



ANNUAL REPORT 2013

Blue Mountains Food Co-op Ltd.

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CHAIR'S REPORT

Georgia Page

The Chair submits this report for the November 26, 2013 Annual General Meeting of the Blue Mountains Food Cooperative Ltd.

The Directors also submit the Treasurer's Financial Report and the Auditor's Report for the financial year ended June 30, 2013.

First, I would like to thank each of you for coming this evening – the board does its best to represent members at all times and having you here to express your opinions and share your ideas is invaluable to the strength of our cooperative.

Our last members meeting was the 2012 AGM last November and I will look back over the full year in this review.

FINANCE

Our Balance Sheet is healthy and our financial reserves are strong. The Treasurers Report will cover our financial activity in detail.

One of the best things to happen to the Co-op this year has been the arrival of Gren Olsen as a Director and Treasurer. It has been quite some time since the Co-op board has included an accountant and we have all benefitted **immensely from Gren's ability to put numbers** into clear and simple terms.

THE BOARD

The board has enjoyed another very productive and collaborative year. This has been our first year working with Halin in the role of Co-op manager and it has had a significant impact on the productivity of the board and the workload of directors. So much so that we are proposing to reduce the discount offered to directors from 30% back to 20%.

We are farewelling Amanda Quinn after 2 years on the board. Amanda is a long-term member of the Co-op and a very active volunteer. For many years, she has provided the delicious treats that we have enjoyed at Co-op events and in 2011 Amanda was the

driving force behind our fabulous 30th Birthday Community Fair. Amanda has been given life membership in recognition of her significant contribution to the Co-op. Amanda has had a strong voice on the board and has brought her commitment to fairness and social justice to **all our deliberations. And she's always good for a laugh!** Thank you for your hard work and **commitment Amanda and, although we'll miss you on Tuesday nights, I know you will remain an active force in the Co-op.**

It is fantastic to see the board in a phase now where our numbers are strong and there are generally only 1-2 new directors joining at a time. This affords both the board and staff stability and consistency and over time will make for more productive governance.

Board Attendance of Meetings (see table next page)

OUR PROGRESS

The Co-op has enjoyed another year of great leaps forward and I would like to thank all of our staff for this. Halin will complete her first full year in the role of manager next month and I think it is fair to say that this appointment has been a resounding success. As I mentioned above, the workload of directors has shifted significantly since Halin stepped into this role and the Co-op has achieved a number of goals that have been on our wish list for quite some time.

The establishment of new pay scales and the Enterprise Bargaining Agreement (EBA) has been on the cards for over two years and, after a very lengthy and detailed process, staff moved onto their new increased pay rates on July 1 2013 and our EBA has received approval from Fair Work Australia. Both the pay scales and EBA negotiations were driven by Halin in close association with the retail employees union.

Board Attendance of Meetings

The Directors of the Co-op and the meetings they attended for the 2011/2012 financial year were as follows:

| Director | Position | Start of Term | End of Term | Meet-ings Held | Meetings Attended |
|--------------------------------------|-------------------------|--|-------------|----------------|-------------------|
| Bloomfield, Marlena | Treas-urer/ Director | Elected 26/6/10 | Nov 2012 | 11 | 10 |
| Buttrose, Larry | Director | Elected 26/6/10 | Nov 2012 | 11 | 10 |
| Dow, Kym | Employee Director | Elected 19/11/11 | Nov 2013 | 3 | 2 |
| Dudley-Bestow, Ian Mi- chael Alan | Director | Re-elected 21/11/09 Chair until 16/2/10 | Nov 2011 | 11 | 11 |
| Maclean, William Bruce | Director | Elected 19/11/11 | Nov 2013 | 7 | 6 |
| Page, Georgia Lord | Chair/ Di- rector | Re-elected 21/11/09 Chair from 16/2/10 | Nov 2011 | 11 | 11 |
| Quinn, Amanda | Director | Elected 19/11/11 | Nov 2013 | 7 | 7 |

The next priority is to address the policies and procedures documentation for the Co-op.

Another lengthy and detailed process I'm sure but one that will set the Co-op in good stead as we continue to grow, and that will also allow us to support and share information with new and growing Co-op's.

A few new initiatives in the shop are well worth mentioning in this years round up. The Co-op now runs a training program for all volunteers. The training covers safety and how things work in the shop to help our wonderful volunteers be as useful as possible. And the Co-op is now on facebook; the page is maintained and updated regularly with information about what is in stock, how to use unusual ingredients and general Co-op info. We have 500 likes and this is growing all the time. Its fabulous to see initiatives like these come to fruition, our staff are a very talented and passionate group of people and the many ways they contribute to the shop are much appreciated.

One of our biggest concerns this year was the impact that the construction project at the old Coles site might have on our customers and

sales. Remarkably, our sales have increased over this time rather than diminished. This is due in no small part to the efforts of our staff who regularly carry large loads of shopping to far flung car parks and make shopping at the Co-op **something we won't give up, no matter** how tricky it is to access.

Sadly the story isn't the same for many businesses on Katoomba St, the number of empty shopfronts is very sad to see and I urge you all to remember to buy local whenever possible, especially over the festive season when many retail businesses make the bulk of their profits.

So, at the end of another year, I'm thrilled to say that things are positive at the Co-op. We have fantastic staff, loyal members, our local produce section continues to grow and every day we throw open our doors to provide good **food that doesn't cost the earth!**

TREASURER'S REPORT

Gren Olsen

Madame Chair, members of the board, staff and members of the Co-op. I present the **treasurer's report for the year ended 30th June 2013.**

Sales for the year were a strong \$2.84m compared with \$2.56m the previous year, an increase of 10.9%. The members enjoyed \$298,349 in discounts compared with \$52,468 in 2012. The gross profit percentage of 23.5% was well up to industry standards. After expenses of \$664,599 we were left with net income of \$20,314 compared with \$12,641 for 2012.

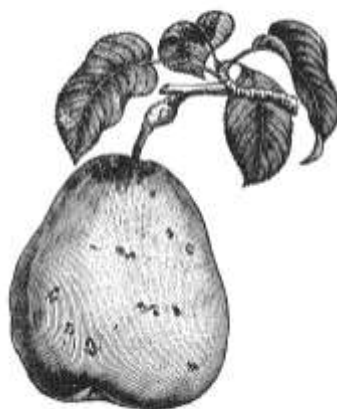
The closure of the Woolworths site and the resultant drop in passing foot traffic and increased difficulty of parking have had no perceivable effect on our business. This is evidence I believe of the support and loyalty of our members and customers and of their approval of our products and ethos.

At balance date we had \$506,830 in cash and deposits and \$89,057 in inventory. Our plant and equipment had a written down value of \$73,704 giving total assets of \$700,044. Liabilities and provisions amounted to \$142,302 leaving net assets of \$557,743, most of which, you will observe, is in cash, putting us in a strong position to expand our operations should appropriate opportunities arise. The board and our general manager Halin are constantly seeking and evaluating potential opportunities.

Thus a solid and satisfying financial year, maintaining the fiscal strength of the Co-operative which is being continued in first four months of the current year where results are slightly ahead of budget.

None of this could have been possible without the hard work and unfailing cheerfulness of the staff lead by Halin and the contribution of the volunteers and directors; to all of whom I offer my thanks and congratulations on a job well done.

I commend the Accounts to the Meeting.



SHOP REPORT Halin Nieuwenhuysse

Once again it has been a busy and productive year at the Co-op. After the big changes with the new POS system in 2011 and shop refit in 2012, this year has been a year of consolidating our internal processes and administration and letting the dust settle a little.

The reorganisation of the shop meant that we had to change many of the ways that we did things in the shop – the filling trolleys just **didn't fit so easily down the aisles anymore**. So we have spent a lot of time streamlining how jobs get done in the shop, who does them and when. The introduction of early morning filling shifts and one evening filling shift have meant that most of the bulk filling now happens out of hours.

We have continued to source new products for the shop which always seems to generate a bit of excitement with the possibility of discovering a new tasty treat, interesting ingredient or other handy item tucked away on the shelves somewhere. We wondered if perhaps the growth in sales at the beginning of the year after the closure of the Coles carpark (which we were all worried about) could also in part be due to the Co-op selling toilet paper -since that was often the one item that people would go to the supermarket for.

It's pretty amazing what we are able to do in our limited space, even though most people would prefer something a bit roomier. Ever since we moved to our current shop 15 years ago we have been on the lookout for something bigger with a loading dock and plenty of parking. This year has been no **different, and we've searched the length and breadth of Katoomba St and beyond but have yet to secure the ideal location.** So we have taken up the option on our lease for a further three years and will continue to make the **absolute most of what we've got.**

Last year we mentioned plans to do a second stage shop refit where we hoped to upgrade the sink and fridge side of the shop. The plan

was to replace our existing fridges with open diary and produce fridges. So far this is not looking like a feasible option as they are far more energy hungry and inefficient compared to our current fridges. For the time being, even though it is inconvenient pulling all the fruit and veg out of the coolroom in the morning and putting it away at night, we will be sticking with our current fridges and going ahead with upgrading the oils and tahini area.

With most of the curly admin jobs well on the way to being finished, our cupboards cleaned **and our POS system fully functioning, it's time to broaden our horizons and follow up some of the Co-op's long held dreams such as** providing education about our products and healthy eating. This has started happening in a small way with fortnightly food demos outside the shop by the wonderful Kay Ridgway and **Emily Yates. We'd also love to be able to** continue to explore options for getting our own commercial kitchen up and running and start some cooking classes, to further our links with nearby producers to be able to source more of our fresh produce locally, and find ways to support other communities in starting their own Co-ops.

For those of you who were here last year you might remember me crying my way through my report – not because I was sad, but because I was feeling incredibly grateful for all the wonderful people – staff and directors, volunteers and members that I work with and the sense of goodwill and peace that had descended on the Co-op in recent times.

I'm still just as grateful and I'd like to say thank you firstly to the Board for the good humour, commitment and insight you have brought to the Co-op. I know that the workload for the Board has reduced since having a manager but you are still all donating your precious time out of your busy lives. – **I'd like to** acknowledge how helpful it is for me in my work to have all those extra wonderful minds – to chew through sometimes tricky decisions and figure out the best courses of action.

I'm also incredibly grateful to all the Co-op staff who constantly offer their care, creativity, concern, inspiration, skill, sense of fun and sheer hard work to help make the Co-op the special place that it is.

We're always sad when some of our valued staff members move on, but it's also exciting to get to know our new recruits and what they bring to the Co-op. This year we lost Jenna who decided not to come back to the Co-op after her trip to India last year and long term worker Nic who moved to Queensland for some warmer weather and better job prospects for her partner. We also lost two schoolies; Ebony who left the Co-op to become a new mum, and Louise who went off on her grand overseas adventure.

But we were happy to welcome Sues and Maeve as new relief workers and Leanne who has taken on permanent shifts. We were also very delighted to keep the ever smiling Sam who graduated from after school worker to relief worker earlier this year. And we were happy to recruit three brand new afterschool workers or schoolies as we fondly call them, Cory, Oliva and Felix.

I'd especially like to thank Collette with help from Lesley for doing such a great job this year coordinating and training our volunteers. Our vollies do a great job helping out in the shop keeping it clean and tidy – restocking the shelves and all manner of other jobs. We also have talented volunteers like Anne Niddrie helping us with our blog on the website, Michael Hargraves helping us make a promotional video, and Kay Ridgway and Emily Yates– local naturopaths coming into the shop to answer nutritional questions and do **fortnightly food demos. I'd also like to thank** Kalindra and her team of cleaning bee vollies who come in once a month and clean all of the bits of the Co-op **that don't get done at the** end of each night.

And most importantly I'd like to thank our members for your patience, your wonderful stories and your commitment to spending your food dollars at the busiest little food co-op in Australia.



DONATIONS REPORT Susan Ambler

As the Co-op continues our important commitment to donating to our local community and those in need, we have over the last financial year donated \$1080 in Regular donations.

Regular donations of \$30 worth of food products per month have been made to the Katoomba Neighbourhood Centre to help them provide their monthly free lunches. There have been regular donations of \$30 worth of food made to the Katoomba Community Gardens to support them in their work.

Regular donations of \$30 worth of food products per month were also made to representatives of the Blue Mountains Refugee Support Committee who journeyed down to Villawood regularly to visit detainees in the Villawood Detention Centre. Detainees greatly appreciated our donations of dates, honey and other foodstuffs from their own cultural backgrounds.

Donations Box

The donations box is a way for the Co-op to facilitate member and shopper donations to wider causes and also to continue support to those groups that we cannot afford to support Regularly or Irregularly at the moment. Over the last financial year the box has been dedicated to a different group for three months at a time. These have been; July to September 2012 \$130 for a BMRSRG urgent appeal; October to December 2012 \$200 Family Support Christmas Appeal; January to March 2013 \$170 Tasmanian Bushfires; April to June 2013 \$? Vale Street Men's Bushcare project. In July to September 2013 we have just raised \$200 for the BM Food Rescue and Soul Kitchen and the Donations Box is currently receiving donations for the Blue Mountains Family Support Christmas Appeal.

Change to financial year

As from January 2014 Donations will be budgeted and organised on a calendar year rather than a financial year basis. This is due to the

Change to percentage donated

At the AGM 2013 it was voted to raise our donation level to 10% of our annual net profits, up from 5% previously - this will be wonderful as in a low year such as the last few it will bring donations up to a workable amount eg around \$2000 rather than \$1000 This will make it possible to again offer Irregular/ occasional donations as well as our Regular donations.

In our better years we will be able to pass on that fruitfulness also. There was also some discussion of other methods of giving to our community in terms of education and support, and looking at perhaps setting up a Co-op trust or approving an even higher percentage for donations. This is the beginning of a great conversation for the Co-op and I am very glad that we are now in a position to look at ideas such as these and more once again.

Handover

With some sadness I am actually finishing my employment with the Co-op after ten years. I will certainly not be ending my shopping relationship and who knows I may be available to help out on the Board in future. Therefore I am handing over the responsibility for the Donations to Lesley Sammon.



BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Directors' Report

Your directors present this report on the co-operative for the financial year ended 30 June 2013.

Directors

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

Georgia Page
Gren Olsen
Larry Buttrose
Will MacLean
Amanda Quinn
Cathy Cavanagh

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

Operating Result

The profit of the co-operative for the financial year after providing for income tax amounted to:

| Year ended | Year ended |
|--------------|--------------|
| 30 June 2013 | 30 June 2012 |
| \$ | \$ |
| 20,314.46 | 12,640.72 |

Principal Activities

The principal activities of the co-operative during the course of the year were operation of food co-operative.

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

Significant Changes in the State of Affairs

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

After Balance Date Events

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 subsequent financial years.

Future Developments

The co-operative expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

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.

The accompanying notes form part of these financial statements.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Directors' Report

Dividends

No dividends were declared or paid since the start of the financial year. No recommendation for payment of dividends has been made.

Share Options

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.

Directors Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the co-operative or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Indemnifying Officer or Auditor

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

Proceedings on Behalf of Co-operative

No person has applied for leave of Court to bring proceedings on behalf of the co-operative or intervene in any proceedings to which the co-operative is a party for the purpose of taking responsibility on behalf of the co-operative for all or any part of those proceedings. The company was not a party to any such proceedings during the year.


Auditors Independence Declaration

A copy of the auditor's independence declaration as required has been included.

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



Georgia Page
Director



Gren Olsen
Director

Dated: 9 September, 2013

The accompanying notes form part of these financial statements.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED
Auditor's Independence Declaration

UNDER THE CO-OPERATIVES ACT

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2013 there have been :

- (i) no contraventions of the auditor independence requirements as set out in the Co-operatives Act in relation to the Audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit

William Tomiczek
Registered Company Auditor 1425
66 Emu Plains Rd Mt Riverview 2774



09/09/2013

Mt Riverview

The accompanying notes form part of these financial statements.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2013

| | Note | 2013 \$ | 2012 \$ |
|--|------|----------------|----------------|
| Revenue | 2 | 2,843,623.57 | 2,562,778.67 |
| Other revenue | 2 | (211,244.86) | 39,892.19 |
| Cost of sales | | (1,947,464.99) | (1,916,820.81) |
| Gross profit | | 684,913.72 | 685,850.05 |
| Other income | 2 | 1,463.60 | 1,009.11 |
| Marketing | | (2,666.20) | (1,734.02) |
| Selling expenses | | (602.41) | (61.67) |
| Administration expenses | | (662,794.25) | (672,422.75) |
| Operating profit before income tax | | 20,314.46 | 12,640.72 |
| Income tax (credit) attributable to operating profit (loss) | | | |
| Operating profit after income tax | | 20,314.46 | 12,640.72 |
| Retained profits at the beginning of the financial year | | | |
| Total available for appropriation | | 20,314.46 | 12,640.72 |
| Retained profits at the end of the financial year | | 20,314.46 | 12,640.72 |
| Other comprehensive income: | | | |
| Items that will not be reclassified to profit or loss: | | | |
| Items that will be reclassified subsequently to profit or loss when specific conditions are met: | | | |
| Total other comprehensive income for the year, net of tax | | | |
| Total comprehensive income for the year | | 20,314.46 | 12,640.72 |

The accompanying notes form part of these financial statements.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Detailed Profit and Loss Statement

For the year ended 30 June 2013

| | 2013 \$ | 2012 \$ |
|---|--------------|-------------|
| Income | | |
| Trading profit | 896,158.58 | 645,957.86 |
| Discounts to members | (298,349.09) | (52,468.97) |
| Interest received | 13,343.65 | 16,258.50 |
| Membership Fees | 60,253.02 | 59,916.52 |
| Other non-operating revenue | 1,463.60 | 1,009.11 |
| Rent received | 13,507.56 | 16,186.14 |
| Total income | 686,377.32 | 686,859.16 |
| Expenses | | |
| Accountancy | 6,442.25 | 15,226.79 |
| Advertising and promotion | 2,666.20 | 1,734.02 |
| Audit fees | 2,581.82 | 4,400.00 |
| Bad Debts | 29.66 | |
| Bank Fees And Charges | 5,593.36 | 5,263.44 |
| Cleaning/rubbish removal | 14,402.07 | 16,071.55 |
| Consultants fees | 602.41 | 61.67 |
| Depreciation - other | 17,773.25 | 5,461.08 |
| Donations | 1,390.07 | 2,468.50 |
| Light, Power & Heating | 6,749.72 | 6,441.53 |
| Fees & charges | 2,046.36 | 1,455.29 |
| General expenses | 15,531.09 | 12,114.31 |
| Computer | 11,488.56 | 8,831.80 |
| Insurance | 11,502.01 | 10,876.04 |
| Packaging | 1,139.88 | 3,259.00 |
| Printing & stationery | 3,146.55 | 8,721.94 |
| Rent on land & buildings | 65,769.66 | 63,240.00 |
| Repairs & maintenance | 4,174.88 | 2,379.74 |
| Security | 541.04 | 947.90 |
| Staff amenities | 2,830.92 | 3,561.47 |
| Staff training | 1,000.00 | 1,036.49 |
| Superannuation | 34,667.63 | 35,806.13 |
| Telephone & Postage | 3,975.14 | 4,919.96 |
| Worker's Compensation Insurance | 17,850.48 | 16,712.29 |
| Travel, accom & conference | 2,779.63 | 2,708.27 |
| Wages | 429,388.22 | 440,519.23 |
| Total expenses | 666,062.86 | 674,218.44 |
| Profit from Ordinary Activities before income tax | 20,314.46 | 12,640.72 |

The accompanying notes form part of these financial statements.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED
Statement of Financial Position As At 30 June 2013

| | Note | 2013 \$ | 2012 \$ |
|--------------------------------------|------|-------------------|-------------------|
| Current Assets | | | |
| Cash assets | 4 | 489,649.55 | 500,503.64 |
| Receivables | 5 | 4,272.46 | 3,991.82 |
| Inventories | 6 | 89,057.91 | 81,414.27 |
| Other financial assets | 7 | 1,000.00 | 1,000.00 |
| Current tax assets | 8 | 25,168.23 | (669.80) |
| Total Current Assets | | 609,148.15 | 586,239.93 |
| Non-Current Assets | | | |
| Receivables | 5 | 17,191.45 | 17,191.45 |
| Property, plant and equipment | 9 | 73,704.75 | 91,669.54 |
| Total Non-Current Assets | | 90,896.20 | 108,860.99 |
| Total Assets | | 700,044.35 | 695,100.92 |
| Current Liabilities | | | |
| Payables | 11 | 35,547.36 | 28,762.43 |
| Financial liabilities | 12 | 1,048.66 | 1,048.66 |
| Current tax liabilities | 13 | 16,071.23 | 13,289.98 |
| Provisions | 14 | 26,705.84 | 20,203.02 |
| Other | 15 | 33,287.79 | 29,098.78 |
| Total Current Liabilities | | 112,660.88 | 92,402.87 |
| Non-Current Liabilities | | | |
| Provisions | 14 | 29,640.83 | 25,937.45 |
| Total Non-Current Liabilities | | 29,640.83 | 25,937.45 |
| Total Liabilities | | 142,301.71 | 118,340.32 |
| Net Assets | | 557,742.64 | 576,760.60 |
| Equity | | | |
| Retained profits 2013 | | 20,314.46 | 12,640.72 |
| Retained profit 2012 | | 537,428.18 | 564,119.88 |

The accompanying notes form part of these financial statements.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED
Statement of Financial Position As At 30 June 2013

| | Note | 2013 \$ | 2012 \$ |
|--------------|------|-------------------|-------------------|
| Total Equity | | <u>557,742.64</u> | <u>576,760.60</u> |

The accompanying notes form part of these financial statements.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED**Statement of Cash Flows****For the year ended 30 June 2013**

| | 2013 \$ | 2012 \$ |
|--|--------------------------|--------------------------|
| Cash Flow From Operating Activities | | |
| Receipts from customers | 2,616,870.83 | 2,586,412.36 |
| Payments to Suppliers and employees | (2,626,917.21) | (2,523,783.59) |
| Interest received | 13,343.65 | 16,258.50 |
| Net cash provided by (used in) operating activities (note 2) | <u>3,297.27</u> | <u>78,887.27</u> |
| Payment property plant & equipment | (14,152.36) | (76,010.24) |
| Net increase (decrease) in cash held | (10,855.09) | 2,877.03 |
| Cash at the beginning of the year | <u>500,503.64</u> | <u>497,626.61</u> |
| Cash at the end of the year (note 1) | <u><u>489,649.55</u></u> | <u><u>500,503.64</u></u> |

The accompanying notes form part of these financial statements.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Statement of Cash Flows

For the year ended 30 June 2013

2013

2012

Note 1. Reconciliation Of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

| | | |
|----------------------------------|-------------------|-------------------|
| Sydney Credit Union | 125,208.22 | 268,729.87 |
| Sydney Credit Union Term Deposit | 154,096.99 | 88,841.15 |
| Maleny Term Deposits | 101,056.41 | 96,409.40 |
| Bendigo Bank Term Deposit | 107,481.82 | 44,728.10 |
| Cash on hand | 1,806.11 | 1,795.12 |
| | <u>489,649.55</u> | <u>500,503.64</u> |

Note 2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

| | | |
|---|-----------------|------------------|
| Operating profit (loss) after tax | 20,314.46 | 12,640.72 |
| Depreciation | 17,773.25 | 17,621.08 |
| Changes in current assets and liabilities | (38,493.82) | 48,430.24 |
| Long Service Leave provision increase | 3,703.38 | 195.23 |
| Net cash provided by operating activities | <u>3,297.27</u> | <u>78,887.27</u> |

The accompanying notes form part of these financial statements.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Notes to the Financial Statements

For the year ended 30 June 2013

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 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.

The company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(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 being included in 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 company's intention to hold these investments to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the 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.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Notes to the Financial Statements

For the year ended 30 June 2013

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

(b) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset (but not the legal ownership) are transferred to the company, are classified as finance leases.

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

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 recognised as expenses on a straight-line basis over the lease term.

(c) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of manufactured products includes direct materials, direct labour and an appropriate proportion of variable and fixed overheads. Overheads are applied on the basis of normal operating capacity. Costs are assigned on a first-in first-out basis.

(d) Investments

Investments held are originally recognised at cost, which includes transaction costs. They are subsequently measured at fair value which is equivalent to their market bid price at the end of the reporting period. Movements in fair value are recognised through an equity reserve.

(e) Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. For financial assets, this is equivalent to the date that the company commits itself to either purchase or sell the asset (i.e. 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 or loss' in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate 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 asset 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.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Notes to the Financial Statements

For the year ended 30 June 2013

Impairment

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

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to 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 to profit and 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 principle payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

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 when the related obligations are either discharged, cancelled or have expired. The difference between the carrying amount of the financial liability 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.

(f) Employee Benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash flows are discounted using market yields on national government bond terms to maturity that match the expected timing of cash flows.

(g) Cash and Cash Equivalents

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

(h) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

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

All dividends received shall be recognised as revenue when the right to receive the dividend has been established.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Notes to the Financial Statements

For the year ended 30 June 2013

Revenue recognition relating to the provision of services is determined with reference to the stage of completion of the transaction at the end of the reporting period and where the outcome of the contract can be estimated reliably. Stage of completion is determined with reference to the services performed to date as a percentage of total anticipated services to be performed. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent that related expenditure is recoverable.

Investment property revenue is recognised on a straight-line basis over the period of the lease term so as to reflect a constant periodic rate of return on the investment.

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

(i) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(j) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the company during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Notes to the Financial Statements

For the year ended 30 June 2013

Note 1: Summary of Significant Accounting Policies

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED is a Co-operative, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 9 September, 2013 by the directors of the Co-operative.

Basis of Preparation

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependant on general purpose financial statements. The financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Co-operatives Act.

The Co-operative is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with the mandatory Australian Accounting Standards applicable to entities reporting under the Co-operatives Act and the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The material accounting policies that have been adopted in the preparation of the statements are as follows:

Accounting Policies

(a) Property, Plant and Equipment

Each class of property, plant and equipment are carried at cost or fair value 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 asset's 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, excluding freehold land, is depreciated on a straight-line basis over the asset's useful life to the company commencing from the time the asset is held ready for use.

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

Class of Fixed Asset

Depreciation Rate

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Notes to the Financial Statements

For the year ended 30 June 2013

| | 2013 | 2012 |
|---|---------------------|---------------------|
| Note 2: Revenue and Other Income | | |
| Sales revenue: | | |
| Non-primary production trading revenue | 2,843,623.57 | 2,562,778.67 |
| | <u>2,843,623.57</u> | <u>2,562,778.67</u> |
| Other revenue: | | |
| Interest revenue | 13,343.65 | 16,258.50 |
| Discounts to members | (298,349.09) | (52,468.97) |
| Membership Fees | 60,253.02 | 59,916.52 |
| Rent received | 13,507.56 | 16,186.14 |
| | <u>(211,244.86)</u> | <u>39,892.19</u> |
| Other income: | | |
| Other non-operating revenue | 1,463.60 | 1,009.11 |
| | <u>1,463.60</u> | <u>1,009.11</u> |

Note 3: Profit from Ordinary Activities

Profit (loss) from ordinary activities before income tax has been determined after:

Charging as Expense:

| | | |
|---|------------------|-----------------|
| Bad and doubtful debts | 29.66 | |
| Cost of non-primary production goods traded | 1,947,464.99 | 1,916,820.81 |
| Depreciation of non-current assets: | | |
| - Other | 17,773.25 | 5,461.08 |
| Total depreciation expenses | <u>17,773.25</u> | <u>5,461.08</u> |
| | <u></u> | <u></u> |

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Notes to the Financial Statements

For the year ended 30 June 2013

| | 2013 | 2012 |
|--|-------------------|-------------------|
| Note 4: Cash assets | | |
| Bank accounts: | | |
| Sydney Credit Union | 125,208.22 | 268,729.87 |
| Sydney Credit Union Term Deposit | 154,096.99 | 88,841.15 |
| Maleny Term Deposits | 101,056.41 | 96,409.40 |
| Bendigo Bank Term Deposit | 107,481.82 | 44,728.10 |
| Other cash items: | | |
| Cash on hand | 1,806.11 | 1,795.12 |
| | <u>489,649.55</u> | <u>500,503.64</u> |
| Note 5: Receivables | | |
| Current | | |
| Trade debtors | 2,134.57 | 1,491.27 |
| Other | 2,137.89 | 2,500.55 |
| | <u>4,272.46</u> | <u>3,991.82</u> |
| Non-Current | | |
| Security Bonds | 17,191.45 | 17,191.45 |
| | <u>17,191.45</u> | <u>17,191.45</u> |
| Note 6: Inventories | | |
| Current | | |
| Raw materials and stores at net realisable value | 89,057.91 | 81,414.27 |
| | <u>89,057.91</u> | <u>81,414.27</u> |

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Notes to the Financial Statements

For the year ended 30 June 2013

2013

2012

Note 7: Other Financial Assets

Current

Shares in other corporations - at cost:

- Listed on a prescribed stock exchange

| | |
|----------|----------|
| 1,000.00 | 1,000.00 |
| 1,000.00 | 1,000.00 |
| 1,000.00 | 1,000.00 |

Note 8: Tax Assets

Current

GST payable control account

1,009.19

(669.80)

Input tax credit control account

24,159.04

25,168.23

(669.80)

Note 9: Property, Plant and Equipment

Leasehold improvements:

- At cost

7,248.51

6,867.00

- Less: Accumulated depreciation

(6,649.40)

(6,630.11)

599.11

236.89

Plant and equipment:

- At cost

234,341.94

220,571.09

- Less: Accumulated depreciation

(161,236.30)

(129,138.44)

73,105.64

91,432.65

73,704.75

91,669.54

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED**Notes to the Financial Statements****For the year ended 30 June 2013**

| | 2013 | 2012 |
|---------------------------------------|------------------|------------------|
| <hr/> | | |
| Note 10: Payables | | |
| Unsecured: | | |
| - Trade creditors | 35,547.36 | 20,543.82 |
| - Other creditors | | 8,218.61 |
| | <hr/> | <hr/> |
| | 35,547.36 | 28,762.43 |
| | <hr/> | <hr/> |
| | <u>35,547.36</u> | <u>28,762.43</u> |
| | | |
| Note 11: Financial Liabilities | | |
| Current | | |
| Unsecured: | | |
| - Bonds held | 1,048.66 | 1,048.66 |
| | <hr/> | <hr/> |
| | 1,048.66 | 1,048.66 |
| | <hr/> | <hr/> |
| | <u>1,048.66</u> | <u>1,048.66</u> |
| | | |
| Note 12: Tax Liabilities | | |
| Current | | |
| PAYG Withholding | 8,106.37 | 2,695.58 |
| Employee superannuation | 7,964.86 | 10,594.40 |
| | <hr/> | <hr/> |
| | <u>16,071.23</u> | <u>13,289.98</u> |
| | | |
| <hr/> | | |

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED**Notes to the Financial Statements****For the year ended 30 June 2013**

| | 2013 | 2012 |
|-----------------------------------|------------------|------------------|
| <hr/> | | |
| Note 13: Provisions | | |
| Current | | |
| Employee entitlements* | 26,705.84 | 20,203.02 |
| | <u>26,705.84</u> | <u>20,203.02</u> |
| Non Current | | |
| Employee entitlements* | 29,640.83 | 25,937.45 |
| | <u>29,640.83</u> | <u>25,937.45</u> |
| | | |
| Note 14: Other Liabilities | | |
| Current | | |
| Advance payments | 33,287.79 | 29,098.78 |
| | <u>33,287.79</u> | <u>29,098.78</u> |
| | | |
| <hr/> | | |

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Directors' Declaration

The directors of the Co-operative declare that:

1. the financial statements and notes are in accordance with the Co-operatives Act and Co-operatives Regulations : and
 - (a) comply with Accounting Standards described in Note 1 to the financial statements and :
 - (b) give a true and fair view of the Co-operatives financial position as at 30 June 2013 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 Co-operative will be able to pay its debts as and when they become due and payable.

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



Georgia Page
Director



Gren Olsen
Director

Dated: 9 September, 2013

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED

Independent Auditor's Report

We have audited the accompanying financial report, being a special purpose financial report, of BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED (the Co-operative), which comprises the Directors' Declaration, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, Statement of Cash Flows, notes comprising a summary of significant accounting policies and other explanatory notes for the year ended 30 June 2013.

Directors' Responsibility for the Financial Report

The directors of the Co-operative are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Co-operative and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

In conducting our audit, we have complied with the independence requirements of the Co-operatives Act. We confirm that the independence declaration required by the Co-operatives Act, which has been provided to the directors of BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED on 30 June 2013, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion the financial report of BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED is in accordance with the Co-operatives Act, including:

- (a) giving a true and fair view of the co-operatives's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1 and the Co-operatives Regulations.

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED
Independent Auditor's Report

Basis of Accounting

Without modifying our opinion, 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 Co-operatives Act. As a result, the financial report may not be suitable for another purpose.

Signed on 9 September, 2013:



Registered Company Auditor 1425
William Tomiczek
66 Emu Plains Rd Mt Riverview 2774

BLUE MOUNTAINS FOOD CO-OPERATIVE LIMITED**Trading Account****For the year ended 30 June 2013**

| | 2013 \$ | 2012 \$ |
|---------------------------|---------------------|---------------------|
| <hr/> | | |
| Trading Income | | |
| Sales | 2,843,623.57 | 2,562,778.67 |
| Total Trading Income | <u>2,843,623.57</u> | <u>2,562,778.67</u> |
| Cost of Sales | | |
| Add: | | |
| Cost of sales | 1,947,464.99 | 1,916,820.81 |
| | <u>1,947,464.99</u> | <u>1,916,820.81</u> |
| Cost of Sales | 1,947,464.99 | 1,916,820.81 |
| Gross Profit from Trading | <u>896,158.58</u> | <u>645,957.86</u> |

The accompanying notes form part of these financial statements.



Minutes
Annual General Meeting
26th November 2013
Blue Mountains Food Co-op Office
Ha'penny Lane, Katoomba 2780

Chair: Georgia Page

Apologies:

Acknowledgement of Country: Georgia Page

1. Introduction of Directors
2. Tabling of November 2012 AGM Minutes

Moved: Susan Ambler **Seconded:** Shelley Milbank **Carried**

3. Chair's Report – Georgia Page

Motion: that the Chair's Report be accepted.

Moved: Rebekah Norton **Seconded:** Murray Hopkins **Carried**

4. Treasurer's Report and Financial Statements – Gren Olsen

Motion: that the Treasurer's Report be accepted.

Moved: Cathy Cavanagh **Seconded:** Amanda Quinn **Carried**

5. Appointment of Mr Bill Tomiczek as Auditor – members to vote

Motion: that the appointment of Mr Bill Tomiczek as Auditor be approved.

Moved: Gren Olsen **Seconded:** Murray Hopkins **Carried**

6. Increase to Donations budget

Donations report was presented by Susan Ambler

Motion: that the donations budget be increased from 5% to 10% of net profit.

Moved: Gren Olsen

Seconded: Larry Buttrose

Ian Dudley Bestow spoke against the motion suggesting that 100% of net profit could be donated.

Carried

7. Auditor's report

Motion: that the Auditor's report for the previous financial year be accepted.

Moved: Gren Olsen

Seconded: Will Maclean **Carried**

8. Shop Report – Halin Nieuwenhuyse

Motion: that the Shop report be accepted.

Moved: Cathy Cavanagh

Seconded: Beeby **Carried**

9. Directors and Volunteer Discounts

Motion: that the Director discount be reduced from 30% to 20% percent. This discount covers attendance at board meetings and occasional additional meetings, the AGM and attendance to board business. If Directors take on special projects they are eligible to accrue volunteer hours for this work, in consultation with the Manager, but these cannot be redeemed until the Director is no longer on the board and no longer receiving the discount.

Moved: Amanda Quinn **Seconded:** Rebekah Norton

Carried

10. Resignation of Directors – Amanda Quinn

11. Call for nominations for Director Vacancies: 2 year term to AGM November 2015:

12. Introduction of Candidates for Director positions

13. Result of voting for Directors: Will Maclean, Beeby and Leanne Eagle (Staff Representative) elected to the Board of Directors

Motion: of thanks to Directors, Manager and all Staff

Moved: Murray Hopkins

14. Open Forum

Close of meeting: 8:35pm