

*Giving back to the community since 2nd July 1908*



# Your Board of Directors



## **GEOFF BARBY - CHAIRMAN**

Geoff joined the Terang Co-op Board in September 2016. He serves on all the Co-op's committees, being the Finance & Audit Committee, the Strategy & Risk Committee and the Governance Committee. Geoff is now retired but his last full-time occupation was in risk management with Powercor following service with the former State Electricity Commission. Geoff has also served on the Terang College School Council and the Terang-Mortlake Health Service Board.



## **NIGEL BRUCKNER**

Nigel joined the Board in early 2011. He chairs the Finance & Audit Committee. Nigel is currently a director at Silvan Ridge Business Advisers after many years operating his own accounting practice, Bruckner & Associates. Nigel has also served on the Terang-Mortlake Health Service Board.



## **ROB DURANT**

Rob's current term on the Board started in October 2018 but he also served on the Board from 2007 to 2014. He serves on the Strategy & Risk Committee. Rob, a qualified agronomist, is semi-retired and works as a casual teacher, in agriculture, with South West TAFE. Rob is currently involved with local community organisations such as the Terang Cemetery Trust and the Terang Racing Club.



## **ELIZABETH GREEN**

Elizabeth joined the Board in March 2020. She is deputy chair of the Co-op and serves on both the Governance Committee and the Finance & Audit Committee. Elizabeth works as senior business manager within the government service sector. Elizabeth has held several executive and non-executive positions within community focused organisations prior to her work within public practice and banking.



## **BRENDAN KENNA**

Brendan joined the Board in late 2012. He serves on the Co-op's Finance & Audit Committee. Brendan runs a mixed farming operation at Ellerslie and has served other local organisations such as the St Thomas Primary School Council, the East Framlingham Golf Club and the Terang & District Racing Club.



## **LINDA KENNA**

Linda joined the Board in late 2013. She serves on the Co-op's Governance Committee. Linda has a background in accounting and is currently the business manager at St. Thomas' Primary School in Terang. Linda has served other organisations in the community, including those associated with local schools and sporting clubs.



## **DAVID HARRINGTON**

David joined the Co-op Board in September 2023 and serves as chair of the Co-op's Strategy & Risk Committee. David is currently the Director of Corporate and Community Services at the Corangamite Shire. Prior to that, as a qualified accountant, David had been Finance Manager at the Warrnambool City Council and has held senior finance roles with British Telecom and William Hill in London. David assists in community groups where his young family are active participants including the Warrnambool Rangers Football Club and Our Lady Help of Christians school.

# Notice of ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 116TH ANNUAL GENERAL MEETING OF THE TERANG & DISTRICT CO-OPERATIVE LIMITED WILL BE HELD IN THE ROSE ROOM OF THE TERANG CIVIC HALL AT 129 HIGH STREET, TERANG ON WEDNESDAY 25TH JUNE 2025 AT 11AM.

## BUSINESS

1. To confirm the Minutes of the 115th Annual General Meeting held on 26th June 2024
2. To receive and adopt the Financial Statements, Directors' Report and Auditor's Report for the year ending 28th February 2025
3. To elect Directors
4. To receive the Chairman's Report
5. To receive the Chief Executive Officer's Report
6. To review remuneration of Directors
7. General Business



By order of the Board  
**DAMIEN RYAN**  
Co-operative Secretary

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## Front Cover Photos:

Photo 1: Camperdown Horse Trials Winner—Yona Lloyd and his winning horse Ballahowe Erised

Photo 2: Terang Harness Racing Clubs—Terang Co-op Pacing Cup—Winning driver Kate Gath aboard Don't Stop Dreaming

Photo 3: Terang Mortlake Football Netball Club—Junior footballers celebrating a goal

Photo 4: Terang Mortlake Football Netball Club—17&UR netball girls at half time huddle



# Chairman's REPORT

ON BEHALF OF THE BOARD OF DIRECTORS OF THE TERANG AND DISTRICT CO-OPERATIVE LIMITED, I AM PLEASED TO PRESENT THE 2024/2025 ANNUAL REPORT.

I would like to start by thanking our staff and management for their efforts this year to strive to meet and exceed the expectations of Co-op members and of all our customers. The Board recognises that our people are the face of the organisation and that their care, expertise and dedication to their roles is our greatest business asset.

This year we have seen Darren Gee bring his expertise in retailing and presentation into the Rural store, bringing a more modern feel to the store, which has been well received by customers. This is but one example of the way in which management are continually looking at ways of understanding and meeting customers needs and of reviewing their offer to meet these needs. Management also support and encourage our staff to deliver outstanding customer service, from a simple greeting as they enter the store, to supporting throughout the selection and purchase processes, to enhancing the customer experience at the Co-op and to connecting with our customers. I congratulate all management and staff on their success in this area.

This year the Board have completed a review of our strategic plan which sets out the Co-op's goals and aspirations and establishes a framework for our growth and development. This plan is not a static plan but one that will be reviewed annually with a view to maintain the long term sustainability and the success of the Co-op.

Work on revising the Co-op's constitution has continued throughout the year as we look to ensuring that we meet the legislative requirements and also to ensure that our rules reflect our business values and processes. This work will be completed in 2025 and then presented to members for their endorsement.

Our co-operative's growth is driven by our valued members, with 108 new members joining us this year. This continued growth in numbers marks our success, and we work to enhance member benefits and reward our members' loyalty. Thank you for your support and I encourage those in our communities who are not members to consider joining our Co-op membership.

This year the Co-op introduced a new approach to our sponsorship work in our communities, moving from an ad-hoc approach where requests were received across the year to a coordinated approach where community organisations were asked to submit their sponsorship requests for the following year all at the same time. These requests were then reviewed together by the Board and

CEO which provided a consolidated picture of the extent of our community sponsorship support. This process resulted in over \$100,000 of support being provided to more than 70 organisations.

This year's result for the Co-op has again been positive and the Board and Management are pleased to announce a profit of \$652,221. This result is linked directly to the dedication and efforts of our staff across the Co-op. Together with the sponsorship results mentioned above the Co-op has also distributed \$276,593 in members rewards for members loyalty and patronage, further underlining the partnership of the Co-op and the community.

The Board acknowledges the efforts of the Co-op's management and staff over the past year. Their support was essential to our achievements and underpins the continued success of the Co-op.

I also want to thank my fellow Board members for their support and commitment and for the time that they dedicate to their roles on the Board and sub-committees.

To our members and customers, we appreciate your patronage and trust. The Board is confident that our Co-op and our community will continue to grow and succeed together as we look positively towards our 118th year of operation.

Thank You

**GEOFF BARBY**

Board Chair



**Terang Co-op Pacing Cup** – Winning driver Kate Gath aboard *Don't Stop Dreaming*. Terang Harness Racing Clubs President Chris O'Connor proudly photographed with winning driver and local MPs Dan Tehan & Roma Britnell.

# CEO REPORT

## TRADING RESULTS

I am pleased to report that the Co-operative is in very good shape and that each of the trading businesses is well placed to face future challenges, with quality assets, dedicated and experienced staff and a commitment to serving and growing the community in which we operate.

The mix of our trading businesses is a strength by providing exposure to fast moving consumer goods, building and renovation, rural sector and general retailing merchandise. It is important however, that the Co-operative continues to look forward to ensuring the trading business portfolio remains relevant to the membership and customer base, at the same time enabling a solid foundation for the years ahead through a strong and successful Co-operative.

Trading conditions in the financial year just completed were generally steady, with Groceries quite strong. Trade Hardware remained slower than the previous years as building and construction generally slowed versus the previous three to four years, although retail hardware was consistent throughout the year. Rural slowed towards the end of 2024 as the dry seasonal conditions impacted discretionary spending. The steel fabrication and hydraulic parts business was bedded down in the new premises, with sales reflecting the general building and construction sector.

Supermarket trading performance for the financial year was outstanding. The result was buoyed through some very specific business improvement initiatives actioned by Paul Bailey and his experienced team. The focus throughout the year was on store presentation, full shelves and improved gross profit margins achieved through better buying practices, with shelf prices being more competitive as a result.

Sales increased by 2.95%, with outstanding results achieved across the majority of departments in particular the fresh departments with Delicatessen the standout. Tobacco continued long term decline, and we forecast this trend will be consistent in the foreseeable future.

The contribution to the overall result from the supermarket was significant, particularly in light of the fact that gross profit improvements were achieved through better stock buying practices, with sell prices able to be kept low. Costs were also well controlled.

Hardware revenue was adversely affected by the slower Trade hardware business through the year, although the general retail hardware segment of the business trended better than trade.

The slowing trade business showed initially in Terang Mitre 10 early in the financial year, whilst Camperdown Mitre 10 maintained some good trade volume, before also showing signs of slowdown towards the last quarter of the financial year.

General retail hardware, which consists of more consumer and household related goods including garden, maintained a better trend in both stores for the duration of the financial year. Jo Bailey and her skilled retail team in both Terang and Camperdown stores worked hard to maximise sales and to provide the best service, range and price.

Hardware revenue in the two stores combined declined by 4.5% despite Camperdown Mitre 10 finishing the full year with an increase in revenue of 2.7%.

Members can be assured that Michael Boote, Nathan Martin and the team will continue to maximise the available trade business during this slower period and be well positioned as the sector improves toward the end of 2025.

TC Sheetmetal Plus, which was the new business created from the previous dairy services operation, had the full year trading from the new premises and under the revised operating model which focused on bespoke sheet metal fabrication and hydraulics parts. Sales revenue at TC Sheetmetal declined slightly on the previous year.



### **Noorat & District Agricultural Show**

*The weather was hot but the crowd still came out to enjoy the family fun show and all it had to offer. Our membership drive was quite successful with many new members joining the Co-operative, whilst going into the draw to win a Husqvarna Auto mower. Samantha was very excited to be the winner. The Noorat Agricultural Show has been supported by the community for many decades and Terang Co-operative has been a major sponsor since 2008.*



## CEO REPORT cont.

The Rural store was a major focus during the financial year as the Co-operative works to improve the quality, service, range and pricing offered within the Rural store. The depth of skilled management within the Terang Co-operative was evidenced by Darren Gee being seconded from the Supermarket to the Rural store during the year to provide some knowledge and skill particularly in range, service and pricing. The front of store area was relayed to include low profile shelves and improvements to the merchandising standards. Work will be ongoing as we turn around the trading performance of the Rural store to become the preferred destination for Rural customers and members.

The overall Co-operative full year net profit result was very satisfactory, with EBITDA (earnings before interest, tax, depreciation and amortization) of \$1,203,944 versus the prior year of \$894,176, an increase of \$309,768.

Whilst sales revenue was subdued, gross profit margins improved through better buying practices and sales mix, and expenses were tightly controlled.

### LOOKING AHEAD

We forecast that the trade sector of our Hardware business will continue facing headwinds into the financial year ahead, with relatively subdued underlying trade volume, supported however by some major infrastructure projects in the region. The general retail segment of the business will be steady with modest growth, and this will be supported by the Terang Mitre 10 store refurbishment and extension incorporating a larger garden centre with an expanded range of greenlife and plants. The upgraded garden centre will be completed and ready for a full launch programme in Spring 2025.

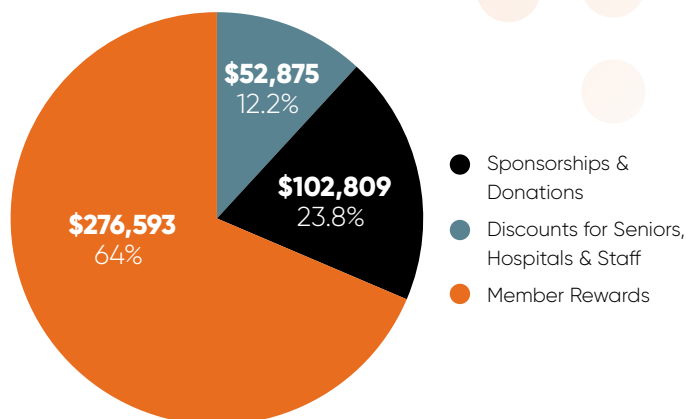
Supermarket trading is forecast to be consistent with the year just completed with strong contributions from the Fresh departments. The Fabrication business can now look to improve sales throughout the local region and become the first choice of local trades for bespoke roofing requirements.

The Rural store trend through 2024/25 was very encouraging and we expect this momentum will gain pace through the 2025/26 year.

We take this opportunity to thank our dedicated long term Rural customers, and also to our returning lapsed customers who are hopefully enjoying our business improvements and more competitive pricing.

The objective of the Co-operative is to establish the Rural store as the best and most reliable store for service, range, value and price. The trusted partner of our Rural members and a store proud to service the local area, to be locally owned and to employ local staff.

### BENEFITS DISTRIBUTED



### THE CO-OPERATIVE IN THE COMMUNITY

The Co-operative maintained and even strengthened its rich history of supporting local communities and volunteer led organisations.

Sponsorships and donations made through the financial year totalled \$102,809 versus the previous year of \$84,875.

There were a total of 77 recipients in 2024/25 compared to the previous year of 59 recipients.

**GARY TEMPANY**  
Chief Executive Officer



**Employees of month awards**

Kaylab & Nathan always working hard at Terang & Camperdown Mitre 10 stores



# Managers' COMMENT



**JO BAILEY**  
Retail Manager  
Terang & Camperdown  
Mitre 10



**PAUL BAILEY**  
Supermarket  
Manager



**MICHAEL BOOTE**  
Trade Manager  
Terang & Camperdown Mitre 10  
Sheetmetal Manager  
Rural Store - Acting Manager

## **JO BAILEY & MICHAEL BOOTE** – TERANG & CAMPERDOWN HARDWARE



Tougher trading conditions which existed throughout the financial year were brought about by a variety of factors. These included multiple interest rate rises and general cost of living increases, effectively reducing the amount of discretionary spending available to the hardware sector. Another significant factor was a major change in previously favourable federal tax concessions for infrastructure expenditure. Combined, these factors resulted in lower revenues for the Hardware segment with the largest impact being on trade sales and shed sales at Terang.

Sales were not as strongly impacted at Camperdown, as they were at Terang, due in large part to a couple of commercial projects that Camperdown supplied throughout the year. The softer trading conditions in the market have been exacerbated by the ongoing dry spell that the region is experiencing with our farming community being forced to spend record amounts of money on feed to maintain their livestock. For all of that, the Hardware segment still made a solid contribution to the overall profit result of the Co-op helped in part by a concerted focus from management on expenditure control and labour costs.

Both Co-op Mitre 10 stores are well positioned to take advantage of any market upswing that should come our way later in the year by being very well stocked with comprehensive ranges and with extremely high standards of store presentation. The quality of both stores is borne out in the fact that Camperdown Mitre 10 again won the small format Village Store of the Year and Terang Mitre 10 again, won medium format Village Store of the Year at the Independent Hardware Group Regional Awards this year.

Pleasingly, something to look out for later this year will be the opening of our new Garden Centre being built at the Terang store which will greatly enhance our offer to the market in plants, pots and related products.

## **MICHAEL BOOTE** – TC SHEETMETAL PLUS



TC Sheetmetal Plus has now had a full year in its new premises. The layout of the shed has been tweaked a bit from the initial set-up making the workflow more efficient and safer. Due to the fact that the storage racks that were relocated with the business were fabricated by an unknown party sometime in the past, we took the opportunity during the year to have them assessed by an engineer for structural soundness and load capacity. The recommended remedies in the assessment were

then actioned to make all of the racking up to date for Occupational Health & Safety compliance.

The performance of the business was a tale of two halves for this year. We had a very strong sales result for the first half of the financial year but felt the tougher market conditions in the second half with a noticeable reduction in sales to the farming sector. This is presumably due to the dry climatic conditions and high feed costs driving farmer's purchasing decisions from ongoing maintenance to more of an urgent repairs only mindset.

The business is essentially a one-person operation run by Dan Boote with co-opted production assistance from myself and Terang Mitre 10 staff, on an as needed basis. This arrangement allows for a very lean profile and helps to hold costs as low as possible. Whilst the main production machinery is well maintained and fit for purpose, there is an opportunity in the form of new equipment that would assist productivity and make the business more efficient in the next year or two.

## **MICHAEL BOOTE** – RURAL STORE



This year, the showroom in the front of the Rural store has undergone a complete relay with new shelving and an improved floor plan, designed and executed by Darren Gee who was co-opted from our IGA Supermarket for the job. The relay has really opened the shop up and not only improved the visual amenity of the store but has added a more logical flow to the product mix for the purpose of improving customer experience. Darren is continuing to review the product mix deleting slow moving and distressed stock and replacing it with stock ranged to suit our customer base. We have taken the opportunity to set a large percentage of the stock range to an auto-ordering system whilst completing the relay to allow ordering of stock based on logical quantities, and in a timely manner. This initiative will also enhance the customer experience while making ordering of stock easier for our staff.

Our revenues for the year were a little up on last year. In the prevailing tough market conditions, this is a fair result. We have been focusing our efforts on holding and growing our market share by, in large part, returning to market segments that the business has drifted away from in recent years, such as milk powder. We are optimistic that this approach will bear fruit in the short term and should result in good sales growth over the next 1 to 2 years.

We will continue to rearrange our storage yard and warehouse in the coming months to improve our range, control costs and improve our bottom-line result.

# Managers' COMMENT

**PAUL BAILEY**  
— SUPERMARKET  
MANAGER



As another financial year closes, I am pleased to say the Supermarket has had a successful year. We finished 2024/2025 with total revenue of over \$16.5 million which was an increase of over 3% on last year's actuals. With the hard work of our staff throughout the year, we have been really working on our productivity and efficiency in order to reduce our operating cost where we can. So, in doing this, we have been able to report that our overall profit for the Supermarket was more than 80% up on last year which was very pleasing.

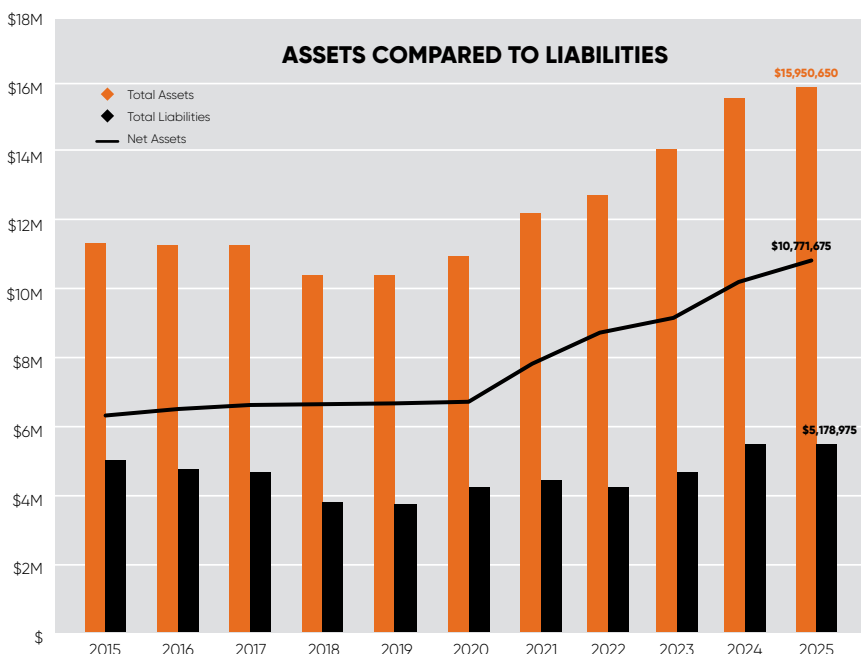
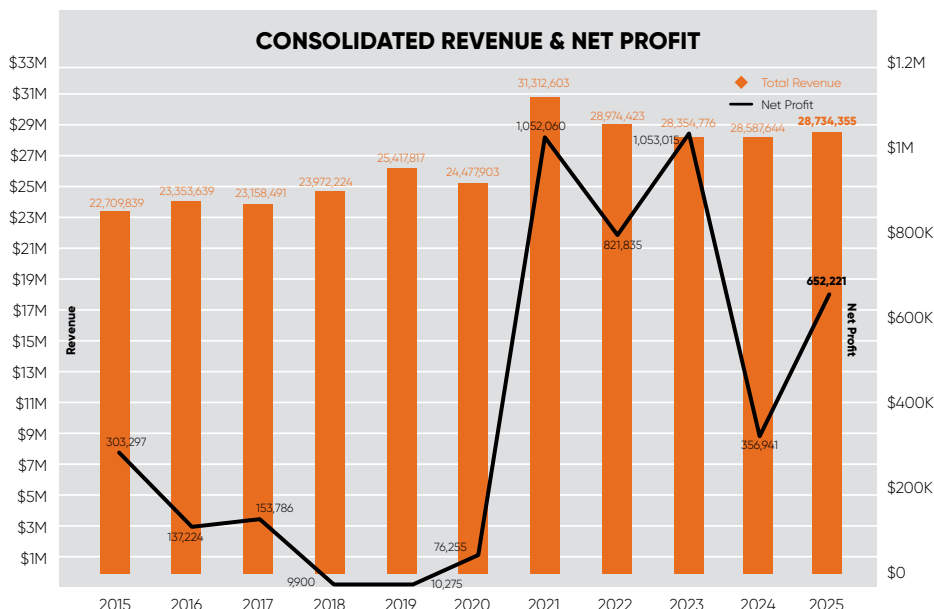
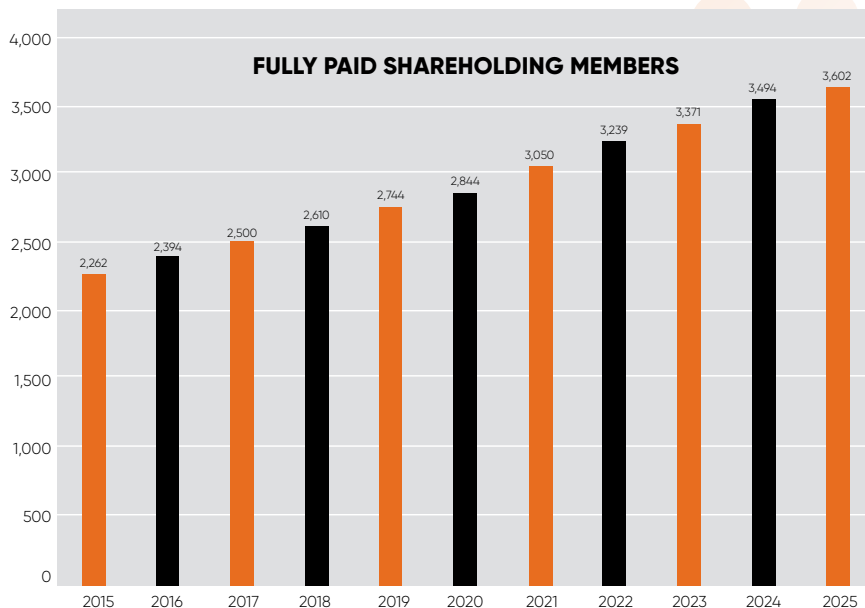
Over the next 12 months we will continue to work on expanding and refining our store offerings across the Supermarket in Grocery, Fresh Produce, Deli, Bakery and Liquor. This is crucial for our long-term growth, as well as making sure we have what our customers need.

By continuously refining our offering and responding to our customers' requests, this will help strengthen our business into the future. Supermarket departments like our Fruit & Veg, Deli and Bakery continue to grow and be the best that they can. This has shown again with the Deli and Bakery been nominated and making the finals for the best departments for their size throughout Victoria. Although we didn't walk away with the final award, it shows that we are doing well against other IGA stores throughout the state.

During COVID we had the shortage of toilet paper, who could forget, but over the past 12 months it's been something completely different; EGGS. Who would have thought! One of our major suppliers, right at our back door, had two of their farms shut down due to the bird virus. This has put pressure on the rest of the egg industry and still continues today with other farms across the state being affected.

I would like to take this opportunity to thank my staff for all their hard work and dedication over the past 12 months. Their dedication to their roles help make my job that bit easier, and I would also like to acknowledge some long serving staff that have shown their dedication to their jobs.

## At a GLANCE





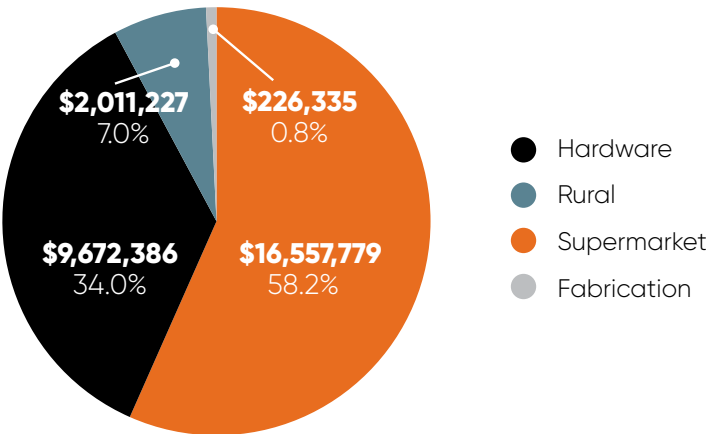
# Managers' COMMENT cont.

The following staff members have shown their commitment to the Co-op with 35 plus years' service from Karen Hay and Paul Hay, 25 plus years from Linda Fuge and Janine Grinter, 15 plus years from Melissa Hoey, Darren Gee and Brianna Harris. Our congratulations and thanks goes to them for all they have done for the Terang Co-op over these years of service.

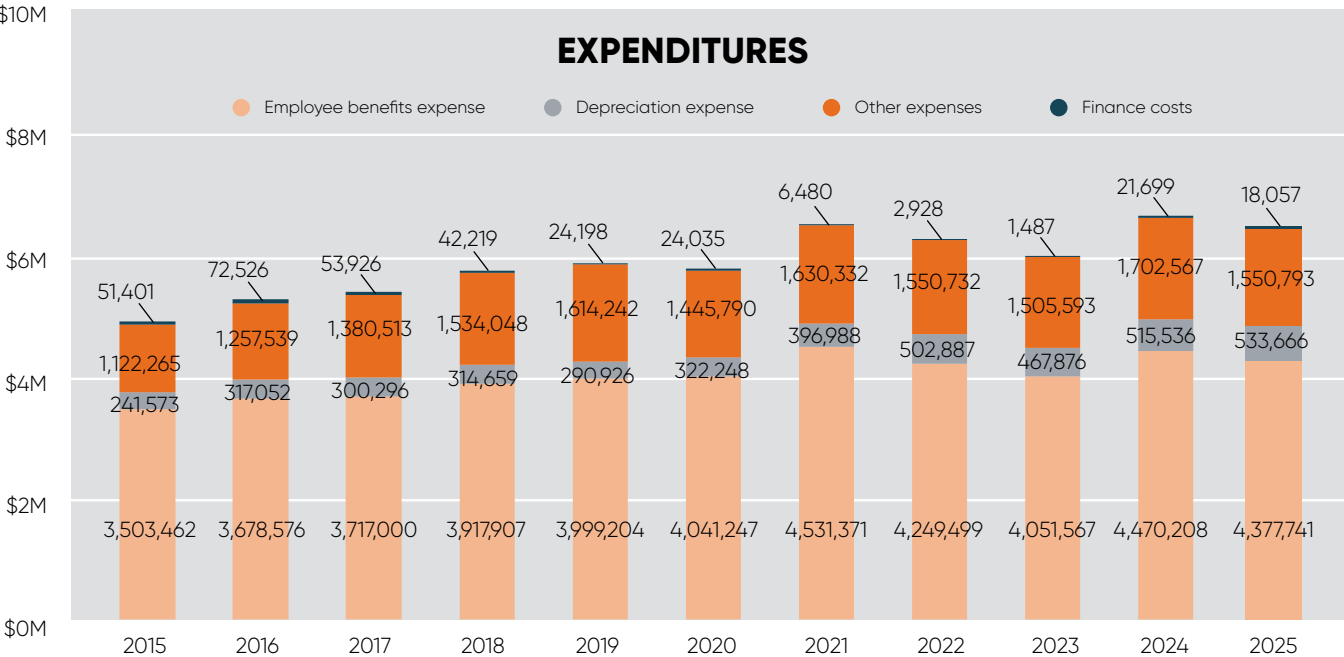
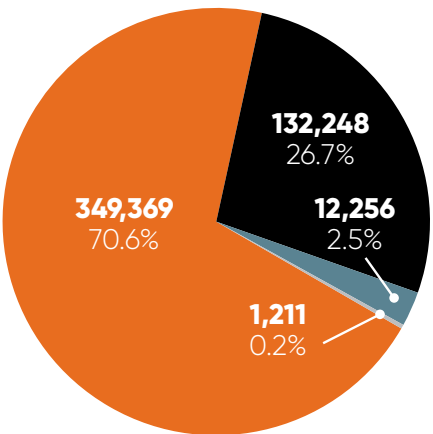
I would also like to thank our members and customers for all their continued support over the past 12 months. We continue to improve our offering wherever we can to give you the best shopping experience that we can offer. On behalf of management and staff, thank you.

## At a GLANCE

REVENUE SHARE



CUSTOMER VISITS



# Community NEWS

LOCALS SUPPORTING LOCALS

*Giving back to the community since 2nd July 1908*



Some friendly Mortlake Golf Club members enjoying a round or two



Terang & District Amateur Swimming Club had another successful Annual Carnival



Terang Adult Riding Club (TARC) Level 1 Dressage Champion & Reserve Champions take the winners podium



Terang Co-op has been supporting Terang Fitness Centre since opening in 2011



Terang Mortlake Football Netball Club's Darcy Hobbs in the Ruck. Proud sponsors for over 15 years



Camperdown Horse Trials had a very successful event with Christine Greer riding Roger That



James & Noah enjoying their awards at Camperdown Cricket Club



Terang Tornadoes Basketball Junior Squad proudly showing off their new uniforms

Co-op Employee of the Month Awards

Shelley Ross, Sue Lawlor, Anthea Blackford (holding envelopes)

Congratulations Ladies for all your hard work and dedication.



# Directors' REPORT

YOUR DIRECTORS PRESENT THEIR REPORT ON THE TERANG & DISTRICT CO-OPERATIVE LIMITED FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2025.

## DIRECTORS

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

Mr Geoff Barby – Chairman  
Mr Brendan Kenna  
Mr Nigel Bruckner  
Ms Linda Kenna  
Mr Robert Durant  
Ms Elizabeth Green  
Mr David Harrington

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

## DIRECTORS' MEETINGS

Directors meeting attendance for the year was as follows:

DIRECTOR	ATTENDED	ELIGIBLE
Geoff Barby	8	11
Brendan Kenna	10	11
Nigel Bruckner	9	11
Linda Kenna	10	11
Robert Durant	9	11
Elizabeth Green	7	11
David Harrington	8	11

Additionally, all directors participate in one or more sub-committees that meet periodically to work through more detailed activities to streamline board meetings. All recommendations from these committees are reported to the full board for adoption.

### **COMMITTEE: FINANCE AND AUDIT**

<i>Directors</i>	<i>Other Members</i>
Elizabeth Green	Gary Tempany, CEO
Geoff Barby	Damien Ryan, Finance & Business Manager
Nigel Bruckner	
Brendan Kenna	

### **COMMITTEE: GOVERNANCE**

<i>Directors</i>	<i>Other Members</i>
Elizabeth Green	Gary Tempany, CEO
Geoff Barby	Robert Lane, Consultant
Linda Kenna	

### **COMMITTEE: STRATEGY AND RISK**

<i>Directors</i>	<i>Other Members</i>
Robert Durant	Gary Tempany, CEO
Geoff Barby	Robert Lane, Consultant
David Harrington	

## RESULT

The net operating profit of the Terang & District Co-operative Ltd for the financial year after providing for income tax amounted to \$467,842 (2024: \$276,118).

## ACTIVITIES

The principal activities of the Co-operative in the course of the year, have been to retail food and general merchandise and otherwise carry on the business of trading under the Co-operatives National Law Application Act 2013. No significant change in the nature of these activities occurred during the year.

## EVENTS SUBSEQUENT TO BALANCE DATE

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.

## LIKELY 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 ISSUES

The Co-operative's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

## DIVIDENDS

No dividends have been declared for the year ended 28 February 2025.

## INDEMNIFYING OFFICERS OR AUDITOR

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

## PROCEEDINGS AGAINST THE 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 is included in the full financial report.

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



**MR GEOFF BARBY**  
Chairman

Signed at Terang, this 22nd day of May 2025.



# FINANCIALS

TERANG & DISTRICT CO-OPERATIVE LIMITED CONCISE  
FINANCIAL REPORT FOR THE YEAR ENDED **28 FEBRUARY 2025**

## DIRECTORS DECLARATION

The directors of the Co-operative declare that the Concise Financial Report for the year ended 28 February 2025, including the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Notes to the financial report;

- (a) comply with Accounting Standard AASB 1039 *Concise Financial Reports*; and
- (b) is an extract from the full financial report for the year ended 28 February 2025 and has been derived from and is consistent with the full financial report of Terang & District Co-operative Limited.



**MR GEOFF BARBY**  
**Chairman**

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

Signed at Terang this 22nd day of May 2025.

## CONCISE FINANCIAL REPORT

The concise financial report is an extract from the full financial report for the year ended 28 February 2025. The financial statements and disclosures in the concise financial report have been derived from the 2025 Financial Report of Terang & District Co-operative Limited. A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

The discussion and analysis is provided to assist members in understanding the concise financial report. The discussion and analysis is based on Terang & District Co-operative Limited financial statements and the information contained in the concise financial report has been derived from the full 2025 Financial Report of Terang & District Co-operative Limited.

### INCOME STATEMENT

The profit before income tax for the 2025 financial year is \$652,221 which represents an increase of \$295,280 on the \$356,941 profit for the previous year.

Across the whole Co-op, total revenue increased slightly in 2025 by 0.5% reflecting the overall subdued sales activity for the Co-op. Most segments, the exception being Hardware, had positive growth in revenue in 2025 compared to the prior year. Total revenues increased \$146,711 to \$28,734,355.

The Co-op's average gross margins improved by nearly 0.5% on the prior year, reflecting good inventory acquisition and ongoing change in the sales mix. Such cost of sales improvement, across the Co-op's sales base, meant that the gross profit from trading increased by \$165,508 on the prior year, representing over half the annual profit increase.

The remainder of the Co-op's annual profit increase in 2025 essentially lay with expenditures being \$129,772 less than

2024. Costs related to employees were down 2%, or \$92,467, whilst other overheads were down 1.7%, or \$37,305. Taking into account the national wage indexation and the consumer price index, such expenditure outcomes are positive for the Co-op, noting that the prior year did have additional expenditures due to the relocation of the fabrication business and the transition between chief executive officers.

The Hardware & Timber segment result for 2025 was a \$347,301 profit, down on the \$448,248 profit earned in the prior year. Following the segment revenue drop of 1.8% in 2024, the 2025 year saw a continuation of subdued trading, with revenue down by 4%. Gross margins held up well in 2025 at 29.6%, increasing slightly on the prior year's 29.2%.

In the Rural segment, revenue increased slightly, by 0.6%, whilst there was an overall slightly lower gross margin, at 20% versus 20.8% in the prior year. These measures reflect a focus on bulk product sales. The net result of a \$99,927 loss is a \$39,694 improvement on the \$139,621 loss in 2024, building on the \$31,682 result improvement from 2023 to 2024.

The Fabrication segment also continued its improvement from 2023 to 2024 into 2025. Its \$67,918 loss in 2025 was \$32,949 better than the \$100,867 loss in 2024, noting the latter result was after relocation costs.

The Supermarket segment performed well in 2025. After the previous year's revenue increase of 3.1%, the revenue growth in 2025 consolidated at 3.1% also. The segment's gross margin of 21.8% was 0.6% up on last year's 21.2% with prudent stock buying significantly assisting. The Supermarket's performance in sales and margin were fundamental to the Co-op's overall performance in those areas and the total result. The \$603,328 profit in 2025 is a great improvement by the Supermarket on the \$333,939 profit in 2024.

# FINANCIALS

TERANG & DISTRICT CO-OPERATIVE LIMITED CONCISE  
FINANCIAL REPORT FOR THE YEAR ENDED **28 FEBRUARY 2025**

## CONCISE FINANCIAL REPORT

### BALANCE SHEET

The cash position improved by \$1,003,121 during 2025 after funding capital expenditure and inventories. Cash accounts, including short or long-term accounts, totalled \$2,481,840 at the end of the 2025 financial year, compared to \$1,478,719 in the prior year.

### CASH FLOW STATEMENT

The cash position improved significantly during 2025, noting only \$60,546 capital expenditure was undertaken. The \$190,036 accumulation of inventories was funded via funds released by less accounts receivable being carried.

## STATEMENT OF COMPREHENSIVE INCOME

	2025 \$	2024 \$
Revenue	28,734,355	28,587,644
Cost of inventories	(21,601,877)	(21,620,674)
Employee benefits expense	(4,377,741)	(4,470,208)
Depreciation expense and amortisation	(533,666)	(515,536)
Finance costs	(18,057)	(21,699)
Other expenses	(1,550,793)	(1,602,586)
Profit before income tax	652,221	356,941
Income tax expense	(184,379)	(80,823)
<b>Profit for the financial year</b>	<b>467,842</b>	<b>276,118</b>
<b>Other comprehensive income</b>		
Gain on revaluation of land and buildings	-	1,199,982
Tax adjustment on revaluation reserve	-	(304,390)
<b>Total comprehensive income for the year</b>	<b>467,842</b>	<b>1,171,710</b>

The accompanying notes form part of these financial statements

# FINANCIALS

TERANG & DISTRICT CO-OPERATIVE LIMITED CONCISE  
FINANCIAL REPORT FOR THE YEAR ENDED **28 FEBRUARY 2025**

## BALANCE SHEET

	NOTE	2025 \$	2024 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,081,840	1,478,719
Financial assets		1,430,000	30,000
Trade & other receivables		772,311	1,002,024
Inventories		4,785,482	4,595,446
Other assets		171,500	157,812
<b>TOTAL CURRENT ASSETS</b>		<b>8,241,133</b>	<b>7,264,001</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	3	6,810,294	7,270,209
Investment property		335,000	335,000
Deferred tax assets		289,030	261,002
Right of use assets		275,193	353,572
<b>TOTAL NON-CURRENT ASSETS</b>		<b>7,709,517</b>	<b>8,219,783</b>
<b>TOTAL ASSETS</b>		<b>15,950,650</b>	<b>15,483,784</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		2,315,250	2,433,170
Other liabilities		703,916	723,947
Lease liabilities		43,542	42,931
Tax liabilities		161,431	34,060
Provisions		524,397	468,517
<b>TOTAL CURRENT LIABILITIES</b>		<b>3,748,536</b>	<b>3,702,625</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		243,639	327,367
Tax liabilities		1,146,753	1,124,873
Provisions		40,047	30,582
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,430,439</b>	<b>1,482,822</b>
<b>TOTAL LIABILITIES</b>		<b>5,178,975</b>	<b>5,185,447</b>
<b>NET ASSETS</b>		<b>10,771,675</b>	<b>10,298,337</b>
<b>EQUITY</b>			
Contributed equity		194,338	188,842
Reserves		3,298,833	3,298,833
Retained profits		7,278,504	6,810,662
<b>TOTAL EQUITY</b>		<b>10,771,675</b>	<b>10,298,337</b>

The accompanying notes form part of these financial statements



# FINANCIALS

TERANG & DISTRICT CO-OPERATIVE LIMITED CONCISE  
FINANCIAL REPORT FOR THE YEAR ENDED **28 FEBRUARY 2025**

## STATEMENT OF CHANGES IN EQUITY

	Contributed Equity \$	Retained Surplus \$	Revaluation Surplus \$	Total \$
<b>Balance at 1 March 2023</b>	<b>183,642</b>	<b>6,534,544</b>	<b>2,403,241</b>	<b>9,121,427</b>
Other comprehensive income	-	-	895,592	895,592
Surplus for the year	-	276,118	-	276,118
Shares issued/(redeemed)	5,200	-	-	5,200
<b>Balance at 29 February 2024</b>	<b>188,842</b>	<b>6,810,662</b>	<b>3,298,833</b>	<b>10,298,337</b>
Balance at 1 March 2024	188,842	6,810,662	3,298,833	10,298,337
Surplus for the year	-	467,842	-	467,842
Shares issued/(redeemed)	5,496	-	-	5,496
<b>Balance at 29 February 2025</b>	<b>194,338</b>	<b>7,278,504</b>	<b>3,298,833</b>	<b>10,771,675</b>

The accompanying notes form part of these financial statements

# FINANCIALS

TERANG & DISTRICT CO-OPERATIVE LIMITED CONCISE  
FINANCIAL REPORT FOR THE YEAR ENDED **28 FEBRUARY 2025**

## STATEMENT OF CASH FLOWS

	2025 \$	2024 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	28,434,191	28,084,142
Payments to suppliers and employees	(27,365,856)	(27,247,171)
Dividends received	11,549	12,945
Interest received	61,078	44,764
Income tax paid	(63,156)	(259,904)
<b>Net cash provided by / (used in) operating activities</b>	<b>1,077,806</b>	<b>634,776</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets	(1,400,000)	-
Payment for property, plant & equipment	(60,546)	(780,352)
Proceeds from sale of property, plant & equipment	23,264	38,742
<b>Net cash (used in) investing activities</b>	<b>(1,437,282)</b>	<b>(741,610)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of leasing liabilities	(42,899)	(53,787)
Repayment of / proceeds from borrowings	-	(10)
Proceeds from share issue / payment for shares redeemed	5,496	5,200
<b>Net cash provided by / (used in) financing activities</b>	<b>(37,403)</b>	<b>(48,597)</b>
Net increase / (decrease) in cash held	(396,879)	(155,431)
Cash and cash equivalents at beginning of year	1,478,719	1,634,150
<b>Cash and cash equivalents at end of year</b>	<b>1,081,840</b>	<b>1,478,719</b>

The accompanying notes form part of these financial statements

# FINANCIALS

TERANG & DISTRICT CO-OPERATIVE LIMITED CONCISE  
FINANCIAL REPORT FOR THE YEAR ENDED **28 FEBRUARY 2025**

## NOTE 1: BASIS OF PREPARATION OF THE CONCISE FINANCIAL REPORT

The concise financial report is an extract from the full financial report for the year ended 28 February 2025. The concise financial report has been prepared in accordance with Accounting Standard AASB 1039: Concise Financial Reports, the Co-operatives National Law Application Act 2013 and the Corporations Act 2001.

The financial statements, specific disclosures and other information included in the concise financial report are derived from, and are consistent with, the full financial report of Terang & District Co-operative Limited. The concise financial report cannot be expected to provide as detailed an understanding of the financial performance, financial position and financing and investing activities of Terang & District Co-operative Limited as the full financial report. A copy of the full financial report and auditor's report will be sent to any member, free of charge, upon request.

The financial report of Terang & District Co-operative Limited complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety. The presentation currency used in this concise financial report is Australian dollars.

## NOTE 2: SEGMENT INFORMATION

### (a) Description of segments

The Co-operative has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions.

### (b) Segment information provided to the board of directors

The segment information provided to the board of directors for the reportable segments is as follows:

Hardware & Timber		Rural Store		Fabrication		Supermarket		Administration		Total	
2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Total segment revenue</b>											
9,672,386	10,070,406	2,011,227	1,998,824	226,335	222,231	16,557,779	16,053,216	266,628	242,967	<b>28,734,355</b>	<b>28,587,644</b>
<b>Total segment expenses</b>											
(9,325,085)	(9,626,158)	(2,111,154)	(2,138,445)	(294,253)	(323,098)	(15,954,451)	(15,719,277)	(397,191)	(423,725)	<b>(28,082,134)</b>	<b>(28,230,703)</b>
<b>Operating result before tax</b>											
347,301	444,248	(99,927)	(139,621)	(67,918)	(100,867)	603,328	333,939	(130,563)	(180,758)	<b>652,221</b>	<b>356,941</b>
<b>Segment assets</b>											
2,746,984	2,656,979	753,831	826,371	98,011	91,152	1,186,657	1,018,652	11,165,167	10,890,630	<b>15,950,650</b>	<b>15,483,784</b>
<b>Segment liabilities</b>											
-	-	-	-	-	-	-	-	5,178,975	5,185,447	<b>5,178,975</b>	<b>5,185,447</b>



## NOTE 3: PROPERTY, PLANT AND EQUIPMENT

	2025 \$	2024 \$
Land – at fair value	1,570,000	1,570,000
Buildings – at fair value	4,391,886	4,380,000
Accumulated depreciation	(143,282)	–
	4,248,604	4,380,000
Buildings – leasehold improvements – at cost	70,238	70,238
Accumulated depreciation	(60,652)	(59,706)
	9,586	10,532
<b>Total Buildings</b>	<b>4,258,190</b>	<b>4,390,532</b>
Plant & Equipment – at cost	2,270,280	2,388,977
Accumulated depreciation	(1,443,152)	(1,287,838)
	827,128	1,101,139
Motor Vehicles – at cost	577,096	609,110
Accumulated depreciation	(422,120)	(400,572)
	154,976	208,538
	<b>6,810,294</b>	<b>7,270,209</b>

### Valuations of land and buildings

Independent revaluation of land and buildings completed by Preston Rowe Patterson as at 29 February 2024 qualified independent valuers AAPI CPV AAPI 18353.



# Audit

# REPORT

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TERANG AND DISTRICT CO-OPERATIVE LIMITED

### OPINION

We have audited the concise financial report of Terang and District Co-operative Limited (the Co-operative), which comprises the balance sheet as at 28 February 2025, the statement of comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and related notes, derived from the financial report of Terang and District Co-operative Limited for the year ended 28 February 2025.

In our opinion, the accompanying concise financial report, of Terang and District Co-operative Limited, complies with AASB 1039 *Concise Financial Reports*.

### 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 section of our report. We are independent of the Co-operative in accordance with the auditor independence requirements of the *Corporations Act 2001* and *Co-operatives National Law Application Act 2013* and the ethical requirements of the Accounting Professional and 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 concise 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.

### CONCISE FINANCIAL REPORT

The concise financial report does not contain all the disclosures required by the Australian Accounting Standards in the preparation of the financial report. Reading the concise financial report and the auditor's report thereon, therefore, is not a substitute for reading the financial report and the auditor's report thereon.

### THE FINANCIAL REPORT AND OUR REPORT THEREON

We expressed an unmodified audit opinion on the financial report in our report dated 22 May 2025.

### RESPONSIBILITIES OF THE DIRECTORS FOR THE CONCISE FINANCIAL REPORT

The directors are responsible for the preparation of the concise financial report in accordance with Accounting Standard AASB 1039 *Concise Financial Reports*, and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the concise financial report.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONCISE FINANCIAL REPORT

Our responsibility is to express an opinion on whether the concise financial report, in all material respects, complies with AASB 1039 *Concise Financial Reports* and whether the discussion and analysis complies with AASB 1039 *Concise Financial Reports* based on our procedures, which were conducted in accordance with Auditing Standard ASA 810 *Engagements to Report on Summary Financial Statements*.



MCLAREN HUNT  
AUDIT AND ASSURANCE



N.L. MCLEAN  
Partner

Dated at Warrnambool: 22 May 2025

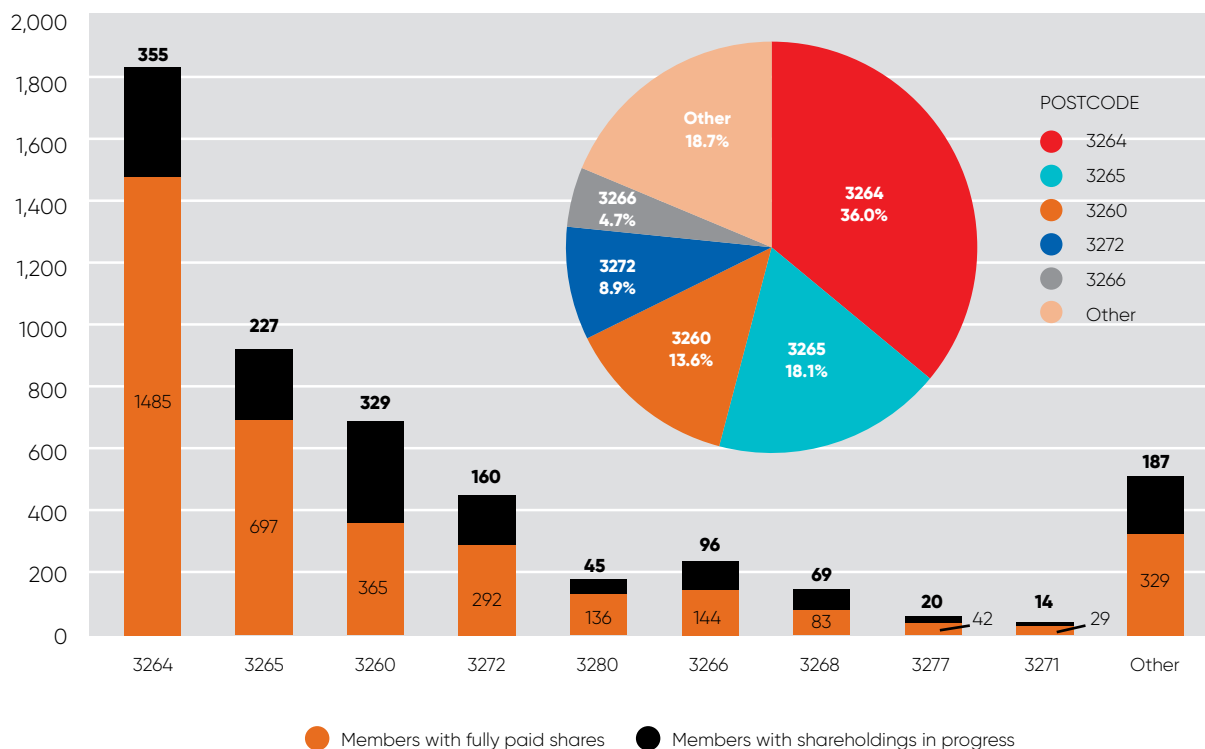


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