

Alfalfa House Food Co-operative – Annual General Meeting

Members Council Annual Report 2017-2018

Sunday 25 November 2018

The year in review ...

It's been a very busy year for Alfalfa House. Together with staff, volunteers and members, the Members Council has overseen some significant changes and improvements.

The competition Alfalfa House is facing is if anything increasing – the days when Alfalfa House had few competitors in the Inner West are long gone.

It is the task of all of us to build on the foundations laid in 2017-18, and become better and smarter at what we do.

It's worth noting three of the main points of difference Alfalfa House has over our competitors:

- we are a member-based co-operative;
- continue to strive to achieve our zero-waste goals; and
- we help connect our community through events, workshops and open days.

The Members Council believes that with your support, these and other points of difference should continue to hold us in good stead in the coming years.

The year in detail ...

January saw the implementation of our Annual Subscription Fee (ASF) for the second year running. This again gave us a level of financial stability that may have otherwise been difficult to achieve.

Our ASF is currently set at \$20, which compares very favourably with similar fees charged by other food co-operatives in the Sydney region and further afield.

The Members Council has decided to continue with the ASF for another year. Later at this AGM you will have a chance to participate in a more detailed discussion on the Annual Subscription Fee.

January also saw us hold a successful Alfalfa House planning strategy meeting here at the Commons in Camperdown, which was attended by about 30 members.

This meeting helped formulate our **vision and goals** for the future, which were adopted by the MC in April this year. Our vision (where we ideally see ourselves) in the year 2021 is that:

Alfalfa House is widely regarded as a thriving, vibrant and sustainable co-op at the heart of the Inner West community.

Our goals to help us achieve our vision are:

- *Financial sustainability;*
- *Increased visibility and engagement (external)*
- *Grow the Alfalfa House community (internal)*

Tactics, or tangible, implementable ideas for how we can achieve each goal have also been developed. By necessity, these tactics will evolve into the future, however, our vision and goals will remain the same. Members can access our vision statement on-line at:

This year has also seen also many physical changes to our Enmore Road shop:

Our backyard storage shed was finished – funded by a Community Building Project (CBP) grant from Newtown MP, Jenny Leong’s office. Over Anzac Day and the June long weekend, Alfalfa volunteers, including MC members, repainted the toilet and back storeroom of the Co-op – giving it a much fresher look. A task still to be completed, but we are nearly there –one storeroom wall to go.

The CBP grant also enabled us to upgrade our existing refrigeration in the shop and storeroom with more energy efficient models, and install a new commercial glass washer to clean our Kombucha and other containers. All upgrades were completed by June and we held an open-day, and thank you for Jenny Leong in September.

More recently a freezer was installed in the shop to stock new items such as frozen fruits, organic ice cream and tempeh. This was completely funded by the generous donations of several members.

Our new Point-of-Sale (POS) system

This was perhaps the biggest change at Alfalfa House this year, certainly the one that all members would have noticed.

In May we purchased POSWise, the system that Thirroul food co-operative, Flametree were using. This was funded from general revenue and the Annual Subscription Fee.

POSWise was installed and up and running by July, the start of the current financial year, however, there is still much ongoing work needed for it to achieve its full potential.

The POSWise system has clear efficiencies and benefits over our previous Filemaker system, yet some of these are still to be realised and/or need development. The most significant efficiency is that we now know our stock levels in real time, rather than always having to count stock manually. Unfortunately, POSWise does lack some

functionality that the old system was specifically designed for, namely in relation to tracking member and volunteer records. These issues still need to be resolved.

The new POS system also required the installation of a re-modelled sales counter, designed in modular format so that it could easily be moved in the future. The new counter was also funded from the CBP grant and installed in June in time for the start of the new POS system.

In August, we were inspected by the National Measurement Institute (NMI) who gave us written notice of compliance issues required to be met by the new POS system – these were all addressed to NMI's satisfaction.

We acknowledge that the new system has led to unforeseen stress and extra staff and volunteer time, but we are hopeful that current issues can be overcome satisfactorily.

We really do appreciate the ongoing efforts and hard work of staff, volunteers and the Shop Execution Working Group at this difficult transition time.

Other changes ...

Compulsory quarterly, paid staff meetings were introduced from February – MC members have attended them as well. A staff training session on conflict resolution was held at the May meeting.

A new payroll system, Deputy, was purchased and introduced in July – Deputy is a 'cloud-based' on-line payroll system that can be integrated with our accounting software – we were also eligible for a 25% not-for-profit discount.

Shop security was reviewed and beefed-up after two overnight thefts or break-ins, one in May and the other in September. It is likely that the same people were involved. Both incidents were reported to the Police. In the first instance the contents of our safe were stolen. Further security improvements are likely as a result.

Financial Performance

Alfalfa House's financial situation has stabilised somewhat since 2016/17, when members were first alerted to what was indeed a critical situation. The re-introduction of our Annual Subscription Fee and the generosity of members at this time helped us immensely.

In 2017/18 there have been several times when we have had to closely monitor our monthly income and expenditure, especially when income from the shop has trended below expectations, and the shop also encountered some unexpected and necessary costs. At times we have also had some encouraging sales results, but these have not been as long-lasting as we would have wished.

Thanks must be given to the dedicated volunteers of our Finance Working Group who meet and 'crunch our numbers' on a regular basis and provide invaluable advice to the MC.

We still need to stay very conscious of our costs and expenses as well as the savings and returns we can make. To this end, we are working very closely with our dedicated staff and volunteers to aim for continued improvements while we move through this challenging period.

The financial report provided to this meeting will give you a much more in-depth analysis of the state of our affairs for 2017/18.

Working Groups

Active Alfalfa House working groups in 2017-18 were the:

- Finance Working Group;
- Marketing Working Group;
- Governance Working Group;
- Technology Working Group;
- Shop Execution Working Group;
- Staff Liaison Working Group; and
- Volunteer Working Group.

Our working groups are a great way for members to get involved as volunteers, particularly if you can contribute relevant skills and experience and time! All volunteers will receive extra credits. Please contact the Manager or MC to find out more.

Personnel changes

Long-standing MC member, treasurer and recent MC chair, Jonny Green left us in April to move to Melbourne. His optimism, sense of humour and dedication are sorely missed.

Likewise, MC member and replacement treasurer Jason Levett left us in October, due to work commitments. Short but sweet, Jason.

And last but not least, long-term staff member Janne King left us in June to go on long service leave and has subsequently resigned. Janne's knowledge of wholefoods and commitment to Alfalfa were legendary as was her memory for individual membership numbers – how she did this is still a mystery to us!

All are greatly missed!

In conclusion, the Members Council would like to express heartfelt thanks to all members, staff and volunteers for their commitment and perseverance in a very

busy, at times trying, but active year, which Alfalfa House can only build on for a more sustainable and successful 2019.

Best regards Members Council 2017-18

Caroline Brakewell, Steve Catt, Kelly Dent, Bruce Diekman, Jenny Millman and Catherine O'Keefe

P.S. If any members are thinking about getting further involved with Alfalfa House in the coming year, you are most welcome to share your skills and enthusiasm and attend MC meetings, join our Working Groups and/or nominate for vacant board positions.