-operative during the year.

Shareholder members' support, and that of the community is appreciated and remains a crucial factor for the success of the Co-operative.

To the executive and all staff, we offer our sincere thanks for your loyalty and co-operation throughout the past year.

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

Chairperson:.....
David Johnson**Director:**.....
Lisa Intemann**Dated: 2 October 2018**

PARTNERS

Robert Magnussen B Bus FCA
Paul Fahey B Bus CA
Rodney Smith B Fin Admin FCA
Bart Lawler B Com CA
Patrick Brennan B Com CA
Alison McKinnon B Bus CA

AUDITOR'S INDEPENDENCE DECLARATION

Under Section 307C of the Corporations Act 2001

To the Directors of Hastings Co-operative Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit;
and
- (ii) any applicable code of professional conduct in relation to the audit.

NORTHCORP ACCOUNTANTS



Robert Magnussen
Partner
Registered Company Auditor

Dated: 2 October 2018

3/80 High Street
WAUCHOPE NSW 2446

Hastings Co-operative Limited

ABN: 86 601 035 121

STATEMENT OF COMPREHENSIVE INCOME**For the Year Ended 30 June 2018**

| | Note | 2018 \$ | 2017 \$ |
|--|------|---------------------|---------------------|
| Revenue | 2(a) | 86,046,483 | 81,400,455 |
| Other income | 2(b) | 14,614 | 16,297 |
| | | 86,061,097 | 81,416,752 |
| Changes in inventories | 3 | 414,702 | 333,036 |
| Inventory purchases | 3 | (69,010,460) | (65,116,694) |
| Bad and doubtful debts expense | 3 | (12,999) | 19,789 |
| Depreciation and amortisation expense | 3 | (915,522) | (843,033) |
| Employee benefits expense | | (9,363,792) | (8,549,562) |
| Finance costs | 3 | (453,939) | (497,704) |
| Rent expense | | (931,875) | (930,950) |
| Other expenses | | (4,936,820) | (4,637,909) |
| | | (85,210,705) | (80,223,027) |
| Profit/(loss) before income tax | | 850,392 | 1,193,725 |
| Income tax expense | 4 | 63,368 | 21,843 |
| Profit/(loss) for the year | | 913,760 | 1,215,568 |
| Other comprehensive income for the year | | - | - |
| Total comprehensive income for the year | | 913,760 | 1,215,568 |
| Profit / (loss) attributable to members of the Co-operative | | 913,760 | 1,215,568 |
| Total comprehensive income attributable to members of the Co-operative | | 913,760 | 1,215,568 |

The accompanying notes form part of these financial statements.

Hastings Co-operative Limited

ABN: 86 601 035 121

STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

| | Note | 2018 \$ | 2017 \$ |
|--------------------------------------|-------|-------------------|-------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | 6 | 78,100 | 78,900 |
| Trade and other receivables | 7 | 1,669,112 | 1,264,657 |
| Inventories | 8 | 4,970,912 | 4,558,016 |
| Other assets | 10 | 53,135 | 19,107 |
| Total current assets | | 6,771,259 | 5,920,680 |
| Non-current assets | | | |
| Other financial assets | 9 | 1,000 | 1,000 |
| Property, plant and equipment | 11 | 15,400,332 | 15,088,669 |
| Intangible assets | 12 | 350,342 | 321,463 |
| Deferred tax assets | 13(a) | 463,543 | 400,175 |
| Total non-current assets | | 16,215,217 | 15,811,307 |
| TOTAL ASSETS | | 22,986,476 | 21,731,987 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 14 | 4,996,454 | 4,019,773 |
| Borrowings | 15 | 1,186,747 | 1,206,639 |
| Short-term provisions | 17 | 972,072 | 817,686 |
| Other liabilities | 18 | 105,498 | 28,066 |
| Total current liabilities | | 7,260,771 | 6,072,164 |
| Non-current liabilities | | | |
| Borrowings | 15 | 7,022,260 | 7,649,869 |
| Members' shares | 16 | 1,958,957 | 2,217,197 |
| Long-term provisions | 17 | 322,000 | 284,029 |
| Total non-current liabilities | | 9,303,217 | 10,151,095 |
| TOTAL LIABILITIES | | 16,563,988 | 16,223,259 |
| NET ASSETS | | 6,422,488 | 5,508,728 |
| EQUITY | | | |
| Reserves | 20 | 5,328,379 | 5,328,379 |
| Retained earnings | | 1,094,109 | 180,349 |
| TOTAL EQUITY | | 6,422,488 | 5,508,728 |

Hastings Co-operative Limited

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STATEMENT OF CHANGES IN EQUITY**For the Year Ended 30 June 2018****2018**

| | Retained Earnings | Asset Revaluation Surplus | Total |
|---|------------------------------|--|------------------|
| | \$ | \$ | \$ |
| Balance at 1 July 2017 | 180,349 | 5,328,379 | 5,508,728 |
| Profit / (loss) attributable to members of the Co-operative | 913,760 | - | 913,760 |
| Other comprehensive income | - | - | - |
| Total comprehensive income for the year | 913,760 | - | 913,760 |
| Balance at 30 June 2018 | 1,094,109 | 5,328,379 | 6,422,488 |

2017

| | Retained Earnings | Asset Revaluation Surplus | Total |
|---|------------------------------|--|------------------|
| | \$ | \$ | \$ |
| Balance at 1 July 2016 | (1,035,219) | 5,328,379 | 4,293,160 |
| Profit / (loss) attributable to members of the Co-operative | 1,215,568 | - | 1,215,568 |
| Other comprehensive income | - | - | - |
| Total comprehensive income for the year | 1,215,568 | - | 1,215,568 |
| Balance at 30 June 2017 | 180,349 | 5,328,379 | 5,508,728 |

The accompanying notes form part of these financial statements.

Hastings Co-operative Limited

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STATEMENT OF CASH FLOWS**For the Year Ended 30 June 2018**

| | Note | 2018 \$ | 2017 \$ |
|---|-------|--------------------|--------------------|
| Cash flows from operating activities: | | | |
| Receipts from customers | | 91,547,564 | 87,586,028 |
| Payments to suppliers and employees | | (89,021,370) | (85,585,372) |
| Finance costs | | (453,939) | (497,704) |
| Interest received | | 6,482 | 6,827 |
| Net cash provided by (used in) operating activities | 25(a) | 2,078,737 | 1,509,779 |
| Cash flows from investing activities: | | | |
| Proceeds from sale of property, plant and equipment | | 53,262 | 25,594 |
| Purchase of property, plant and equipment | | (1,207,507) | (994,973) |
| Acquisition of intangible assets | | (58,880) | (33,446) |
| Net cash provided by (used in) investing activities | | (1,213,125) | (1,002,825) |
| Cash flows from financing activities: | | | |
| Shares issued | | - | 277 |
| Shares repaid | | (218,911) | (169,981) |
| Net increase / (decrease) in borrowings | | (524,667) | 920,227 |
| Net increase / (decrease) in members' deposits | | - | (1,380,476) |
| Net cash provided by (used in) financing activities | | (743,578) | (629,953) |
| Net increase (decrease) in cash and cash equivalents | | 122,034 | (122,999) |
| Cash and cash equivalents at beginning of financial year | | (203,100) | (80,101) |
| Cash and cash equivalents at end of financial year | 6 | (81,066) | (203,100) |

The accompanying notes form part of these financial statements.

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018**

The financial statements are for Hastings Co-operative Limited as an individual entity. Hastings Co-operative Limited is a Co-operative under the Co-operatives National Law (NSW), incorporated and domiciled in Australia.

Note 1 Summary of Significant Accounting Policies**Basis of Preparation**

The financial statements are general purpose financial statements that have been prepared in accordance with the Co-operatives National Law (NSW), the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (AASB) and in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied, unless otherwise stated.

The financial statements, except for the 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.

Accounting Policies**(a) Income Tax**

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to profit or loss is the tax payable on taxable income for the current period. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

No deferred income tax will be recognised from the initial recognition of an asset or liability where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 1 Summary of Significant Accounting Policies (continued)****(b) Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are reported within borrowings in current liabilities on the statement of financial position.

(c) Financial Instruments**Initial Recognition and Measurement**

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

Financial instruments 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 recognised immediately as expenses in profit or loss.

Classification and Subsequent Measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest method, or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount at which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the *effective interest method*; and
- less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense in profit or loss.

(i) Financial assets at fair value through profit and loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking. Such assets are subsequently measured at fair value with changes in carrying amount included in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 1 Summary of Significant Accounting Policies (continued)****(c) Financial Instruments (continued)****(ii) *Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are classified as current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which are classified as non-current assets.

A provision for doubtful receivables is established when there is objective evidence that the Co-operative will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in profit or loss.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off.

(iii) *Held-to-maturity investments*

Held-to-maturity financial assets are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Co-operative's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the asset is derecognised.

Held-to-maturity financial assets are classified as non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in equity of other entities where there is neither a fixed maturity nor fixed or determinable payments. They are subsequently measured at fair value.

Available-for-sale financial assets are classified as non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period.

(v) *Financial liabilities*

Non-derivative financial liabilities are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions and reference to similar instruments.

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 1 Summary of Significant Accounting Policies (continued)****(c) Financial Instruments (continued)****Impairment**

At the end of each reporting period, the Co-operative assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event"), having occurred which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to determine whether an impairment has arisen. Impairment losses are recognised immediately in profit or loss.

(d) Inventories

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

(e) Property, Plant and Equipment

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

Property

Freehold land and buildings are shown at their fair value (being the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction) less accumulated impairment losses and accumulated depreciation for buildings. The fair value of freehold land and buildings is based on periodic valuations performed by independent external valuers at least once in every five years.

Increases in the carrying amount arising on revaluation of land and buildings are recognised in other comprehensive income and accumulated in the asset revaluation reserve in equity. Revaluation decreases that offset previous increases of the same asset are charged against the asset revaluation reserve directly in equity. All other decreases are recognised in profit or loss.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Plant and Equipment

Plant and equipment are measured on the cost basis less accumulated depreciation and impairment losses.

In the event that the carrying amount of plant and equipment is greater than the estimated recoverable amount, the carrying amount is written down immediately to its estimated recoverable amount and impairment losses are recognised in profit or loss. An assessment of recoverable amount is made when impairment indicators are present (refer to Note 1(g) for details of impairment).

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 Co-operative and the cost of the item can be measured reliably. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 1 Summary of Significant Accounting Policies (continued)****(e) Property, Plant and Equipment (continued)*****Depreciation***

The depreciable amount of all fixed assets, including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the Co-operative commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

| Class of Fixed Asset | Depreciation Rate |
|-----------------------------|--------------------------|
| Buildings and improvements | 2.50% |
| Plant and Equipment | 5% to 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 in the period in which they arise. When revalued assets are sold, amounts included in the revaluation reserve relating to those assets are transferred to retained earnings.

(f) Acquisition of Assets

The cost method of accounting is used for the initial recording of all acquisitions of assets controlled by the Co-operative. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction.

(g) Impairment of Assets

At the end of each reporting period, the Co-operative reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Co-operative estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 1 Summary of Significant Accounting Policies (continued)****(h) Intangible Assets*****Goodwill***

Goodwill is initially recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities at the date of acquisition.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Software

Items of computer software which are not integral to the computer hardware owned by the Co-operative are classified as intangible assets. Computer software held as an intangible asset is amortised over the expected useful life of the software which is generally determined to be 4 years.

(i) Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Co-operative during the reporting period which remain unpaid at the end of the reporting period. The balance is recognised as a current liability.

(j) Employee Benefits

Provision is made for the Co-operative's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to the probability that the employee may not satisfy vesting requirements.

Contributions are made by the Co-operative to employee superannuation funds and are charged as expenses when incurred.

(k) Members' Shares

Members' shares were initially recognised in equity. In accordance with the requirements of International Financial Reporting Standards, members' shares were reclassified as non-current liabilities in the statement of financial position. In accordance with UIG Interpretation 2, dividends relating to members' shares are recognised as an expense in profit or loss.

(l) Provisions

Provisions are recognised when the Co-operative 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 recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 1 Summary of Significant Accounting Policies (continued)****(m) Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers.

All revenue is stated net of the amount of goods and services tax (GST).

(n) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(o) Leases

Leases of property, plant and equipment where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the Co-operative are classified as finance leases.

Finance leases are capitalised by recognising an asset and a liability at the lower of the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives, where it is likely that the Co-operative will obtain ownership of the asset, or the term of the lease.

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

(p) 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 expense.

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 ATO is included with other receivables or payables in the statement of financial position.

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 1 Summary of Significant Accounting Policies (continued)****(p) Goods and Services Tax (GST) (continued)**

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.

(q) Comparative Figures

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

(r) Adoption of New and Revised Accounting Standards

During the current year there were no new or revised Australian Accounting Standards and Interpretations, applicable to the operations of the Co-operative, which became mandatory and which had a material impact on the measurement, recognition or disclosure of amounts in the Co-operative's financial statements.

(s) New Accounting Standards for Application in Future Periods

The AASB has issued new, revised and amended Accounting Standards and interpretations that have mandatory application for future reporting periods. The Co-operative has decided against early adoption of the following Standards which are applicable to the Co-operative but are not yet effective:

| Title of Standard | Future Reporting Requirements | Operative Date |
|---|--|-----------------------|
| AASB 9 : Financial Instruments and Associated Amending Standards. | This Standard will be applicable retrospectively and includes revised requirements for the classification and measurement of financial instruments and revised recognition and derecognition requirements for financial instruments. | 1 January 2018 |
| AASB 15: Revenue from Contracts with Customers. | This Standard provides a comprehensive framework for determining, whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including AASB 118: Revenue. | 1 January 2018 |
| AASB 16: Leases. | This Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. | 1 January 2019 |

The abovementioned Accounting Standards are applicable for annual reporting periods commencing on the operative date. Although the adoption of these Accounting Standards may have an impact on the Co-operative's financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact.

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 1 Summary of Significant Accounting Policies (continued)****(t) 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 Co-operative.

Key estimates - Impairment

The Co-operative assesses impairment at the end of each reporting period by evaluating conditions specific to the Co-operative that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate the following key assumptions. The recoverable amount of the Port Macquarie IGA Supermarket, including goodwill, was estimated based on its value-in-use using a pre tax nominal discount rate of 8.5% and a growth rate of 2.5%. In determining the recoverable amount of the cash-generating unit, management used projected cash flows, based on approved budgets, covering a 5 year period. The recoverable amount was estimated to be higher than the carrying amount of the cash generating unit, and no impairment was required.

The financial report was authorised for issue by the Board of Directors on 2 October 2018.

Note 2 Revenue and Other Income**(a) Revenue**

| | 2018 | 2017 |
|---|-------------------|-------------------|
| | \$ | \$ |
| Sale of goods | | |
| Sales revenue | 83,010,520 | 79,261,778 |
| Other revenue: | | |
| Interest received | 6,482 | 6,827 |
| Rent received | 233,923 | 220,283 |
| Other revenue | 2,795,558 | 1,911,567 |
| Total Revenue | 86,046,483 | 81,400,455 |
| (b) Other income | | |
| Net gain on sale of property, plant and equipment | 14,614 | 16,297 |
| Total Revenue and Other Income | 86,061,097 | 81,416,752 |

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 3 Profit / (Loss) for the Year****(a) Expenses**

Profit / (loss) before income tax from continuing operations includes the following specific expenses:

| | 2018 | 2017 |
|---|-------------------|------------|
| | \$ | \$ |
| Cost of Sales | 68,595,758 | 64,783,658 |
| Finance Costs | | |
| Interest Expense | | |
| Members' deposits | - | 51,559 |
| Borrowings - unrelated parties | 453,939 | 446,145 |
| Total finance costs | 453,939 | 497,704 |
| Depreciation and Amortisation Expense | | |
| Depreciation | | |
| Buildings and improvements | 172,714 | 176,043 |
| Plant and equipment | 712,807 | 636,352 |
| | 885,521 | 812,395 |
| Amortisation | | |
| Computer software | 30,001 | 30,638 |
| Total depreciation and amortisation expense | 915,522 | 843,033 |
| Bad and Doubtful Debts | | |
| Trade receivables | 12,999 | (19,789) |
| Total bad and doubtful debts expense / (income) | 12,999 | (19,789) |

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 4 Income Tax Expense****(a) The components of tax expense comprise:**

| | 2018 | 2017 |
|---|------------------|-------------|
| | \$ | \$ |
| Current tax expense / (income) | 327,451 | 378,725 |
| Deferred tax arising from the origination and reversal of temporary differences | (63,368) | (21,843) |
| Recoupment of prior year losses | (327,451) | (378,725) |
| | (63,368) | (21,843) |

(b) The prima facie tax on profit / (loss) before income tax expense is reconciled to the income tax expense as follows:

| | | |
|--|------------------|-----------|
| Prime facie tax on profit / (loss) before income tax expense at 30% (2017: 30%) | 255,117 | 358,117 |
| Add: | | |
| Tax effect of: | | |
| - other non-allowable items | 6,888 | 259 |
| | 262,005 | 358,376 |
| Less: | | |
| Tax effect of: | | |
| - prior year losses and adjustments | - | (1,917) |
| - movement in deferred tax liabilities relating to property, plant and equipment not accounted for | 2,078 | 423 |
| - recoupment of prior year tax losses not previously brought to account | (327,451) | (378,725) |
| | (325,373) | (380,219) |
| Income tax (benefit) / expense attributable to the Co-operative | (63,368) | (21,843) |

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 5 Dividends**

| | 2018 | 2017 |
|---|---------|---------|
| Note | \$ | \$ |
| Fully franked dividend of Nil% of issued share capital (2017: Nil%) | - | - |
| | <hr/> | <hr/> |
| (a) Proposed Fully Franked Dividend | - | - |
| No dividend was proposed for the current financial year or the previous financial year. | | |
| (b) Franking Account | | |
| Balance of franking account at the end of the financial year adjusted for franking credits arising from payment of provision for income tax and dividends recognised as receivables, franking debits arising from payment of proposed dividends and franking credits that may be prevented from distribution in subsequent financial years. | <hr/> | <hr/> |
| | 912,428 | 912,428 |

Note 6 Cash and Cash Equivalents

| | | | | |
|---|----|-------|-----------|-----------|
| Cash on hand | | <hr/> | 78,100 | 78,900 |
| Reconciliation of Cash | | | | |
| Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows: | | | | |
| Cash and cash equivalents | | | 78,100 | 78,900 |
| Bank overdraft | 15 | | <hr/> | <hr/> |
| | | | (159,166) | (282,000) |
| | | | <hr/> | <hr/> |
| | | | (81,066) | (203,100) |

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 7 Trade and Other Receivables**

| | Note | 2018 \$ | 2017 \$ |
|--|------|------------------|------------------|
| Current | | | |
| Trade receivables | | 1,268,837 | 1,037,010 |
| Provision for impairment | 7(b) | (14,470) | (2,620) |
| | | <u>1,254,367</u> | <u>1,034,390</u> |
| Other receivables | | <u>414,745</u> | <u>230,267</u> |
| Total current trade and other receivables | | <u>1,669,112</u> | <u>1,264,657</u> |

(a) Trade Receivables

The Co-operative provides trading terms of 21 days from the end of the month to approved ABN holders. Interest is charged at 18% p.a. (2017: 18% p.a) on outstanding balances outside trading terms. An administration charge of \$10 may also apply.

(b) Impairment of Trade Receivables

In determining the recoverability of a trade and other receivables the Co-operative considers any change in the credit quality of the trade and other receivables from the date credit was initially granted up to the reporting date.

Note 8 Inventories**Current**

| | | |
|------------------------|------------------|------------------|
| Finished goods at cost | <u>4,970,912</u> | <u>4,558,016</u> |
|------------------------|------------------|------------------|

Note 9 Other Financial Assets**Non-current****Available-for-sale financial assets**

Unlisted investments, at cost:

| | | |
|--------------------------------|--------------|--------------|
| - shares in other corporations | <u>1,000</u> | <u>1,000</u> |
|--------------------------------|--------------|--------------|

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 10 Other Assets**

| | 2018 | 2017 |
|----------------|--------|--------|
| | \$ | \$ |
| Current | | |
| Prepayments | 53,135 | 19,107 |

Note 11 Property, Plant and Equipment**Land and Buildings****Freehold land**

| | | |
|--|-----------|-----------|
| Freehold land at independent valuation | 5,905,740 | 5,900,000 |
|--|-----------|-----------|

Buildings

| | | |
|---|-----------|-----------|
| Buildings and improvements at independent valuation | 6,942,591 | 6,967,465 |
| Less accumulated depreciation | (673,700) | (509,828) |
| Total buildings | 6,268,891 | 6,457,637 |

| | | |
|---------------------------------|-------------------|-------------------|
| Total land and buildings | 12,174,631 | 12,357,637 |
|---------------------------------|-------------------|-------------------|

Plant and equipment

| | | |
|-------------------------------|-------------|-------------|
| Plant and equipment at cost | 8,800,753 | 8,165,708 |
| Less accumulated depreciation | (5,575,052) | (5,434,676) |
| Total plant and equipment | 3,225,701 | 2,731,032 |

| | | |
|--|-------------------|-------------------|
| Total property, plant and equipment | 15,400,332 | 15,088,669 |
|--|-------------------|-------------------|

The Co-operative's land and buildings were revalued at 30 June 2014 by independent valuers. Valuations were made on the basis of current market values.

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 11 Property, Plant and Equipment (continued)****(a) Movements in Carrying Amounts**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

| | Freehold land | Buildings and improvements | Plant and equipment | Total |
|--------------------------------|--------------------------|---------------------------------------|--------------------------------|-------------------|
| | \$ | \$ | \$ | \$ |
| 2018 | | | | |
| Balance at 1 July 2017 | 5,900,000 | 6,457,637 | 2,731,032 | 15,088,669 |
| Additions | 5,740 | 3,150 | 1,226,942 | 1,235,832 |
| Disposals | - | - | (38,648) | (38,648) |
| Transfers | - | (19,182) | 19,182 | - |
| Depreciation expense | - | (172,714) | (712,807) | (885,521) |
| Balance at 30 June 2018 | 5,905,740 | 6,268,891 | 3,225,701 | 15,400,332 |
| 2017 | | | | |
| Balance at 1 July 2016 | 5,785,000 | 6,337,947 | 2,805,779 | 14,928,726 |
| Additions | 115,000 | 295,733 | 570,902 | 981,635 |
| Disposals | - | - | (9,297) | (9,297) |
| Depreciation expense | - | (176,043) | (636,352) | (812,395) |
| Balance at 30 June 2017 | 5,900,000 | 6,457,637 | 2,731,032 | 15,088,669 |

(b) Historical Cost

If land and buildings were stated at historical cost, amounts would be as follows:

| | 2018 | 2017 |
|--------------------------|------------------|------------------|
| | \$ | \$ |
| Cost | 8,365,514 | 8,384,649 |
| Accumulated depreciation | (1,420,340) | (1,251,211) |
| Net book value | 6,945,174 | 7,133,438 |

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 12 Intangible Assets**

| | 2018 | 2017 |
|---|----------------|----------------|
| | \$ | \$ |
| Goodwill | | |
| Cost | 264,359 | 264,359 |
| Accumulated impairment losses | - | - |
| Net carrying amount | 264,359 | 264,359 |
| Computer software | | |
| Cost | 201,572 | 191,929 |
| Accumulated amortisation and impairment | (115,589) | (134,825) |
| Net carrying value | 85,983 | 57,104 |
| Total intangible assets | 350,342 | 321,463 |

Goodwill is allocated to the Co-operative's Port Macquarie IGA Supermarket which has been identified as a cash generating unit.

(a) Movements in Carrying Amounts

| | Computer software | Goodwill | Total |
|----------------------------------|-------------------|----------------|----------------|
| | \$ | \$ | \$ |
| 2017 | | | |
| Balance at the beginning of year | 54,296 | 264,359 | 318,655 |
| Additions | 33,446 | - | 33,446 |
| Amortisation charge | (30,638) | - | (30,638) |
| Balance at 30 June 2017 | 57,104 | 264,359 | 321,463 |
| 2018 | | | |
| Balance at the beginning of year | 57,104 | 264,359 | 321,463 |
| Additions | 58,880 | - | 58,880 |
| Amortisation charge | (30,001) | - | (30,001) |
| Balance at 30 June 2018 | 85,983 | 264,359 | 350,342 |

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 13 Tax****(a) Assets****Non Current**

| | Opening Balance | Charged to Income | Charged Directly to Equity | Closing Balance |
|---------------------------------|----------------------------|------------------------------|---------------------------------------|----------------------------|
| | \$ | \$ | \$ | \$ |
| Deferred Tax Assets | | | | |
| 2017 | | | | |
| Provisions | 316,204 | 31,743 | - | 347,947 |
| Impairment of trade receivables | 4,907 | (4,121) | - | 786 |
| Other | 57,221 | (5,779) | - | 51,442 |
| Balance at 30 June 2017 | 378,332 | 21,843 | - | 400,175 |
| 2018 | | | | |
| Provisions | 347,947 | 58,427 | - | 406,374 |
| Impairment of trade receivables | 786 | 3,555 | - | 4,341 |
| Other | 51,442 | 1,386 | - | 52,828 |
| Balance at 30 June 2018 | 400,175 | 63,368 | - | 463,543 |

(b) Liabilities

The balance of deferred tax liabilities as at 30 June 2018 was NIL (2017: NIL)

Note 14 Trade and Other Payables

| | 2018 | 2017 |
|-------------------------------------|------------------|------------------|
| | \$ | \$ |
| Current | | |
| Unsecured liabilities | | |
| Trade payables | 4,385,561 | 3,699,819 |
| Other payables and accrued expenses | 610,893 | 319,954 |
| | 4,996,454 | 4,019,773 |

(a) Trade Payables

The Co-operative has financial risk management policies in place to ensure that trade and other payables are paid within reasonable credit timeframes.

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 15 Borrowings**

| | Note | 2018 \$ | 2017 \$ |
|--|-------|-------------------|------------|
| Current | | | |
| Secured liabilities | | | |
| Bank overdraft | 15(a) | 159,166 | 282,000 |
| Commercial loans | 15(a) | 1,027,581 | 924,639 |
| Total current borrowings | | 1,186,747 | 1,206,639 |
| Non-Current | | | |
| Secured liabilities | | | |
| Commercial loans | 15(a) | 7,022,260 | 7,649,869 |
| Total non-current borrowings | | 7,022,260 | 7,649,869 |
| Total borrowings | | 8,209,007 | 8,856,508 |
| (a) Total current and non-current secured liabilities | | | |
| Bank overdraft | | 159,166 | 282,000 |
| Commercial loans | | 8,049,841 | 8,574,508 |
| | | 8,209,007 | 8,856,508 |
| (b) Security Details | | | |
| The bank overdraft and commercial loans are secured by registered first mortgage over freehold land and buildings of the Co-operative and a fixed and floating charge over all the assets of the Co-operative. | | | |
| The carrying amounts of non-current assets pledged as security are: | | | |
| Freehold land and buildings | | 12,174,631 | 12,357,637 |
| Plant and equipment | | 3,225,701 | 2,731,032 |
| | | 15,400,332 | 15,088,669 |

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 15 Borrowings (continued)****(c) Financial Covenants**

Covenants within the Co-operative's business finance agreement with its banker, and letters of variations to borrowings, require compliance with the following financial undertakings:

- Financial reports to be provided to the bank on a half yearly basis within 30 days of the corresponding balance date.
- Interest Cover Ratio not less than 1.50 times earnings before interest and taxation (EBIT).
- Debt Service Cover (DSC) of not less than 1.00 times as measured at each half yearly review. Should the Co-operative's financial performance not sustain a DSC of 1.00 times the Co-operative must agree to a sale strategy, to the bank's satisfaction, to achieve core debt reduction to meet the ratio.

Note 16 Members' Shares

| | Note | 2018 \$ | 2017 \$ |
|--|-------------|-------------------|-------------------|
| Non Current | | | |
| Fully paid ordinary shares | | 1,958,957 | 2,217,197 |
| Ordinary Shares | | | |
| Balance at the beginning of the financial year | | 2,217,197 | 2,388,729 |
| Allotment of shares | | - | 277 |
| | | 2,217,197 | 2,389,006 |
| Shares bought back during the year | | (218,911) | (169,981) |
| Shares forfeited | 16(a) | (39,329) | (1,828) |
| Balance at the end of the financial year | | 1,958,957 | 2,217,197 |

(a) Forfeiture of Shares

During the year ended 30 June 2018 shares totalling \$39,329 (2017: \$1,828) were forfeited in relation to members whose whereabouts were unknown and whose shares were less than \$100 in value. The forfeiture of these shares was in accordance with the Co-operative's Rules and the requirements of the Co-operatives National Law (NSW).

In accordance with the requirements of Accounting Standard AASB 139, the forfeited shares were derecognised as a financial liability and the amount of the extinguished liability of \$39,329 (2017: \$1,828) was recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 17 Provisions**

| | Employee benefits | Total |
|-------------------------------------|------------------------------|------------------|
| | \$ | \$ |
| Opening balance at 1 July 2017 | 1,101,715 | 1,101,715 |
| Additional provisions | 192,357 | 192,357 |
| | <hr/> | <hr/> |
| Balance at 30 June 2018 | 1,294,072 | 1,294,072 |
| | <hr/> | <hr/> |
| Analysis of Total Provisions | | |
| | 2018 | 2017 |
| | \$ | \$ |
| Current | 972,072 | 817,686 |
| Non-current | 322,000 | 284,029 |
| | <hr/> | <hr/> |
| | 1,294,072 | 1,101,715 |
| | <hr/> | <hr/> |

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for wages, annual leave and long service leave.

The current portion for the provision includes the total amount accrued for wages and annual leave entitlements and amounts accrued for long service leave entitlements that have vested due to employees having completed the required period of service.

These amounts are classified as current liabilities since the Co-operative does not have an unconditional right to defer settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion of the provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

Note 18 Other liabilities**Current**

| | | |
|-------------------|----------------|--------|
| Income in advance | 105,498 | 28,066 |
| | <hr/> | <hr/> |

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 19 Auditors' Remuneration**

| | 2018 | 2017 |
|--|---------------|---------------|
| | \$ | \$ |
| Remuneration of the auditor of the Co-operative for: | | |
| Auditing the financial report | 56,000 | 54,500 |
| Taxation services | 6,000 | 11,820 |
| Other services | 5,500 | 5,500 |
| | <u>67,500</u> | <u>71,820</u> |

Note 20 Reserves**(a) Asset Revaluation Reserve**

The asset revaluation reserve records revaluations of non-current assets.

Note 21 Capital Risk Management

The Directors and management ensure there is sufficient capital for the Co-operative to fund its operations and continue as a going concern. The Co-operative relies on debt finance and working capital for its sources of funds.

The Board of Directors and management review working capital requirements on a regular monthly basis.

Note 22 Contingent Liabilities**(a) Bank Guarantee**

| | | |
|--------------------------------|----------------|---------|
| Combined Rural Traders Pty Ltd | <u>100,000</u> | 100,000 |
|--------------------------------|----------------|---------|

The Co-operative has a banker's guarantee in favour of Combined Rural Traders Limited totalling \$100,000.

The guarantee is secured by mortgage over the Co-operative's assets. The guarantee is only payable in the event of economic loss, damage, liability or costs caused to Combined Rural Traders Limited by the Co-operative and its staff. To date there has been no event or events that would require the guarantee to be called upon.

(b) Caltex Australia Petroleum Pty Ltd

Caltex Australia Petroleum Pty Ltd has a fixed and floating charge over the petroleum assets of the Co-operative.

(c) Metcash Trading Limited

Metcash Trading Limited has a fixed and floating charge over supermarket inventory assets of the Co-operative.

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 23 Capital and Leasing Commitments****(a) Operating Lease Commitments**

Non-cancellable operating leases contracted for but not capitalised in the financial statements. Operating lease payments under existing lease arrangements for building accommodation are payable over the following periods:

| | 2018 | 2017 |
|--|------------------|------------------|
| | \$ | \$ |
| Payable | | |
| - not later than 1 year | 934,207 | 876,357 |
| - later than 1 year but not later than 5 years | 2,106,345 | 1,497,838 |
| - later than 5 years | 3,175,067 | - |
| | <u>6,215,619</u> | <u>2,374,195</u> |

The building accommodation leases are non-cancellable leases with terms ranging from 3 to 10 years. Rent is payable monthly in advance. Contingent rental provisions within the lease agreements require the minimum lease payment to be increased by the CPI. Options exist to renew some of the leases at the end of their terms.

(b) Capital Expenditure Commitments

Capital expenditure commitments contracted for:

| | | |
|-------------------------------|---------------|----------|
| Plant and equipment purchases | 70,750 | - |
| Intangible assets purchases | 25,000 | - |
| | <u>95,750</u> | <u>-</u> |
| Payable: | | |
| - not later than 1 year | <u>95,750</u> | <u>-</u> |

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 24 Disclosures on Directors and Other Key Management Personnel**

Key management personnel (KMP) are those persons having authority and responsibility for planning, directing and controlling the activities of the Co-operative, directly or indirectly, including any Director (whether executive or otherwise) of that entity. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

(a) Directors

During the financial year the following Directors held office:

| | |
|------------------|------------------------|
| David Johnson | (Chairperson) |
| Anthony Abi Saab | |
| Lisa Intemann | |
| Richard McGovern | |
| Jane Dawson | |
| Rodney Barnaby | |
| Jaclyne Fisher | (Appointed 21/11/2017) |
| Julie Muller | (Resigned 21/11/2017) |

(b) Other Key Management Personnel

The following persons also had responsibility for planning, directing and controlling the activities of the Co-operative, directly or indirectly during the financial year:

| <i>Name</i> | <i>Position</i> |
|------------------|-------------------------|
| Allan Gordon | Chief Executive Officer |
| Lesley Keft | Business Unit Manager |
| Carol Leach | Business Unit Manager |
| Darren Partridge | Business Unit Manager |
| Judith Standring | Business Unit Manager |
| David Hore | Business Unit Manager |
| Lisa Atkins | Business Unit Manager |
| Stephen Russell | Business Unit Manager |

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 24 Disclosures on Directors and Other Key Management Personnel (Continued)****(c) Key Management Personnel Compensation**

The aggregate compensation of KMP during the year comprising amounts paid or payable or provided for was as follows:

| | 2018 | 2017 |
|------------------------------|----------------|----------------|
| | \$ | \$ |
| Short-term employee benefits | 833,203 | 810,948 |
| Post-employment benefits | 77,064 | 72,216 |
| Other long-term benefits | 17,992 | 3,248 |
| Termination benefits | - | - |
| | 928,259 | 886,412 |

Remuneration shown as short-term employee benefits means (where applicable) wages, salaries, paid annual leave and paid sick leave, bonuses and the value of fringe benefits received, but excludes out-of-pocket expense reimbursements.

All remuneration of Directors was approved by members at the previous Annual General Meeting of the Co-operative.

(d) Trade and Other Receivables Due from Key Management Personnel

The aggregate amount of receivables due from KMP as at the end of the reporting period amounted to:

| | |
|--------------|--------------|
| 1,236 | 1,880 |
|--------------|--------------|

There are no amounts which are impaired in relation to the amounts receivable from KMP.

(e) Trade and Other Payables Due to Key Management Personnel

The aggregate amount of payables due to KMP as at end of the reporting period amounted to:

| | |
|------------|------------|
| 575 | 438 |
|------------|------------|

(f) Related Party Transactions

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the year ended 30 June 2018 amounts totalling \$21,970 (2017: \$17,630) were paid to Saab Industries Pty Ltd, a director-related entity of Director Anthony Abi-Saab. The amount paid related to the supply of bottled water to the Co-operative.

During the year ended 30 June 2018 amounts totalling \$301 (2017: \$955) were paid to Wauchope Sports and Trophies, a director-related entity of Director Richard McGovern. The amount paid related to the supply of badges and name tags to the Co-operative.

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 24 Disclosures on Directors and Other Key Management Personnel (Continued)****(g) Other Transactions with Key Management Personnel**

Goods and services are sold to Directors and other KMP at retail outlets of the Co-operative on normal commercial terms and conditions.

(h) Share Transactions

| | 2018 No. | 2017 No. |
|---|-------------|-------------|
| (i) Aggregate number of shares held by KMP at the end of the reporting period | 3,036 | 3,285 |
| (ii) Aggregate number of shares acquired by KMP during the financial year | 10 | 10 |

Note 25 Cash Flow Information**(a) Reconciliation of Cash Flow from Operations with Profit/(Loss) from Ordinary Activities after Income Tax**

| | 2018 \$ | 2017 \$ |
|--|------------|------------|
| Profit / (loss) after income tax | 913,760 | 1,215,568 |
| Non-cash flows in profit | | |
| Depreciation and amortisation expense | 915,522 | 843,033 |
| Net (gain)/loss on disposal of property, plant and equipment | (14,614) | (16,297) |
| Shares forfeited | (39,329) | (1,828) |
| Changes in assets and liabilities | | |
| (Increase) / decrease in receivables | (404,455) | 57,768 |
| (Increase) / decrease in inventories | (412,896) | (377,681) |
| (Increase) / decrease in other assets | (34,028) | 21,797 |
| (Increase) / decrease in tax assets | (63,368) | (21,843) |
| Increase / (decrease) in trade and other payables | 948,356 | (333,849) |
| Increase / (decrease) in provisions | 192,357 | 101,977 |
| Increase / (decrease) in other liabilities | 77,432 | 21,134 |
| Cash flow from operations | 2,078,737 | 1,509,779 |

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 25 Cash Flow Information (continued)****(b) Financing Arrangements with Banks**

The Co-operative has access to the following lines of credit:

| | Note | 2018 | 2017 |
|--|-------------|------------------|------------------|
| | | \$ | \$ |
| Total Facilities Available | | | |
| Credit facility | 25(b)(i) | 50,000 | 50,000 |
| Bank overdraft | 25(b)(ii) | 800,000 | 800,000 |
| Commercial Loan | 25(b)(iii) | 3,800,000 | 3,800,000 |
| Commercial Loan | | - | 4,411 |
| Commercial Loan | 25(b)(iv) | 47,025 | 74,403 |
| Commercial Loan | 25(b)(v) | 2,000,000 | 2,000,000 |
| Commercial Loan | 25(b)(vi) | 1,033,633 | 1,357,406 |
| Commercial Loan | 25(b)(vii) | 768,247 | 1,088,226 |
| Commercial Loan | 25(b)(viii) | 178,528 | 257,899 |
| Commercial Loan | 25(b)(ix) | 198,322 | 242,163 |
| Commercial Loan | 25(b)(x) | 400,131 | - |
| Commercial Loan | 25(b)(xi) | 123,955 | - |
| | | 9,399,841 | 9,674,508 |
| Facilities Utilised at Reporting Date | | | |
| Credit facility | | 66 | 1,553 |
| Bank overdraft | | 159,166 | 282,000 |
| Commercial Loan | | 3,800,000 | 3,800,000 |
| Commercial Loan | | - | 4,411 |
| Commercial Loan | | 47,025 | 74,403 |
| Commercial Loan | | 1,500,000 | 1,750,000 |
| Commercial Loan | | 1,033,633 | 1,357,406 |
| Commercial Loan | | 768,247 | 1,088,226 |
| Commercial Loan | | 178,528 | 257,899 |
| Commercial Loan | | 198,322 | 242,163 |
| Commercial Loan | | 400,131 | - |
| Commercial Loan | | 123,955 | - |
| | | 8,209,073 | 8,858,061 |

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 25 Cash Flow Information (continued)****(b) Financing Arrangements with Banks (continued)****Facilities Not Utilised at Reporting Date**

| | | |
|-----------------|------------------|----------------|
| Credit facility | 49,934 | 48,447 |
| Bank overdraft | 640,834 | 518,000 |
| Commercial Loan | - | - |
| Commercial Loan | - | - |
| Commercial Loan | - | - |
| Commercial Loan | 500,000 | 250,000 |
| Commercial Loan | - | - |
| Commercial Loan | - | - |
| Commercial Loan | - | - |
| Commercial Loan | - | - |
| Commercial Loan | - | - |
| Commercial Loan | - | - |
| | 1,190,768 | 816,447 |

(i) Credit Facility

The credit facility relates to a business credit card facility. Interest rates are variable and subject to adjustment.

(ii) Bank Overdraft

\$800,000 (2017: \$800,000) bank overdraft with the general terms and conditions set and agreed to annually. The bank overdraft is secured by registered first mortgage over freehold property of the Co-operative and a fixed and floating charge over all assets. The interest rate as at 30 June 2018 was 3.96% plus 1.2% line fee (2017: 3.66% plus 1.2% line fee). Interest rates are variable and subject to adjustment.

(iii) Commercial Loan

The commercial loan facility is secured by registered first mortgage over freehold property of the Co-operative and a fixed and floating charge over all assets. The interest rate applicable to the commercial loan is 5.45% (2017: 5.45%).

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 25 Cash Flow Information (continued)****(b) Financing Arrangements with Banks (Continued)****(iv) Commercial Loan**

The commercial loan facility is secured by a bill of sale over chattels in relation to supermarket businesses, a registered first mortgage over freehold property of the Cooperative and a fixed and floating charge over all assets. The interest rate applicable to the commercial loan is 6.3% (2017: 6.3%).

(v) Commercial Loan

The commercial loan facility is secured by registered first mortgage over freehold property of the Co-operative and a fixed and floating charge over all assets. The interest rate applicable to the commercial loan is 3.885% plus 1.0% line fee (2017: 3.835% plus 1.1% line fee).

(vi) Commercial Loan

The commercial loan facility is secured by registered first mortgage over freehold property of the Co-operative and a fixed and floating charge over all assets. The interest rate applicable to the commercial loan is 4.069% plus 1.0% line fee (2017: 4.155% plus 1.00% line fee).

(vii) Commercial Loan

The commercial loan facility is secured by registered first mortgage over freehold property of the Co-operative and a fixed and floating charge over all assets. The interest rate applicable to the commercial loan is 5.45% (2017: 5.45%).

(viii) Commercial Loan

The commercial loan facility is secured by a bill of sale over chattels in relation to supermarket businesses, a registered first mortgage over freehold property of the Cooperative and a fixed and floating charge over all assets. The interest rate applicable to the commercial loan is 4.96% (2017: 4.96%).

(ix) Commercial Loan

The commercial loan facility is secured by registered first mortgage over freehold property of the Co-operative and a fixed and floating charge over all assets. The interest rate applicable to the commercial loan is 4.96% (2017: 4.65%).

(x) Commercial Loan

The commercial loan facility is secured by registered first mortgage over freehold property of the Co-operative and a fixed and floating charge over all assets. The interest rate applicable to the commercial loan is 4.66%.

(xi) Commercial Loan

The commercial loan facility is secured by registered first mortgage over freehold property of the Co-operative and a fixed and floating charge over all assets. The interest rate applicable to the commercial loan is 4.43%.

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 26 Financial Risk Management****Financial Risk Management Policies**

The Co-operative's financial instruments consist mainly of cash and cash equivalents, accounts receivable and payable, bank overdraft facility and commercial loans.

The Directors of the Co-operative meet on a regular basis to analyse financial performance and to evaluate management strategies in the context of the most recent economic conditions and forecasts. Monthly financial management reports are reviewed by the Directors to assist in the evaluation of management strategies.

Specific Financial Risk Exposures and Management

The main risks the Co-operative is exposed to through its financial instruments are credit risk, liquidity risk and market risk (consisting of interest rate risk). The Co-operative is not exposed to fluctuations in foreign currencies or to any material commodity price risk. The Co-operative does not enter into, or trade, financial instruments for speculative purposes.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Co-operative. Credit risk may arise from exposures to customers and deposits with financial institutions.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date, to recognised financial assets, is the carrying amount, net of any provisions for doubtful debts, as disclosed in the statement of financial position and notes to and forming part of the financial statements.

The Co-operative does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Co-operative.

(b) Liquidity risk

Liquidity risk arises from the possibility that the Co-operative might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to its financial liabilities.

The Co-operative manages liquidity risk by monitoring cash flows and ensuring that adequate cash reserves are maintained to meet the Co-operative's financial commitments.

The following table reflects an undiscounted contractual maturity analysis for financial liabilities and financial assets.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed.

The timing of cash flows to settle financial liabilities, presented in the following table, reflects the earliest contractual settlement dates and does not reflect management's expectations that banking facilities will be rolled forward.

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NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2018

Note 26 Financial Risk Management (continued)

(b) Liquidity risk (Continued)

Financial liability and financial asset maturity analysis

| | Maturing within 1 Year | | | Maturing 1 to 5 Years | | | Total Contractual Cash Flow | | |
|--|------------------------|--------------------|--------------------|-----------------------|--------------|--------------|-----------------------------|---------------------|----|
| | 2018 | 2017 | \$ | 2018 | 2017 | \$ | 2018 | 2017 | \$ |
| Financial assets - cash flows realisable | | | | | | | | | |
| Cash and cash equivalents | 78,100 | 78,900 | - | - | - | - | 78,100 | 78,900 | |
| Other investments | - | - | - | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | |
| Trade and other receivables | 1,669,112 | 1,264,657 | - | - | - | - | 1,669,112 | 1,264,657 | |
| Total Financial Assets | 1,747,212 | 1,343,557 | - | 1,000 | 1,000 | 1,000 | 1,748,212 | 1,344,557 | |
| Financial liabilities due for payment | | | | | | | | | |
| Bank overdraft | 159,166 | 282,000 | - | - | - | - | 159,166 | 282,000 | |
| Commercial loans | 1,027,581 | 924,639 | 7,022,260 | 7,649,869 | - | - | 8,049,841 | 8,574,508 | |
| Members' shares | - | - | 1,958,957 | 2,217,197 | - | - | 1,958,957 | 2,217,197 | |
| Trade and other payables | 4,996,454 | 4,019,773 | - | - | - | - | 4,996,454 | 4,019,773 | |
| Total Financial Liabilities | 6,183,201 | 5,226,412 | 8,981,217 | 9,867,066 | - | - | 15,164,418 | 15,093,478 | |
| Net (outflow)/inflow on financial instruments | (4,435,989) | (3,882,855) | (8,981,217) | (9,867,066) | 1,000 | 1,000 | (13,416,206) | (13,748,921) | |

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 26 Financial Risk Management (continued)****(c) Market risk*****Interest rate risk***

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period, whereby a future change in interest rates will affect future cash flows.

The Co-operative is exposed to interest rate risk as the Co-operative borrows funds at both fixed and floating interest rates. The Co-operative manages interest rate risk by maintaining an appropriate mix between fixed and floating rate borrowings.

Sensitivity Analysis

The following sensitivity analysis is based on the interest rate risk exposures in existence at the end of the reporting period for interest bearing financial assets and financial liabilities.

| | | -1% | -1% | +1% | +1% |
|------------------------------|--------------------|---------------|---------------|-----------------|-----------------|
| | Carrying Amount | Profit | Equity | Profit | Equity |
| | \$ | \$ | \$ | \$ | \$ |
| Financial Liabilities | | | | | |
| Bank overdraft | 159,166 | 1,592 | 1,592 | (1,592) | (1,592) |
| Commercial loans | 3,500,202 | 35,002 | 35,002 | (35,002) | (35,002) |
| Increase/(decrease) | | 36,594 | 36,594 | (36,594) | (36,594) |

Hastings Co-operative Limited

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NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 27 Fair Value Measurements**

The Co-operative measures and recognises the following assets and liabilities at fair value on a recurring basis after initial recognition:

- Freehold land and buildings

(a) Fair Value Hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised as follows:

Level 1: Measurements based on quoted prices (unadjusted) in active markets for identical assets and liabilities that the Co-operative can access at the measurement date.

Level 2: Measurements based on inputs other than quoted prices in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Co-operative selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Co-operative are consistent with one or more of the following valuation approaches:

Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Co-operative gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Hastings Co-operative Limited

ABN: 86 601 035 121

NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 27 Fair Value Measurements (continued)****(a) Fair Value Hierarchy (continued)**

The following tables provide the fair values of the Co-operative's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within their fair value hierarchy.

| | | Level 1 | Level 2 | Level 3 | Total |
|---|------|---------|------------|---------|------------|
| | Note | \$ | \$ | \$ | \$ |
| 30 June 2018 | | | | | |
| Recurring fair value measurements | | | | | |
| Financial assets | | - | - | - | - |
| Total financial assets recognised at fair value on a recurring basis | | - | - | - | - |
| Non-financial assets | | | | | |
| Freehold land | 11 | - | 5,905,740 | - | 5,905,740 |
| Freehold buildings | 11 | - | 6,268,891 | - | 6,268,891 |
| Total non-financial assets recognised at fair value on a recurring basis | | - | 12,174,631 | - | 12,174,631 |
| Total non-financial assets recognised at fair value on a non-recurring basis | | - | - | - | - |
| Total non-financial assets recognised at fair value | | - | 12,174,631 | - | 12,174,631 |
| Total liabilities recognised at fair value | | - | - | - | - |
| 30 June 2017 | | | | | |
| Recurring fair value measurements | | | | | |
| Financial assets | | - | - | - | - |
| Total financial assets recognised at fair value on a recurring basis | | - | - | - | - |
| Non-financial assets | | | | | |
| Freehold land | 11 | - | 5,900,000 | - | 5,900,000 |
| Freehold buildings | 11 | - | 6,457,637 | - | 6,457,637 |
| Total non-financial assets recognised at fair value on a recurring basis | | - | 12,357,637 | - | 12,357,637 |
| Total non-financial assets recognised at fair value on a non-recurring basis | | - | - | - | - |
| Total non-financial assets recognised at fair value | | - | 12,357,637 | - | 12,357,637 |
| Total liabilities recognised at fair value | | - | - | - | - |

Hastings Co-operative Limited

ABN: 86 601 035 121

NOTES TO THE FINANCIAL STATEMENTS**For the Year Ended 30 June 2018****Note 27 Fair Value Measurements (continued)****(a) Fair Value Hierarchy (continued)**

There were no transfers between Level 1, Level 2 or Level 3 for assets or liabilities measured at fair value on a recurring basis during the reporting period (2017: no transfers).

(b) Valuation Techniques and Inputs Used to Measure Level 2 Fair Values

| Description | 2018 \$ | 2017 \$ | Valuation Techniques | Inputs Used |
|----------------------|-------------------|-------------------|-------------------------|-------------|
| Non-financial assets | | | | |
| Freehold land | 5,905,740 | 5,900,000 | (i) | (ii) |
| Freehold buildings | 6,268,891 | 6,457,637 | (i) | (ii) |
| | <u>12,174,631</u> | <u>12,357,637</u> | | |

(i) Market approach using recent observable market data for similar properties.

(ii) Price per square metre.

The fair value of freehold land and buildings is determined at least every five years based on valuations by an independent valuer. At the end of each intervening period, the Directors review the independent valuation and, when appropriate, update the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data and discounted cash flow methodologies.

(c) Discounted Fair Value Measurements

The following assets and liabilities are not measured at fair value in the Statement of Financial Position. As stated in Note 27 (d) the net fair values of financial assets and financial liabilities approximates their carrying values.

| Description | Fair Value Hierarchy Level | Valuation Techniques | Inputs Used |
|------------------------------|-------------------------------|-------------------------|----------------|
| Financial Assets | | | |
| Cash and cash equivalents | 2 | (i) | (ii) |
| Other investments | 2 | (i) | (ii) |
| Trade and other receivables | 2 | (i) | (ii) |
| Financial Liabilities | | | |
| Bank overdraft | 2 | (i) | (ii) |
| Commercial loans | 2 | (i) | (ii) |
| Members' shares | 2 | (i) | (ii) |
| Trade and other payables | 2 | (i) | (ii) |

(i) Income approach using discounted cash flow methodology.

(ii) Market interest rates for similar assets and liabilities.

There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the notes to the financial statements.

Hastings Co-operative Limited

ABN: 86 601 035 121

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 30 June 2018

Note 27 Fair Value Measurements (continued)

(d) Net Fair Values

The net fair values of financial assets and financial liabilities approximate their carrying values. The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to the financial statements.

Note 28 Co-operative Details

The registered office of the Co-operative is:

Hastings Co-operative Limited
Level 1, 9-13 High Street
Wauchope NSW 2446

Directors' Declaration

Hastings Co-operative Limited

ABN: 86 601 035 121

DIRECTORS' DECLARATION

The Directors of the Co-operative declare that:

1. The financial statements, comprising the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to and forming part of the financial statements, are in accordance with the *Co-operatives National Law (NSW)* and the *Corporations Act 2001* and:
 - (a) comply with Australian Accounting Standards which, as stated in Accounting Policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
 - (b) give a true and fair view of the financial position of the Co-operative as at 30 June 2018 and of its performance for the year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Co-operative 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.

Chairperson:.....


David Johnson

Director:.....


Lisa Intemann

Dated: 2 October 2018

INDEPENDENT AUDITOR'S REPORT

To the members of Hastings Co-operative Limited

Opinion

We have audited the accompanying financial report of Hastings Co-operative Limited, which comprises the Statement of Financial Position as at 30 June 2018, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes to the financial statements including a summary of significant accounting policies, and other explanatory information and the Directors' Declaration.

In our opinion:

- (a) the financial report of Hastings Co-operative Limited is in accordance with the Co-operatives National Law (NSW) and the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Co-operative's financial position as at 30 June 2018 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. 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 Co-operative 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The Directors are responsible for the other information. The other information comprises the information included in the Co-operative's annual report for the year ended 30 June 2018, 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. 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.

PARTNERS

Robert Magnussen B Bus FCA
Paul Fahey B Bus CA
Rodney Smith B Fin Admin FCA
Bart Lawler B Com CA
Patrick Brennan B Com CA
Alison McKinnon B Bus CA

INDEPENDENT AUDITOR'S REPORT

To the members of Hastings Co-operative Limited

Directors' Responsibility for the Financial Report

The Directors of the Co-operative are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the Co-operatives National Law (NSW) 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 is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Co-operative'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 Co-operative 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 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 Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

PARTNERS

Robert Magnussen B Bus FCA
Paul Fahey B Bus CA
Rodney Smith B Fin Admin FCA
Bart Lawler B Com CA
Patrick Brennan B Com CA
Alison McKinnon B Bus CA

INDEPENDENT AUDITOR'S REPORT

To the members of Hastings Co-operative Limited

Auditor's Responsibilities for the Audit of the Financial Report (continued)

- Conclude on the appropriateness of the Director'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 Co-operative'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 Co-operative 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 the Directors, 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.

NorthCorp Accountants



Robert Magnussen
Partner

3/80 High Street
Wauchope NSW 2446

Dated: 2 October 2018

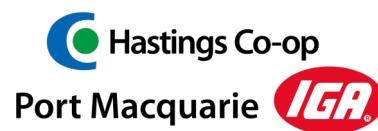
**We've improved our phone system.
Here's our new numbers -**



6588 8921



6588 8920



Port Macquarie

6588 8922



Wauchope
6588 8950



Port Macquarie
6588 8951



Laurieton
6588 8952



6588 8971



Sovereign Hills
6588 8960



Port CBD
6588 8961



6588 8940



6588 8941



Bulk Fuel
6588 8930



Lasiandra
6588 8930



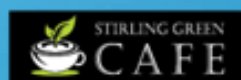
Cedar
6588 8931



Bolwarra Rd PM
6588 8932



Hastings Co-op family



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