The Community Co-operative Store (Nuriootpa) Limited

ABN 80 147 431 373

Financial Statements - 30 June 2024

The Community Co-operative Store (Nuriootpa) Limited
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30 June 2024

The Community Co-operative Store (Nuriootpa) Limited
Directors' report
30 June 2024

The directors of the Community Co-operative Store (Nuriootpa) Ltd ("The Co-op") present their report, together with the financial statements of the Group, being The Co-op and its controlled entity ("The Group"), for the financial year ended 30 June 2024.

Information on directors

The following persons were directors of the group during the whole of the financial year and up to the date of this report, unless otherwise stated:

Ms Rebecca Tolhurst - LLB (Hons), BCom, GAICD
Chair from August 2018 to March 2024
Deputy Chair from March 2024
Director since March 2012

Mr John Curnow
Deputy Chair from July 2013 to April 2018, and from August 2018 to November 2023
Director since April 2013

Mr John Auld - RDWM
Director since February 2014

Mr Kevin Renshaw - CPA, BBus
Chair of Audit & Risk Committee since September 2018
Director since November 2016

Mr James March - BA (International Relations)
Director since November 2018

Mr Andrew Myers - MBA, AdvMgt (INSEAD)
Director since March 2020

Mr Samuel Holmes - ADip (Winemaking), GCert ARLP, GDipBA, GCertFInAnal
Director since October 2021

Mr Simon Newbold MBA GAICD CPA B.Acc
Chair since March 2024
Director since July 1 2023

Principal activities

The principal activities of the Group during the financial year were to provide outstanding and sustainable shopping choice and retail services to our members and the Barossa community.

No significant change in the nature of these activities occurred during the year.

Operating results

The profit for the group after providing for income tax amounted to $550,609 (30 June 2023: $157,482).

Review of operations

The Barossa Group comprises of six operational divisions:

- Food - incorporating the Barossa Fresh Supermarket, Online Delivery and Fresh Café.
- Home - incorporating the Mitre 10 Trade and Retail businesses, The Design Studio, and the Betta Home Living offer.
- Lifestyle - incorporating Barossa Sports, Toyworld, Barossa Workwear, Rod and Spur Menswear, Barossa Homewares and Orchard Lane.
- Club and Commercial, which is our first direct business that serves the local sporting clubs and SA businesses with solutions for workwear and sporting apparel.
- Property Management being the arm that owns and operates our Barossa Central physical properties to both our businesses and those of our 30 retailers.
- Business Support being the support departments of the Co-Operative.

Financial Performance
In the year ending 30 June 2024, the Co-op continued growth in sales delivering a 4.3% increase on the prior year. The business achieved a positive EBITDA with increased net profit from the prior year. We are pleased with our financial performance, despite the challenging financial environment of high interest rates, rising energy and other fixed costs.
Asset utilisation, productivity gains, margin improvement, trading growth and full tenancy occupation all remain a key focus for the business as we move forward into a new financial year.

Meetings of directors
During the financial year, a total of 9 Board meetings were held. Attendances by each director during the year were as follows:

	Number eligible to attend	Number attended
Ms Rebecca Tolhurst	9	9
Mr John Curnow	9	9
Mr Simon Newbold	9	8
Mr John Auld	9	7
Mr Kevin Renshaw	9	7
Mr James March	9	7
Mr Andrew Myers	9	8
Mr Samuel Holmes	9	8

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the group during the financial year.

Matters subsequent to the end of the financial year
No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

Environmental regulation
The Group's operations are not regulated to any significant environmental regulation under Australian Commonwealth or State law.

Indemnity and insurance of officers
The group has indemnified the directors of the group for costs incurred, in their capacity as a director, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the group paid a premium in respect of a contract to insure the directors of the group against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the group or any related entity against a liability incurred by the auditor.

During the financial year, the group has not paid a premium in respect of a contract to insure the auditor of the group or any related entity.

Proceedings on behalf of the group
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the group, or to intervene in any proceedings to which the group is a party for the purpose of taking responsibility on behalf of the group for all or part of those proceedings.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

The Community Co-operative Store (Nuriootpa) Limited
Directors' report
30 June 2024

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Mr Simon Newbold
Chair of the Board

20 ~~October~~ September 2024

Mr Kevin Renshaw
Chair of the Audit and Risk Committee

William Buck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of the Community Co – operative Store (Nuriootpa) Limited

As lead auditor for the audit of the Community Co-operative Store (Nuriootpa) Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

— no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit and

— no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of the Community Co-operative Store (Nuriootpa) Limited and the entity it controlled during the year.

William Buck

William Buck (SA)
ABN 38 280 203 274

M. D. King
Partner

Adelaide, 30th September 2024

The Community Co-operative Store (Nuriootpa) Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2024

	Note	2024 $	2023 $
Revenue	5	79,576,216	76,275,195
Expenses			
Cost of goods sold	6	(53,527,783)	(51,475,515)
Employee benefits expense	6	(14,616,941)	(13,969,119)
Depreciation expense	6	(2,137,819)	(2,126,429)
Other expenses		(6,216,260)	(6,370,490)
Finance costs	6	(2,572,184)	(2,102,435)
Profit before income tax (expense)/benefit		505,229	231,207
Income tax (expense)/benefit	7	45,380	(73,725)
Profit after income tax (expense)/benefit for the year		550,609	157,482
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		550,609	157,482

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

The Community Co-operative Store (Nuriootpa) Limited
Statement of financial position
As at 30 June 2024

	Note	2024 $	2023 $
Assets			
Current assets			
Cash and cash equivalents	8	518,508	528,204
Trade and other receivables	9	1,041,465	1,093,332
Inventories	10	7,354,754	7,164,533
Other assets	12	291,085	233,843
Total current assets		9,205,812	9,019,912
Non-current assets			
Financial assets		173,029	154,857
Property, plant and equipment	13	66,499,445	67,697,939
Right-of-use assets	11	498,177	385,194
Deferred tax assets	14	3,495,273	3,557,655
Total non-current assets		70,665,924	71,795,645
Total assets		79,871,736	80,815,557
Liabilities			
Current liabilities			
Trade and other payables	15	7,059,925	7,670,803
Borrowings	16	1,965,201	1,742,429
Lease liabilities	17	169,908	175,751
Employee benefits	18	1,251,287	1,248,075
Income in advance	19	320	25,691
Total current liabilities		10,446,641	10,862,749
Non-current liabilities			
Borrowings	16	32,284,857	33,397,268
Lease liabilities	17	303,587	186,074
Deferred tax liabilities	20	6,500,782	6,608,545
Employee benefits	18	138,163	119,743
Total non-current liabilities		39,227,389	40,311,630
Total liabilities		49,674,030	51,174,379
Net assets		30,197,706	29,641,178
Equity			
Issued capital	21	4,141,611	4,135,692
Reserves	22	12,053,568	12,053,568
Retained profits		14,002,527	13,451,918
Total equity		30,197,706	29,641,178

The above statement of financial position should be read in conjunction with the accompanying notes

The Community Co-operative Store (Nuriootpa) Limited
Statement of changes in equity
For the year ended 30 June 2024

	Ordinary Shares $	Asset Realisation Reserve $	Retained profits $	Total equity $
Balance at 1 July 2022	4,125,038	12,053,568	13,294,436	29,473,042
Transactions with owners in their capacity as owners				
Issue of shares	642,777	-	-	642,777
Shares bought back during the year	(632,123)	-	-	(632,123)
	4,135,692	12,053,568	13,294,436	29,483,696
Profit after income tax expense for the year	-	-	157,482	157,482
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	157,482	157,482
Balance at 30 June 2023	4,135,692	12,053,568	13,451,918	29,641,178

	Ordinary Shares $	Asset Realisation Reserve $	Retained profits $	Total equity $
Balance at 1 July 2023	4,135,692	12,053,568	13,451,918	29,641,178
Transactions with owners in their capacity as owners				
Issue of shares	332,338	-	-	332,338
Shares bought back during the year	(326,419)	-	-	(326,419)
	4,141,611	12,053,568	13,451,918	29,647,097
Profit after income tax benefit for the year	-	-	550,609	550,609
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	550,609	550,609
Balance at 30 June 2024	4,141,611	12,053,568	14,002,527	30,197,706

The above statement of changes in equity should be read in conjunction with the accompanying notes

The Community Co-operative Store (Nuriootpa) Limited
Statement of cash flows
For the year ended 30 June 2024

	Note	2024 $	2023 $
Cash flows from operating activities			
Receipts from customers		87,605,949	84,066,791
Payments to suppliers and employees		(83,260,442)	(80,106,542)
Interest received		8,681	7,199
Borrowing costs		(2,559,198)	(2,083,292)
Appropriations from/(to) members		90,765	(244,561)
Net cash from operating activities	31	1,885,755	1,639,595
Cash flows from investing activities			
Purchase of property, plant & equipment		(815,689)	(436,722)
Net cash used in investing activities		(815,689)	(436,722)
Cash flows from financing activities			
Net proceeds/ (payment) from issue and redemption of shares		5,919	10,654
Repayment of borrowings		(1,315,899)	(1,341,608)
Proceeds from loan draw down		197,693	-
Repayment of lease liabilities		(196,042)	(199,316)
Net cash used in financing activities		(1,308,329)	(1,530,270)
Net decrease in cash and cash equivalents		(238,263)	(327,397)
Cash and cash equivalents at the beginning of the financial year		111,947	439,344
Cash and cash equivalents at the end of the financial year	8	(126,316)	111,947

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover The Community Co-operative Store (Nuriootpa) Limited and its controlled entity ('the Group'). The Community Co-operative Store (Nuriootpa) Limited is a for-profit Co-op, incorporated and domiciled in Australia.

The only controlled entity in the Group is Heritage Stores Pty Limited.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 30 September 2024.

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

Registered office and Principal place of business
The Community Co-Operative Store (Nuriootpa) Limited
3 Murray Street
Nuriootpa, South Australia

When the Group applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in the financial statements, a statement of financial position as at the beginning of the earliest comparative period will be presented.

Comparatives are consistent with prior years, unless otherwise stated.

Note 2. Basis of Preparation

These financial statements comply 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 have been prepared on an accrual 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.

Note 3. Material accounting policy information

The accounting policies that are material to the group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of consolidation
The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost. A controlled entity is any entity over which The Community Co-operative Store (Nurioopta) has the power to govern the financial and operating policies so as to obtain benefits from its activities. Control will generally exist when the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Note 3. Material accounting policy information (continued)

Intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity's financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. The controlled entity has a June financial year end.

Subsidiaries
Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Revenue recognition
The group recognises revenue as follows:

Revenue from contracts with customers
Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Rental income
Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 3. Material accounting policy information (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables
Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses.

The group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. In using this practical expedient, the Group uses its historical experience, external factors and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess the provision for expected credit losses on a collective basis as they possess credit risk characteristics based on the days past due.

Note 3. Material accounting policy information (continued)

Inventories
Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Property, plant and equipment
Land and buildings are shown at fair value, based on periodic, at least every 3 years, valuations by external independent valuers, less subsequent depreciation and impairment for buildings. The valuations are undertaken more frequently if there is a material change in the fair value relative to the carrying amount. Independent valuations were carried out in June 2020 by P Tilley (Certified Practising Valuer) of Herron Todd White (South Australia) Pty Ltd.

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. Increases in the carrying amounts arising on revaluation of land and buildings are credited in other comprehensive income through to the revaluation surplus reserve in equity. Any revaluation decrements are initially taken in other comprehensive income through to the revaluation surplus reserve to the extent of any previous revaluation surplus of the same asset. Thereafter the decrements are taken to profit or loss.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	2.5% - 4%
Plant and equipment	5% - 50%
Motor Vehicles	18.75%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Note 3. Material accounting policy information (continued)

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part 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 tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Going concern
As at 30 June 2024, the Group had net assets of $30,197,706 (2023: $29,641,178), a net deficiency of current assets to current liabilities of $1,240,829 (2023: $1,842,837) and generated a profit before tax for the year of $505,229 (2023: $231,207).

The following matters have been considered by the Directors in determining the appropriateness of the going concern basis of preparation in the financial statements:

- The financial performance and trade results of the Group from balance date to the date of signing these financial statements;
- The continued improvement in the Group's revenue and EBITDA results on a year on year basis;
- Sales and profitability forecasts for the subsequent financial year; and
- The continued support of the Group's lenders. As indicated in note 16, all covenants were met in the reporting period. The Group's finance facility expires July 2027 and is subject to annual review each year. The Directors are confident of the continued support of the Group's lender through the ongoing provision of finance including at the annual review process each year.

In making its assessment, Management acknowledges that the ability of the Group to continue as going concern is dependent on the generation of sufficient profits and positive cash flows and the continued support of the shareholders and lenders.

Note 4. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Impairment of property, plant and equipment
The Group assesses impairment of property, plant and equipment at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Land and property held at fair value
The Group carries its land and buildings at fair value with changes in the fair value recognised in the revaluation reserve. Independent valuations are obtained at least triennially and at the end of each reporting period, the Directors update their assessment of the fair value of each property, taking into account the most recent valuations and movements in the market.

Deferred tax assets
Determining income tax provisions involves judgment on the tax treatment of certain transactions. Deferred tax is recognised on tax losses not yet used and on temporary differences where it is probable that there will be taxable revenue against which these can be offset. Management has made judgments as to the probability of future taxable revenues being generated against which tax losses will be available for offset based on budgets, current and future expected economic conditions.

Note 5. Revenue

	2024 $	2023 $
From continuing operations		
Sales of goods	76,026,460	72,745,206
Rental revenue	2,604,529	2,562,325
Other revenue	945,227	967,664
	3,549,756	3,529,989
Revenue	79,576,216	76,275,195

	2024 $	2023 $
Timing of revenue recognition		
Goods transferred at a point in time	76,963,006	73,705,671
Services transferred over time	2,613,210	2,569,524
	79,576,216	76,275,195

Note 6. Result for the year

	2024 $	2023 $
Profit before income tax includes the following specific expenses:		
Cost of sales		
Cost of sales	53,527,783	51,475,515
Other expenses		
Employee benefit expense	14,616,941	13,969,119
Depreciation expense	2,137,819	2,126,429
	16,754,760	16,095,548
Finance costs		
Interest and borrowing costs	2,293,578	1,836,004
Interest on finance leases	12,986	19,143
Merchant fees	265,620	247,288
Finance costs expensed	2,572,184	2,102,435

Note 7. Income tax expense/(benefit)

	2024 $	2023 $
Income tax expense/(benefit)		
Deferred tax	(45,380)	73,725
Aggregate income tax expense/(benefit)	(45,380)	73,725
Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate		
Profit before income tax (expense)/benefit	505,229	231,207
Tax at the statutory tax rate of 30%	151,569	69,362
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Other non-allowable items	(196,949)	4,363
Income tax expense/(benefit)	(45,380)	73,725

Note 8. Cash and cash equivalents

	2024 $	2023 $
Current assets		
Cash at bank	518,508	528,204

Reconciliation to cash and cash equivalents at the end of the financial year
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

	2024 $	2023 $
Balances as above	518,508	528,204
Bank overdraft (note 16)	(644,824)	(416,257)
Balance as per statement of cash flows	(126,316)	111,947

Note 9. Trade and other receivables

	2024 $	2023 $
Current assets		
Trade receivables	947,500	1,069,520
Less: Allowance for expected credit losses (a)	(10,000)	(10,000)
	937,500	1,059,520
Other receivables	103,965	33,812
	1,041,465	1,093,332

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

(a) Expected credit losses

The Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2024 is determined as follows, the expected credit losses ("ECL") incorporate forward looking information.

30 June 2024	**Less than 30 days**	**Less than 90 days**	**> 90 days**	**Total**
Gross carrying amount ($)	923,587	34,279	(10,366)	947,500
ECL provision	-	-	(10,000)	(10,000)
30 June 2023				
Gross carrying amount ($)	972,568	56,116	40,837	1,069,520
ECL provision	-	-	(10,000)	(10,000)

(b) Collateral held as security

The Group does not hold any collateral over any receivables balances.

Note 10. Inventories

	2024 $	2023 $
Current assets		
Merchandise on hand	7,451,873	7,221,361
Provision for net realisable value	(97,119)	(56,828)
	7,354,754	7,164,533

Inventories have been reduced by $97,119 (2023: $56,828) as a result of the provision for net realisable value provided during the year. Such provision was recognised as an expense during 2024.

Note 11. Right-of-use assets

	2024 $	2023 $
Non-current assets		
Right-of-use assets	1,169,804	899,603
Less: Accumulated depreciation	(671,627)	(514,409)
	498,177	385,194

Additions to the right-of-use assets during the year were $294,862 and depreciation charged to profit or loss was $157,218.

The Group holds leases for 5 vehicles, 2 cash machines, a printer, self-service checkouts and a security system. The terms of the leases are between 3 - 5 years.

Note 12. Other assets

	2024 $	2023 $
Current assets		
Prepayments	291,085	233,843

Note 13. Property, plant and equipment

	2024 $	2023 $
Non-current assets		
Buildings - at independent valuation	49,719,000	49,719,000
Buildings - at cost	3,449,555	3,442,986
Accumulated depreciation	(4,247,021)	(3,167,025)
	48,921,534	49,994,961
Freehold land - at independent valuation	12,939,000	12,939,000
Plant and equipment - at cost	10,579,450	10,061,470
Accumulated depreciation	(6,508,770)	(5,621,328)
	4,070,680	4,440,142
Motor vehicles - at cost	4,404	4,404
Accumulated depreciation	(3,209)	(2,512)
	1,195	1,892
Low value asset pool - at cost	237,114	229,540
Less: Accumulated depreciation	(208,489)	(196,023)
	28,625	33,517
Capital works in progress - at cost	538,411	288,427
	66,499,445	67,697,939

Note 13. Property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial year are set out below:

	Capital Works in Progress $	Land $	Buildings $	Plant and Equipment $	Motor Vehicles $	Low Value Asset Pool $	Total $
Balance at 1 July 2023	288,427	12,939,000	49,994,961	4,440,142	1,892	33,517	67,697,939
Additions	462,204	-	-	345,911	-	7,574	815,689
Disposals	(28,479)	-	-	-	-	-	(28,479)
Transfers in/(out)	(183,741)	-	6,569	172,069	-	-	(5,103)
Depreciation expense	-	-	(1,079,996)	(887,442)	(697)	(12,466)	(1,980,601)
Balance at 30 June 2024	538,411	12,939,000	48,921,534	4,070,680	1,195	28,625	66,499,445

Valuations of land and buildings
The basis of the valuation of land and buildings is fair value. The land and buildings were last revalued in June 2020 based on independent assessments by P Tilley (Certified Practising Valuer) of Heron Todd White (South Australia) Pty Ltd. Accordingly, the land and buildings were revalued at fair value as at 30 June 2020. The directors do not believe that there has been a material movement in fair value since the revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

Note 14. Deferred tax assets

	2024 $	2023 $
Non-current assets		
Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Carried forward losses	3,776,085	2,964,608
Provisions	(280,812)	593,045
Deferred tax asset	3,495,273	3,557,655

Note 15. Trade and other payables

	2024 $	2023 $
Current liabilities		
Trade payables	5,071,741	5,751,217
Rent refund payable	107,056	733,000
Unclaimed members appropriations from closed accounts	136,926	46,161
GST payable	109,529	62,518
Sundry payables and accrued expenses	1,634,673	1,077,907
	7,059,925	7,670,803

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Note 16. Borrowings

	2024 $	2023 $
Current liabilities		
Bank overdraft	644,824	416,257
Bank loans	1,200,000	1,200,000
Other loans - members	120,377	126,172
	1,965,201	1,742,429
Non-current liabilities		
Bank loans	29,997,693	31,000,000
Other loans - members	2,287,164	2,397,268
	32,284,857	33,397,268
	34,250,058	35,139,697

Total secured liabilities
The total secured liabilities are as follows:

	2024 $	2023 $
Bank overdraft	644,824	416,257
Bank loans	31,197,693	32,200,000
	31,842,517	32,616,257

The carrying amounts of non-current assets pledged as collateral for liabilities are:
First Mortgage:

	2024 $	2023 $
Freehold land and buildings	61,860,534	62,933,961

Collateral Provided

The bank debt with Commonwealth Bank of Australia (CBA) is secured by a first registered mortgage over all freehold properties owned by the Group.

Cash and cash equivalents are pledged against the bank overdraft on an ongoing floating basis for the term of the bank overdraft's maturity. The current facility maturity date is 31 July 2027.

Compliance requirements

Under the terms of the facility in place during the period, the following minimum EBITDA is to be maintained during the year:

12 months ending:	EBITDA to be greater than:
30 September 2023	$3,526,000
31 December 2023	$3,620,000
31 March 2024	$3,860,000
30 June 2024	$4,300,000

All covenants were met in the reporting period.

Note 17. Lease liabilities

	2024 $	2023 $
Current liabilities		
Lease liability	169,908	175,751
Non-current liabilities		
Lease liability	303,587	186,074
	473,495	361,825
Future lease payments		
Future lease payments are due as follows:		
Within one year	122,353	198,669
One to five years	347,700	223,603
	470,053	422,272

Statement of Profit or Loss and Other Comprehensive Income

The amounts recognised in the statement of profit or loss and other comprehensive income relating to leases where the Group is a lessee are shown below:

Depreciation of right-of-use assets	157,218	159,639
Interest on finance leases	12,986	19,143

Note 18. Employee benefits

	2024 $	2023 $
Current liabilities		
Annual leave	604,150	630,201
Long service leave	647,137	617,874
	1,251,287	1,248,075
Non-current liabilities		
Long service leave	138,163	119,743
	1,389,450	1,367,818

Note 19. Income in advance

	2024 $	2023 $
Current liabilities		
Deferred revenue	320	1,800
Income in advance - click and collect	-	23,891
	320	25,691

Note 20. Deferred tax liabilities

	2024 $	2023 $
Non-current liabilities		
Deferred tax liability	6,500,782	6,608,545

Note 21. Issued capital

	2024 Shares	2023 Shares	2024 $	2023 $
Ordinary shares - fully paid	414,161	413,569	4,141,611	4,135,692

(a) Ordinary shares

	2024 Shares	2023 Shares
At the beginning of the reporting period	413,569	2,062,519
Adjustment for conversion during the year	-	(1,650,015)
Shares issued during the year	25,056	64,277
Shares redeemed during the year	(24,464)	(63,212)
	414,161	413,569

Ordinary shares
The capital of the parent company consists of unlimited number of shares of a nominal value of $10.00 each ($2 until 31/01/2023 and $10 from 01/02/2023). The maximum shareholding of any one individual shareholder is 20% of nominal capital. The shares may be redeemed, upon application of a Member, or transferred to a Member, subject to approval of the Board of Directors.

Note 22. Reserves

	2024 $	2023 $
Asset revaluation reserve	12,053,568	12,053,568

Asset revaluation reserve
The reserve is used to recognise increments and decrements in the fair value of property, plant and equipment held under the revaluation model.

Note 23. Financial risk management

The Group is exposed to a variety of financial risks through its use of financial instruments.

The Group's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets. The most significant financial risks to which the Group is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - interest rate risk

Financial instruments used

The principal categories of financial instrument used by the Group are:

- Trade receivables
- Cash at bank
- Bank overdrafts and borrowings
- Financial assets
- Trade and other payables
- Lease liabilities
- Floating rate bank loans

(a) Summary table

	2024 $	2023 $
Financial assets		
Held at amortised cost		
Cash and cash equivalents (note 8)	(126,316)	111,947
Other assets (note 12)	291,085	233,843
Trade and other receivables (note 9)	1,041,465	1,093,332
Equity securities at fair value through Profit or Loss Statement	173,029	154,857
	1,379,263	1,593,979

	2024	2023
Financial Liabilities		
Trade and other payables (note 15)	7,059,925	7,670,803
Lease liabilities (note 17)	473,495	361,825
Borrowings (note 16)	34,250,058	35,139,697
	41,783,478	43,172,325

Note 23. Financial risk management (continued)

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of the Group's financial risk management framework. This includes the development of policies covering specific areas such as interest rate risk, liquidity risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The day-to-day risk management is carried out by the Group's finance function under policies and objectives which have been approved by the Board of Directors. The Financial Controller and Company Secretary and the General Manager have been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and other market risks and assessment of market forecasts for interest rate and other market movements.

The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place. The Community Co-operative Store (Nuriootpa) Limited does not actively engage in trading of financial assets for speculative purposes nor does it write options. Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debtors or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- preparing forward-looking cash flow analysis in relation to its operational, investing and financial activities which are monitored on a monthly basis;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining reputable credit profile;
- managing credit risk related to financial assets;
- only investing surplus cash with major financial institutions; and

Typically, the Group ensures it has sufficient cash or bank facilities on demand to meet expected operational expenses for a period of 60 days.

Note 23. Financial risk management (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of the contract obligations that could lead to a financial loss to the Group and arises principally from the Group's receivables.

It is the Group's policy that all customers who wish to trade on credit terms undergo a credit assessment process which takes into account the customer's financial position, past experience and other factors. Credit limits are then set based on ratings in accordance with the limits set by the Board of Directors, these limits are reviewed on a regular basis.

Security

Trade receivables consist of a large number of customers in various industries. The Group does not hold any security on the trade receivables balance. In addition, the Group does not hold collateral relating to other financial assets.

Trade receivables

The Group applies the AASB 9 simplified model of recognising lifetime expected credit losses for all trade receivables as these items do not have a significant financing component. Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 180 days from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to market risk through its use of financial instruments and specifically to interest rate risk which result from its financing activities.

(i) Interest rate risk

The Group is exposed to interest rate risk as funds are borrowed at floating rates.

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Group is exposed to changes in market interest rates through its bank borrowings, which are subject to variable interest rates.

Note 24. Key management personnel remuneration

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the entity is considered key management personnel.

Key management of the Group are the Board of Directors and other key management personnel. The totals of remuneration paid to key management personnel of the Co-operative and the Group.

Key management personnel remuneration included within employee expenses for the year is shown below:

Note 24. Key management personnel remuneration (continued)

	2024 $	2023 $
Short-term employee benefits	695,351	693,394
Post-employment benefits	70,472	67,442
	765,823	760,836

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck, the auditor of the group:

	2024 $	2023 $
Audit services -		
Audit of the financial statements	65,950	62,550
Other services -		
Taxation compliance	9,450	8,470
	75,400	71,020

Note 26. Fair value measurement

The fair values of financial assets and financial liabilities are presented in the following table and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transactions.

Fair values derived may be based on information that is estimated or subject to judgement, where changes in assumptions may have a material impact on the amounts estimated. Areas of judgement and the assumptions have been detailed below. Where possible, valuation information used to calculate fair value is extracted from the market, with more reliable information available from markets that are actively traded. In this regard, fair values for listed securities are obtained from quoted market bid prices. Where securities are unlisted and no market quotes are available, commonly used by market participants.

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three AASB13(93)(a),(b) level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

Note 26. Fair value measurement (continued)

	Level 1	Level 2	Level 3	Total
30 June 2024				
Assets				
Equity instruments at fair value through profit or loss	-	173,029	-	173,029
30 June 2023				
Assets				
Equity instruments at fair value through profit or loss	-	154,857	-	154,857

There were no transfers between levels during the financial year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Note 27. Contingencies

In the opinion of the Directors, the Co-op did not have any contingencies at 30 June 2024 (30 June 2023: None).

Note 28. Capital and Leasing Commitments

In FY24, the Co-op has entered a contract with Mill St Fitout Pty Ltd to move the sports store location. Total contract is $893,829.45 inclusive of GST.

Note 29. Related parties

The Group's main related parties are as follows:

Parent entity
The ultimate parent entity, which exercises control over the Group, is The Community Co-operative Store (Nuriootpa) Limited which is incorporated in Australia and owns 100% of Heritage Stores Pty Limited.

Key management personnel
Disclosures relating to key management personnel are set out in note 24.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

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

The number of ordinary shares in The Community Co-operative Store (Nuriootpa) Limited held by each key management person of the Group during the financial year is as follows:

Note 29. Related parties (continued)

Key Management Personnel	Opening balance No.	Changes during the year No.	Closing balance No.
Auld, John	43.8	-	43.8
Curnow, John	524.6	34.0	558.6
March, James	5.8	-	5.8
Renshaw, Kevin	49.0	-	49.0
Tolhurst, Rebecca	109.8	5.3	115.1
Myers, Andrew	50.8	-	50.8
Holmes, Sam	0.2	-	0.2
Newbold, Simon	-	33.8	33.8
Cathy, Main	0.2	-	0.2
	784.2	73.1	857.3

Note 30. Parent entity

Statement of Financial Position	2024 $	2023 $
Assets		
Current assets	9,205,793	9,047,457
Non-current assets	66,499,263	67,616,496
Total Assets	75,705,056	76,663,953
Liabilities		
Current liabilities	10,445,921	10,863,614
Non-current liabilities	33,809,766	34,882,568
Total Liabilities	44,255,687	45,746,182
Equity		
Issued capital	3,891,611	3,885,692
Retained earnings	16,601,090	16,075,411
Revaluation surplus	10,956,668	10,956,668
Total Equity	31,449,369	30,917,771

Statement of Profit or Loss and Other Comprehensive Income

	2024 $	2023 $
Total profit for the year	525,679	139,308
Total comprehensive income	525,679	139,308

Note 31. Reconciliation of profit after income tax to net cash from operating activities

	2024 $	2023 $
Profit after income tax (expense)/benefit for the year	550,609	157,482
Adjustments for:		
Depreciation	2,137,819	2,126,429
Write off of property, plant and equipment	33,582	30,056
Distributions reinvested	(18,172)	(27,519)
Interest on AASB 16 leases	12,986	19,143
Revaluations of ROU assets and leases	24,525	(140)
Change in operating assets and liabilities:		
Decrease in trade and other receivables	32,726	73,736
Increase in inventories	(190,221)	(257,857)
Decrease in trade and other payables	(674,350)	(553,080)
Increase/(decrease) in employee benefits	21,632	(2,380)
Increase/(decrease) in income taxes payable	(45,381)	73,725
Net cash from operating activities	1,885,755	1,639,595

Note 32. Events after the reporting period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

The Community Co-operative Store (Nuriootpa) Limited
Directors' declaration
30 June 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the group will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

Mr Simon Newbold
Chair of the Board
30 September ~~October~~ 2024

Mr Kevin Renshaw
Chair of the Audit and Risk Committee

Independent auditor's report to the members of The Community Co-operative Store (Nuriootpa) Limited.

Report on the audit of the financial report

Our opinion on the financial report

In our opinion, the accompanying financial report of the Group is in accordance with the Co-operatives National Law (South Australia) Act 2013 and *Corporations Act 2001*, including:

— giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

— complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of The Community Co-operative Store (Nuriootpa) Limited (the Co-operative and it's controlled entity ("the Group")), which comprises:

— the consolidated statement of financial position as at 30 June 2024,

— the consolidated statement of profit or loss and other comprehensive income for the year then ended,

— the consolidated statement of changes in equity for the year then ended,

— the consolidated statement of cash flows for the year then ended,

— notes to the financial statements, including material accounting policy information, and

— the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, 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.

Responsibilities of the directors for the financial report

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

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

William Buck

William Buck (SA)
ABN 38 280 203 274

M. D. King

Adelaide, 30th September 2024