

Yfarm

We're up and running

Yfarm, the new rural supplies, hardware and produce store, is well and truly up and running.

Despite some relatively minor teething problems, Phil and the team have done a great job getting things going. The hardware lines take a fair bit of getting to know and it all takes time (and patience). The new produce and rural supplies shed at the back looks great - it has been built by Yackandandah Engineering. Their help is much appreciated.

Sales were a bit slow initially but that was mainly due our crowded shop conditions. Things are starting to pick up on the hardware and produce side now which is encouraging. In terms of hardware, we are offering a core range of convenience items (nuts ,bolts, screws, fittings, adhesives & basic tools).

Continuing local support for these hardware lines is crucial if we want the convenience of keeping them available in the town for that small Sunday arvo job at home. Similarly with produce, if we haven't got what you specifically want, just ask Phil. Over the next 12months or so, **customer demand and requests** will define what we stock and what we don't stock.

So if you use it, just ask - **it keeps the money in the town** which is good for Yack.

YCDCO. LTD.

Preliminary Notice of Annual General Meeting

7.00 pm. on Wednesday 29 June 2005at
Yackandandah Public Hall

- 2004/05 Annual Report & Results
- Election of Directors

Please come and contribute to the running of

YOUR COMMUNITY COMPANY

The Annual Report and AGM agenda to be sent by post or email.

To register for email delivery of all YCDCo. communications, contact Cameron McKern at:

ycdc@yackandandah.com

"Shop at Yackandandah Station"

Yfarm

- ü Pet Food
- ü Fencing
- ü Hardware /Cement
- ü Produce/Stockfeed
- ü Water tanks
- ü Poly products
- ü Gas

**Come in and see us for
all your hardware and rural needs**

YCDCo.. Interim Result Better than Forecast

The Board is pleased to announce that the interim (unaudited) result of YCDCo. Ltd. is a profit of \$60,157. After adjusting for a one-off grant of \$17,579 included in this interim profit result, it just exceeds the \$42,000 profit we forecast at the 2004 Annual General Meeting.

This result applies to the financial year ended 31 March 2005. It is particularly pleasing considering:

- ü we have also declared a dividend to shareholders of \$3.55 per share;
- ü we have paid out/approved community commitment projects worth over \$15,000 to local community groups; and
- ü we have opened a new hardware/rural supplies business in the same year.

Staff costs have increased over the year, which was expected with the *Yfarm* business. The audit by KPMG is underway - after this, final accounts will be prepared and a final result declared.

Dividend cheques will be posted out with the Notice of AGM in the next few weeks. For small shareholders, **you will be able to cash dividend cheques of \$50 or less** at the service station.

Yack Sports Park

- where to from here?

YCDCo. has approved 2 new allocations of community commitment funds. These are in addition to the \$10,177 previously allocated and brings the total amount allocated in 2004/05 to \$15,577.

One is a \$2,700 'foundation grant' to the Yackandandah Sports Park Committee to establish a "Sports Park Completion Fund". The Sports Park is something that lots of people mention as a high priority for the town. A little background is useful.

From Sheep Yards to Stadium:

The Sports Park's former life was as covered sheep pens at an abattoir in Orange. Local volunteers cut it up, loaded in onto trucks, carted it down to Yack and rebuilt it back in 1991. The original building was twice as big as what was then needed for the tennis/cricket clubs and scout hall. But, it was decided to erect the superstructure, with an eye to the future, creating space for a stadium - good vision folks! That leaves us where we are today - with a big opportunity.

A New Stadium For Yack:

The goal of the Sports Park completion fund is to see the Sports Park completed as a 'state-of-the-art' sports stadium over the next 3-5 years. This grant, plus other money generated locally (clubs etc.), would be used as a platform to attract matching Council/government funds for the project to build up a 'kitty' over a period of years.

BUT ... what needs to happen for all this to occur is for viable uses and user-groups to step forward to 'own' a new stadium facility.

Over the next 12 months, the Sports Park Committee will update its master plan. That includes discussions with potential users, consultations and finalising the design. In the meantime, sources of potential funding will be sought and plans prepared.

If you have any ideas about the Sports Park or want to get involved, please call Jane Moore (Sports Park President) on 6027 0551.

School Playground Equipment

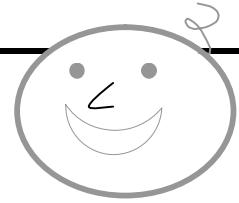
We also granted \$2,700 to Yackandandah Primary School for playground equipment (Total cost \$5,400).

Community commitment projects are now considered on an ongoing basis by the Board (rather than as a once-off event each year). If you have an idea which you think is worthy of consideration, please put it forward.

The only 'proviso's' in applying for Community commitment funds are:

- There must **demonstrable** and **broad-based** community benefit;
- **YOU** must take accountability for researching your idea or proposal, building a case for it and **IMPLEMENTING IT**, not US!

Phil's Column...



The past few weeks have been hectic up at Yfuel.

We have been trying to keep up with levels of service to customers, while we are still learning about products. The thing with hardware is that there are so many products that it takes time to learn all the ins and outs and applications of different things.

Over time, once we get to know our products fully, we are committed to offer our customers three things:

1. A **welcoming smile** that lets you know you are shopping locally.
2. The **offer of service** or assistance.
3. **Quality products at competitive prices.**

We figure if we do these things, people will keep coming back to us ... and that's what we want.

Our present focus is on staff training. The directors and I have started running some training sessions with the staff. We talk about:

- What YCDCo. is and what will make us succeed;
- why customers will come back;
- customer service skills.

We are also planning a grand opening for **Yfarm** business. Details will be advised shortly.

Phil B

Board Vacancies

Under the YCDCo. Constitution, two directors will retire at the 2005 Annual General Meeting. They are **Glenn Clark** and **Mark McKenzie-McHarg**.

Glenn will not renominate. The Board thanks Glenn for his contribution to YCDCo. over the last three years. We wish him and Kate well with their move. Mark McKenzie-McHarg has indicated his intention to renominate for the Board.

Under clause 2.5 of the Constitution, the Board will put forward a nomination for the vacancy created by Glenn's retirement at the AGM. The Board nominee will be selected based on skills, background and demonstrated commitment to community. This process reflects best practice in corporate governance. It will ensure that the Board of YCDCo. retains an appropriate balance of people.

It is also possible for other shareholders to be nominated for the Board at the AGM. To do so, you must be a shareholder and be nominated by another shareholder at least 30 business days before the AGM (that is, **by 4.00 pm. on Wednesday 18 May 2005**). The nominee must also sign a consent form to act as a director. Any person interested should contact the company secretary on 6027 1385.

All nominees for Board positions (including the Board nominee) will be advised in the Notice of AGM which will be circulated in the week after 19 May with the audited Annual Report.