ANNUAL REPORT 2019

Board Report

Management Report

Year in brief

Financial Report

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ABN 22 528 678 160

Board Report

Forty Years of Supporting Community Health and Well-Being
It is a great privilege to present the 40th annual report of the Maple Street Board of Directors. Over the past forty years the Co-op has had a rich and successful history, creating value for its members, contributing to the Cooperative movement in Australia and playing a major role in the cultural, social and economic life of Maleny and the Sunshine Coast. Untold numbers of people have contributed to the growth of the Co-operative over many years through their dedication and skill and we give sincere thanks to all of them. Our 40th year represents an opportunity to remember our history and also to look forward to our next forty years.

I recently conducted a personal study of all the other food cooperatives in Australia. It was inspiring to learn from some of our sister Co-operatives such as Blue Mountains Food Cooperative This is the only food coop that is larger than us and has twice our turnover. The Food Cooperative in Canberra is the only food coop older than us! There are several others such as the relatively new Bathurst and Flame Tree Cooperatives, and the Alfalfa House and Manly Food Cooperatives around Sydney, Thoughtful Foods and others. Among this "family" of food cooperatives, MSC stands out as extremely stable over the years. We are both second largest and second oldest in Australia. We should not underestimate the role we can play in educating others from the lessons we have learned and inspire others, locally and globally, with our example.

Board Members and Outgoing Chair
Special thanks to outgoing Chair, Garry Claridge, who held the position for three years. Garry headed the Coop board through its post-Upfont Club transformation and put boundless time and skill into the position. We also thank departing Board members: Sammy Ringer and Yvonne Dipold. Along with serving on the Board, Sammy has offered her services to the Coop in many ways over many years from newsletter editing and marketing to carpentry, gardening and more. In 2019 we also welcomed Elke Watson and James Grimard as directors. We thank them both for stepping forward this year.

Expansion and Expansion Sub-Committee
In February, the Board decided to expand the Cooperative into the Maleny Fine Foods space next door. This space is also part of the Coop's 99-year lease but over the last forty years we have always rented out that premises. When the ten-year sub-lease to Maleny Fine Foods ends in late April 2020, the Coop will remove the dividing wall and begin renovations to double the size of our Cooperative. We warmly invite all of our members to participate in the grand opening which we expect will be in June 2020.

I would also like to thank our extremely helpful Expansion Sub-Committee. As there were many questions to be answered for the upcoming expansion, we were pleased to be able to bring together a stellar group of project advisors who have met monthly since March to advise the Board and staff on matters concerning the expansion project. Our warmest appreciation to the skills and enthusiasm of three of our Former Coop Board Chairs: Paul Veit, Marc Kalifa and Steve Pedriou and Maleny all-around expert, Merek Malter.

The Past Year
The Board commends Peter and the team on the good financial result for the 2019 financial year. We appreciate the sincere efforts staff made in increasing marketing through social

media and the monthly newsletter. Both have improved steadily in quality. We also thank Fiona Emberton who served the Board at the end of 2018 as a marketing expert and continues to support the Coop staff now as a consultant. Her many insights and marketing guidance have been invaluable.

Back Garden
The Cooperative's lease includes the land behind our building that extends down to Centenary Lane. This year, the Co-op has continued to develop the garden under the supervision of Sammy Ringer and with assistance from a generous anonymous donation. Huge thanks to Laura Vecmane Bartlett, who gave considerable energy and enthusiasm as garden coordinator from mid-2018 to mid-2019.

We are also proud to partner with CHASM (Compassionate Housing Affordability Solutions Maleny) and the Maleny Neighbourhood Centre in providing space in our garden for their model small-living modular home. We are pleased to support these hard-working volunteers in addressing the housing challenges that face Maleny—while showing that small-space living can be beautiful. We expect to see the modular house open for visits before the end of 2019. As it turns out, work on the cabin is scheduled to start tomorrow morning.

Management Structure
In March 2019, the Board voted to accept a proposal by Peter Pamment that changed the Co-operative management structure. We sincerely thank Coby Verstraten for the last few years where she and Peter served as the management team, responsible for reporting to the Board and the overall Co-op management. Since March, Peter, is Business Manager and overall Co-op Manager. Coby now continues going her excellent work as Shop Manager a position she shares with Sue Verstraten. Peter has been involved in the MSC since its earliest days so brings a dedication to cooperation and an understanding of Coop history and culture.

Survey and Group Feedback Vision and Views
In May 2019, we conducted a survey so the Board could better represent the interests of its members and the community. We were very pleased to receive 170 responses to the survey which helped us understand many aspects of member and customer needs. Outstanding take-aways from the survey include:

- Friendly service and a wide range are what we are doing very well
- Improved space, layout, lighting and access is something that we can improve
- Our ethics, culture and values are important for many of our customers and members

The survey report is available on our website and is a worthwhile read for our members. Following up from the Survey, Peter and I conducted two Member Feedback and Vision sessions in June which were enjoyable and informative.

Finally, thank you for the opportunity to serve as the Board Chair in this past year. I hope the Board will be able to continue to connect with all of our members in the coming year to better improve the services we offer and continue to expand our work to support healthy people, a healthy community and a healthy planet.

— Kamala Alister, Chair

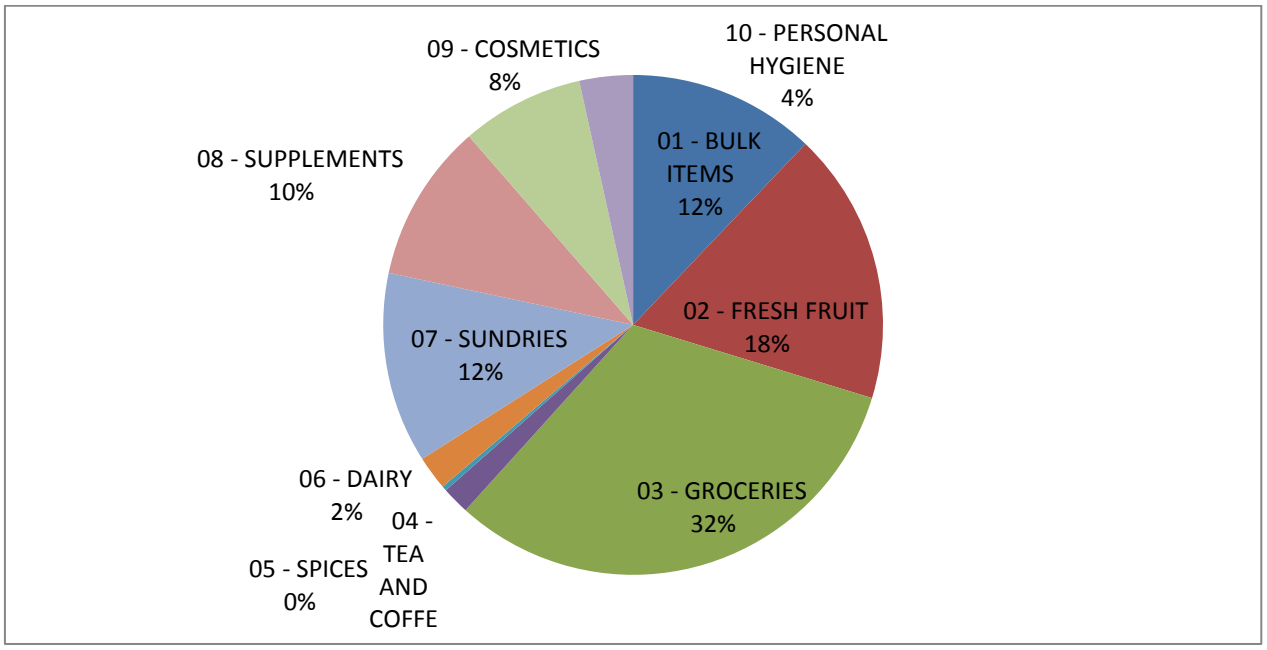
Management Report

This year we have again achieved local impact with the Co-op providing vibrant healthy food, sustainable products to our owners/members and the greater community.

Our Performance

Overall sales this year were up 2.2% to nearly $2.1m which is a good result in the slowing retail environment and maybe indicates that more people are understanding the importance of healthy food for a healthy body! Profit for the year was $73,137 and with the recent past good profits have enabled us to rebuild our balance sheet since the decline of the Upfront Club. We are approaching the coming expansion project in a stronger financial position.

Sales by Category 2019



Sales of Bulk Items was up 3.3%, Fresh fruit and Veg by 4.7% and Cosmetics by 15.4% but Dairy was down 10.6% and Supplements down 5.3%.

We have managed to save in the cost of power this year with our new additional solar panels adding to the existing supply to now top 18KW. This has given us a saving of almost $4,000pa and we produced 13.6MWh for the year.

Our Consignors

By being able to connect with our local farmers we have been able to sell produce and products locally produced to the sum of $150,000 for over 50 local consignors. This includes an extensive range of locally and organically grown vegetables and fruit, honey, drinks, skin care ranges, jams, cakes and various other groceries and much more.

Working Together

We are currently employing 16-18 staff members. This includes full time, part time, casual and school-based students. We are still one of the leading employers of the local community.

We give back consistently to local organisations that are doing good in our community through many various sponsorships and donations. This year has included CHASM, Barung, Lions Club, Maleny Show, Neighbourhood Centre and many health retreats.

With our amazing team, monthly newsletters and social media, we are able to inform our owners/members about healthy eating and lifestyle options. The experienced staff share their knowledge of products that benefit each customer/member request.

A big thank you to all the staff over the year and to the directors for their steady guidance. Special thanks to the dedicated volunteers who assist the Co-op in so many ways.

This year has seen a more streamlined management structure with the day to day Shop Manager role shared equally between Coby and Sue to cover all six days with some cross over. I have taken on overall responsibilities for all areas to give a single point of connection and liaison with the board.

Management and staff are now looking forward to supporting the board in considering strategic options for the future expansion planned for the first half of 2020, improved member/customer engagement and enhanced product offerings.

Peter Pamment, Business Manager

2018-19 YEAR IN BRIEF

PROFIT

Profit $73,137

Net Profit $55,385

Equity $278K

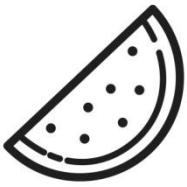
SALES

Gross Sales $2,076K

Customers 92,372

Items Sold 292K

30% Local Products

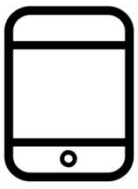


Average Sale $24

Cart Size 3 Items

SUPPLIERS

200 Suppliers



52 Consignors

4050 Stock Items

MEMBERS

975 Owner - Members

60% Sales to Members

18 Employees

Maple Street Co-operative Society Limited

Audited Financial Report
For the Year Ended 30 June 2019

Audit and Assurance Services

MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

CONTENTS

Directors' Report

Auditors' Independence Declaration

Income Statement

Balance Sheet

Statement of Changes in Equity

Cash Flow Statement

Notes to the Financial Statements

Directors' Declaration

Auditors' Report

Compilation Report

Detailed Profit and Loss Statement

MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

DIRECTORS' REPORT

Your directors present their report on the Co-operative for the financial year ended 30 June 2019.

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

Kamala Alister	
Bev Jorgensen	
Garry Claridge	retired 11 October 2018
Sammy Ringer	resigned 21 May 2019
Janet Lutje	
Yvonne Dipold	vacated 16 July 2019
Richard Ralph	
Elke Watson	appointed 23 October 2018
James Grimard	appointed 28 February 2019

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

The profit of the Co-operative for the financial year after providing for depreciation was $73,137 with an after tax profit of $55,385.

A review of the operations of the Co-operative during the financial year and the results of those operations are as follows:

Sales revenue and expenses were very similar to the previous period but productibity gains & staffing decreases gave a slightly better operations return for this year. Again, the cooperative's profit for the year has attracted an income tax liability.

No significant changes in the Co-operative's state of affairs occurred during the financial year.

The principal activities of the Co-operative during the financial year were retail sales of organic produce and products.

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

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 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.

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.

No options over issued shares or interests in the Co-operative were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

The Directors and Officers of the co-operative are covered by an indemnity policy.

An error in identifying GST collected has created a small increase in revenue and also provided the opportunity to claim $16,883 in GST overpayments from prior years. This also caused and underprovision of tax relative to prior years.

MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

DIRECTORS' REPORT

Auditors' Independence Declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 3.

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

Director: CKalister

Kamala Alister

Dated 15/10/19

AUDITORS INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
MAPLE STREET CO-OPERATIVE SOCIETY LTD

We hereby declare, that to the best of our knowledge and belief, during the year ended 30 June 2019 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Name of Firm: SDE Audit & Corporate

Name of Registered Company Auditor:

Signature valid
Digitally signed by Christine Perren
Date: 2019.10.10 14:23:09 EAS

Christine Perren

Address: Level 1, 9-15 Mill Street, Nambour QLD

Date: 10 October 2019

MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

		2019 $	2018 $
Revenue		2,075,960.09	2,025,827.11
Cost of sales & Direct costs		(1,351,203.15)	(1,315,548.65)
Gross profit		724,756.94	710,278.46
Other revenues		77,026.65	76,303.31
Administration expenses		(25,390.35)	(22,306.48)
Operating Expenses		(26,028.25)	(28,927.45)
Auditors Remuneration		(5,100.00)	(5,500.00)
Bad and doubtful debt expenses		(12.71)	(16.27)
Depreciation and amortisation expenses		(12,392.00)	(10,901.00)
Employee benefits expenses		(512,716.50)	(513,410.41)
Finance Costs		(6,651.89)	(7,694.78)
Occupancy expenses		(134,667.55)	(134,821.33)
Other expenses		(5,687.60)	(3,688.41)
Profit before income tax	**3**	73,136.74	59,315.64
Income tax expense	**4**	(17,751.80)	(10,825.10)
Profit after income tax		55,384.94	48,490.54
Retained earnings at the beginning of the financial year		124,589.84	76,099.30
Profit attributable to members of the cooperative		179,974.78	124,589.84

The accompanying notes form part of these financial statements.

MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

		2019 $	2018 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	**5**	76,666.36	34,777.33
Trade and other receivables	**6**	25,216.27	2,991.92
Inventories	**7**	145,143.66	137,449.20
Other current assets	**8**	7,428.45	7,207.41
TOTAL CURRENT ASSETS		254,454.74	182,425.86
NON-CURRENT ASSETS			
Financial assets	**9**	15.00	15.00
Property, plant and equipment	**10**	141,466.22	144,135.17
TOTAL NON-CURRENT ASSETS		141,481.22	144,150.17
TOTAL ASSETS		395,935.96	326,576.03
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	**11**	66,418.57	75,320.42
Financial liabilities	**12**	570.13	518.39
Provisions	**13**	29,884.23	39,746.15
Tax liabilities	**14**	6,279.80	-
Other current liabilities	**15**	3,573.90	1,030.30
TOTAL CURRENT LIABILITIES		106,726.63	116,615.26
NON-CURRENT LIABILITIES			
Provisions	**13**	11,334.50	6,979.50
TOTAL NON-CURRENT LIABILITIES		11,334.50	6,979.50
TOTAL LIABILITIES		118,061.13	123,594.76
NET ASSETS		277,874.83	202,981.27
EQUITY			
Issued capital	**16**	25,200.00	25,000.00
Reserves	**17**	55,816.43	53,391.43
Retained earnings	**18**	196,858.40	124,589.84
TOTAL EQUITY		277,874.83	202,981.27

The accompanying notes form part of these financial statements.

MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019

	Note	Retained earnings	Capital Reserve Account	Total
		$	$	$
Balance at 1 July 2017		76,099	50,141	126,241
Forfeited Shares	**17**		3,250	3,250
Profit attributable to equity shareholders		48,491		48,491
Balance at 30 June 2018		124,590	53,391	177,981
Profit attributable to equity shareholders		55,385		55,385
Forfeited Shares	**17**		2,425	2,425
Prior Period Adjustment		16,884		16,884
Balance at 30 June 2019		196,858	55,816	252,675
Issued Capital	**16**			25,200

The accompanying notes form part of these financial statements.

MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019 $	2018 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	2,130,429.43	2,102,046.35
Payments to suppliers and employees	(2,075,312.45)	(2,050,493.18)
Interest received	320.25	67.62
Finance Costs	(6,651.89)	(7,694.78)
Net cash provided by operating activities	48,785.34	43,926.01
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment	(9,723.05)	(15,887.00)
Net cash used in investing activities	(9,723.05)	(15,887.00)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issue	2,975.00	1,850.00
Repayment of borrowings	51.74	(25,755.78)
Redemption of shares	(200.00)	(375.00)
Net cash provided by (used in) financing activities	2,826.74	(24,280.78)
Net increase in cash held	41,889.03	3,758.23
Cash at beginning of financial year	34,777.33	31,019.10
Cash at end of financial year	76,666.36	34,777.33

The accompanying notes form part of these financial statements.

The financial report covers Maple Street Co-Operative Society Ltd as an individual entity. Maple Street Co-Operative Society Ltd is a for profit cooperative, incorporated and domiciled in Australia.

The functional and presentation currency of Maple Street Co-Operative Society Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the directors opinion, the Cooperative is not a reporting entity since there are unlikely to exist users of the financial report who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has been prepared to meet the reporting requirements of the Cooperatives Act 1997.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements that are mandatory under the Australian Accounting Standards applicable to entities reporting under the Cooperatives Act 1997.

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

2 Summary of Significant Accounting Policies

Inventories

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

Property, Plant and Equipment

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

Plant and equipment

Plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Depreciation

The depreciable amount of all fixed assets including building and capitalised lease assets is depreciated on a straight line basis over the asset

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

Class of Fixed Asset	Depreciation Rate
Building Improvements	2.5%
Plant and Equipment	10% - 50%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Leases

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term.

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

Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the cooperative commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit and loss", in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method, or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial assets or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

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

Fair value is the price the cooperaitve would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date. Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

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

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount including profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

(iii) Held-to-maturity investments

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

(iv) Available-for-sale investments

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

They are subsequently measured at fair value with any remeasurements other than impairment losses and foreign exchange gains and losses recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are classified as non-current assets when they are not expected to be sold within 12 months after the end of the reporting period. All other available-for-sale financial assets are classified as current assets.

(v) Financial liabilities

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

Impairment

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

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the cooperative recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss events that have occurred are duly considered.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability, which is extinguished or transferred to another party, and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Impairment of Non-Financial Assets

At the end of each reporting period the cooperative determines whether there is an evidence of an impairment indicator for non-financial assets.

Where this indicator exists the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

Employee Benefits

Short term employee benefits

The cooperative's obligation for short term employee benefits such as wages, salaries and sick leave are recognised as part of current provisions in the statement of financial position.

Contributions are made by the entity to an employee superannuation fund and are charged as expensed when incurred.

Other long term employee benefits

The cooperative classifies employees' long service leave and annual leave entitlements as other long term employee benefits as they are not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Provision is made for the cooperative's obligation for other long term employee benefits, which are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, duration of service and employee departures, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the remeasurement of obligations for other long term employee benefits, the net change in the obligation is recognised in profit or loss classified under employee benefits expense.

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

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

Provisions

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

Provisions recognised represent the best estimate of the amounts required to settle the obligation at reporting date.

Cash and Cash Equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue and Other Income

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

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument.

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

Trade and Other Receivables

Trade receivables are recognised initially at the transaction price (i.e. cost) and are subsequently measured at cost less provision for impairment. 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.

At the end of each reporting period, the carrying amount of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in income statement.

Trade and Other Payables

Trade and other payables represent the liabilities at the end of the reporting period for goods and services received by the cooperative that remain unpaid.

Trade payables are recognised at their transaction price. Trade payables are obligations on the basis of normal credit terms.

Borrowing Costs

All borrowing costs are recognised in income in the period in which they are incurred.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

Where a change in comparatives has also affected the opening retained earnings previously presented in a comparative period, an opening statement of financial position at the earliest date of the comparative period has been presented.

Critical Accounting Estimates and Judgments

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

Key estimates - Impairment - General

The cooperative assesses impairment at the end of each reporting period by evaluating the conditions and events specific to the cooperative that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

		2019 $	2018 $
3	**Profit before Income Tax**		
	Expenses		
	Cost of sales	1,351,203.15	1,315,548.65
	Interest Paid	51.89	1,094.78
	Depreciation of property, plant and equipment	12,392.00	10,901.00
	Bad Debts Written Off	12.71	16.27
	Auditor's Remuneration	5,100.00	5,500.00
	Leasing Charges	6,600.00	6,600.00
4	**Income Tax Expense**		
	The components of tax expense comprise:		
	Income Tax Expense	12,983.03	10,825.10
	Underprovision for Income Tax - Prior Year	4,768.77	-
		17,751.80	10,825.10
5	**Cash and Cash Equivalents**		
	Cash Register Float	750.00	750.00
	Safe Float	1,000.00	1,000.00
	Cash at Bank	74,916.36	33,022.43
	Paypal Account	-	4.90
		76,666.36	34,777.33
	Reconciliation of cash		
	Cash at the end of the financial year as shown in the cash flow statement is reconciled to the related items in the balance sheet as follows:		
	Cash and cash equivalents	76,666.36	34,777.33
		76,666.36	34,777.33

		2019 $	2018 $
6	**Trade and Other Receivables**		
	Current		
	Trade Debtors	2,114.66	1,982.02
	GST Payable	23,101.61	-
	Income Tax Refundable	-	1,009.90
		25,216.27	2,991.92
7	**Inventories**		
	Current		
	Stock on Hand	145,143.66	137,449.20
8	**Other Assets**		
	Current		
	Prepayments	7,428.45	7,207.41
9	**Other Financial Assets**		
	Non-Current		
	Shares in Unlisted Companies	15.00	15.00
10	**Property, Plant and Equipment**		
	BUILDINGS		
	Buildings at:		
	Directors' valuation	135,700.17	135,006.53
	Less accumulated depreciation	(38,265.00)	(34,881.00)
	Total Buildings	97,435.17	100,125.53

	2019 $	2018 $
PLANT AND EQUIPMENT		
Plant and Equipment:		
At cost	167,913.87	159,674.46
Accumulated depreciation	(123,882.82)	(115,664.82)
Total Plant and Equipment	44,031.05	44,009.64
Total Property, Plant and Equipment	141,466.22	144,135.17

11 Trade and Other Payables

Current		
Trade Creditors	45,408.42	54,385.19
Superannuation Guarantee Payable	10,266.33	11,080.15
PAYG - Employees	5,077.00	5,724.00
June PAYG Instalment Payable	2,868.00	2,959.00
GST Payable	2,798.82	1,172.08
	66,418.57	75,320.42

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.

12 Financial Liabilities

Current		
Bank Loan	570.13	518.39
Total borrowings	570.13	518.39

		2019 $	2018 $
13	**Provisions**		
	Current		
	Provision for Annual Leave & Long Service Leave	15,820.24	25,620.15
	Accrued Expenses	14,063.99	14,126.00
		29,884.23	39,746.15
	Non-Current		
	Provision for Long Service Leave	11,334.50	6,979.50
14	**Tax**		
	Liabilities		
	Current		
	Provision for Income Tax	6,279.80	-
15	**Other Liabilities**		
	Current		
	Income in Advance	3,573.90	1,030.30

	2019 $	2018 $

16 Issued Capital

1008 Shares at $25 per Share	25,200.00	25,000.00

Ordinary shares participate in the proceeds on winding up of the cooperative in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management to control the capital of the cooperative since the prior year.

17 Reserves

Capital Reserve Account

Capital Reserve Account relates to funds retained by the cooperative from cancelled shares of members that cease to meet active membership requirements and forefit shares.

18 Retained Earnings

Retained earnings at the beginning of the financial year	124,589.84	76,099.30
Net profit attributable to members of the Co-operative	55,384.94	48,490.54
Prior Period Adjustment	16,883.62	-
Retained earnings at the end of the financial year	196,858.40	124,589.84

The prior period adjustment relates to the effect of GST overpayments in prior years.

	2019 $	2018 $

19 Capital and Leasing Commitments

Operating Lease Commitments

Non-cancellable operating leases contracted for but not capitalised in the financial statements:

Payable - minimum lease payments (excl Outgoings)		
Not later than 12 months	(84,985.00)	(84,985.00)
Between 12 months and five years	(339,940.00)	(339,940.00)
Greater than five years	(5,948,967.00)	(6,033,952.00)
	(6,373,892.00)	(6,458,877.00)

The cooperative has committed to a 99 year lease in 1994.

The property lease commitments are non-cancellable operating leases contracts, not capitalised in the financial statements, with a ninety-nine year term. Increase in lease commitments may occur in line with the terms of the lease.

	2019 $	2018 $
20 Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Profit after income tax	55,384.94	48,490.54
Non-cash flows in profit		
Doubtful debts	12.71	16.27
Depreciation	12,392.00	10,901.00
Revaluation of Inventory	5,716.59	2,569.25
Shares donated	(150.00)	-
Prior Year GST adjustments	16,883.62	-
Changes in assets and liabilities, net of the effects of purchase and disposals of subsidiaries		
(Increase) Decrease in current inventories	(13,411.05)	(947.65)
(Increase) Decrease in current receivables	(22,458.10)	(16.45)
(Increase) Decrease in prepayments	-	(2,609.45)
Increase (Decrease) in payables	(8,901.85)	1,606.29
Increase (Decrease) in provisions and accrued expenses	772.88	(13,977.95)
Increase (Decrease) in income in advance	2,543.60	(2,105.84)
	48,785.34	43,926.01

21 Statutory Information

The registered office of the company is:

Maple Street Co-Operative Society Ltd

37 Maple Street
Maleny Qld 4552

The principal place of business is:

37 Maple Street
Maleny Qld 4552

MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

DIRECTORS' DECLARATION

The directors have determined that the Co-operative is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors declare that:

1. The financial statements and notes as set out on pages 2 to 23 are in accordance with the Cooperatives Act 1997;

   (a) comply with Accounting Standards; and

   (b) give a true and fair view of the cooperative's financial position as at 30 June 2019 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements.

2. In the directors' opinion there are reasonable grounds to believe that the cooperative will be able to pay its debt as and when they become due and payable.

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

Director: C Kalister

Kamala Alister

Dated 15/10/19

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report, of Maple Street Co-Operative Society Ltd, (the cooperative) which comprises the statement of financial position as at 30 June 2019 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the cooperative is in accordance with the Cooperatives Act 1997, including:

(i) giving a true and fair view of the cooperative's financial position as at 30 June 2019 and of its financial performance for the year ended; and

(ii) complying with Australian Accounting Standards to the extent described in Note 1, and the Cooperatives Act 1997.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Report section of our report. We are independent of the cooperative in accordance with the auditor independence requirements of the Cooperatives Act 1997 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the code.

We confirm that the independence declaration required by the Cooperatives Act 1997, which has been given to the directors of the cooperative, would be in the same terms if given to the directors as at the time of this auditors' report.

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

Emphasis of Matter- Basis of Accounting

We draw attention to note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Cooperatives Act 1997. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect to this matter.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

Responsibilities of Directors' for the Financial Report

The directors of the cooperative are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in note 1 to the financial report is appropriate to meet the requirements of the Cooperatives Act 1997 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine 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 cooperative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the cooperative or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibility 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 auditors' 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

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

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

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

Name of Firm: SDE Audit & Corporate

Registered Company Auditor: Signature valid
Digitally signed by Christine Perren
Date: 2019.10.17 09:50:54 EAS

Christine Perren

Address: Level 1, 9-15 Mill Street, Nambour QLD

Date: 17 October 2019

COMPILATION REPORT
TO MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160

We have compiled the accompanying special purpose financial statements of Maple Street Co-Operative Society Ltd which comprise the balance sheet as at 30 June 2019, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

The specific purpose for which the special purpose financial report has been prepared is to provide information relating to the performnace and financial position of the cooperative that satisfies the information needs of the directors.

The responsibility of directors

The directors are solely responsible for the information contained in the special purpose financial report and have determined that the accounting policies used are consistent and are appropriate to satisfy the requirements of the directors.

Our responsibility

On the basis of information provided by the directors, we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting adopted and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the director provided, into a financial report. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial report was prepared exclusively for the directors. We do not accept responsibility to any other person for the content of the special purpose financial statements.

Name of Firm: SDE Audit & Corporate

Signature valid
Digitally signed by Christine Perren
Date: 2019.10.17 09:52:11 EAS

Name of Partner: _____

Christine Perren

Address: Level 1, 9-15 Mill Street, Nambour QLD 4560

Dated: 17 October 2019

MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019 $	2018 $
SALES		
Sales	2,033,950.54	1,984,410.74
Consignment Commissions	42,009.55	41,416.37
	2,075,960.09	2,025,827.11
LESS: COST OF GOODS SOLD		
Opening Stock	137,449.20	137,409.00
Purchases	1,332,629.62	1,293,392.72
Closing Stock	(145,143.66)	(137,449.20)
	1,324,935.16	1,293,352.52
LESS: DIRECT COSTS		
Goods Written Off	3,593.54	2,445.40
Freight and Cartage	10,678.68	10,417.86
Packing Material	6,279.18	6,769.92
Stocktake Variance	5,691.00	2,084.00
Till Errors	25.59	478.95
	26,267.99	22,196.13
GROSS PROFIT FROM TRADING	724,756.94	710,278.46
OTHER INCOME		
Donations Received	150.00	175.00
Interest - Bank	320.25	67.62
Annual Subscriptions	17,777.09	16,807.94
Rent & Outgoings Received	57,476.33	58,337.78
Sundry Income	1,302.98	914.97
	77,026.65	76,303.31
	801,783.59	786,581.77
EXPENSES		
Accountancy Fees	1,500.00	1,500.00
Advertising	856.36	2,306.36
Auditor's Remuneration	5,100.00	5,500.00
Bad Debts Written Off	12.71	16.27
Bank Charges	10,160.25	8,792.77
Computer Expenses	3,550.36	2,321.12
Cleaning	1,610.55	1,424.49
Consultants	1,760.00	-
Depreciation	12,392.00	10,901.00
Donations	54.62	136.40
Employees' Amenities	3,283.00	1,787.47
General Expenses	3,872.98	3,552.01

MAPLE STREET CO-OPERATIVE SOCIETY LTD
ABN: 22 528 678 160
PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2019

	2019 $	2018 $
Insurance	9,424.20	9,827.75
Interest Paid	51.89	1,094.78
Leasing Charges	6,600.00	6,600.00
Light & Power	16,561.23	20,194.32
Long Service Leave Provision	(5,444.91)	(6,088.12)
Meeting Expenses	5,588.17	5,948.80
Permits, Licences & Fees	725.05	549.00
Postage	161.64	385.83
Printing & Stationery	9,433.56	9,052.21
Rates & Taxes	21,441.80	19,927.72
Rent	87,534.80	84,985.24
Repairs & Maintenance	3,650.67	3,965.21
Security Costs	468.00	607.72
Subscriptions	584.54	254.55
Superannuation Contributions	43,042.80	43,279.83
Telephone	3,400.50	3,716.63
Work Cover	9,434.47	10,175.54
Volunteer Expenses	-	120.00
Wages	471,835.61	474,431.23
	728,646.85	727,266.13
Profit before income tax	73,136.74	59,315.64