**Alfalfa House Community Food Co-operative Ltd**

**Annual General Meeting**

**Sunday 23 February 2020**

**Members’ Council Annual Report 2018-2019**

**The year in review …**

Thanks to the wonderful efforts and ongoing support of staff, members, and key supporters, Alfalfa House, your co-operative, has survived an eventful and tumultuous year – and we are finally starting to see to see the fruits of our labours. Thanks to everyone involved in what in the end has been an amazing team effort.

Towards the end of 2018 and in January and February 2019, for various reasons, our sales slumped to the extent that we experienced a significant cash-flow crisis that required to be addressed immediately. When the extent of our situation was known, an urgent members’ meetings was organised in March. This meeting was well attended and sowed the seeds for slowly extricating ourselves from the potential closure of our co-operative.

Our efforts focused on delivering two key changes; firstly, we had to bolster our balance sheet with working capital; and secondly we had to quickly re-frame our cost base to align to our revenue and gross profit.

From April to May 2019, we held a very successful Chuffed crowd funder that raised over $45,000 to help keep our business afloat. Thanks to all our members and supporters who donated funds, prizes to the campaign, and their time and effort. Special thanks to Maurice Cabrera and Thea Soutar who helped co-ordinate it all at the start, and to Manly Food Co-operative for their invaluable assistance and advice.

Internal change and quick thinking were necessary to revive our business – changes to staffing levels and expenses, the members’ extra discount, and stock ordering were essential, to name the main ones. Other internal processes have also been streamlined.

Despite one or two further financial surprises, by September 2019 we were finally able to turn around a monthly deficit of between $3,000–4,000 into a small but growing surplus. Over time, this will allow us to refocus efforts on driving growth through restocking the store more fully, driving greater sales, increasing customer traffic, and setting us up for a rosier and more successful future.

A big positive factor along the way has been the development of a strong retail team headed by Allie Cooke who commenced as Store Manager just as the crisis was unfolding, and the subsequent hiring of Paolo Santos as Stock Manager, both of whom soon brought their experience to bear on a very tight and fluid situation.

The promotion of Ran de Sliva to Assistant Manager, and the hiring of Emily Olive as Volunteer Coordinator and Georgie Budd as Events and Workshops Coordinator, have also strengthened our staff team.

The Members’ Council is greatly appreciative of all shop staff whose efforts have helped keep the co-op running as smoothly as possible during the past year’s very challenging circumstances.

Special thanks to:

* Yue Ajioka, Mariko Everett, Talullah Ebbs, and Marnie Harris, who are still with us;
* Laurel Parker, Estefanía Fontealba, Anna Mackiewicz and Rosie Paijmans, who have left to pursue other opportunities; and
* Maurice Cabrera, our previous Manager who gave so much time and energy to Alfalfa House, and critically, stayed on in a voluntary capacity to steer our crowd funding campaign to a successful conclusion.

Sincere thanks also, to all the following MC members who contributed much time and energy in 2018-2019 but for personal and other reasons moved on, while passing their batons to others:

* Kelly Dent (to April 2019);
* Caroline Brakewell (to August 2019);
* Cameron Burgess (to August 2019)
* Steve Catt (to November 2019); and
* Kirsten Lunoe (to December 2019).

Special thanks too to Declan Schuller, who served as an ‘honorary’ MC member for most of 2019, and whose assistance and retail experience was invaluable.

Anthony Taylor served as a deputy director from 26 September 2019, replacing Steve Catt while he was on holidays, in addition to being formally appointed as a director on December 4. Hats off to Anthony whose co-operative experience finally helped us get our draft new Rules ready for this AGM – we couldn’t have done it without him.

**Financial Report 2018/19**

Alfalfa House’s financial performance has improved since the end of the financial year 2018/19 which this AGM is required to specifically report. Treasurer Tom Bartels will present an in-depth analysis of the state of our financial affairs for 2018/19 and subsequent months.

**Annual Subscription Fee (ASF)**

The Members’ Council has again decided to retain the yearly subscription fee, at the same rate it has been since 2017. The Members’ Council will continue to review it on a year-by-year basis. The current fee of $20 compares favourably with similar charges by other food co-operatives in the Sydney region and further afield. This year the ASF will again help ensure our financial stability.

**Introduction of Volunteer Teams**

Late last year, we launched our Volunteer Teams (re-branded Working Groups) to try to take better advantage of latent member talent, and broaden overall volunteer opportunities. A session towards the end of the AGM agenda will explain how to get involved and more.

**Recommended Rule Changes**

The Members’ Council is pleased to commend to members a fully revised set of new Co-operative Rules, our governing document.

A Special Resolution requiring two-thirds member consent is on the AGM agenda. The Rule changes will see us fall into line with more streamlined and user friendly co-operatives legislation, called the Co-operatives National Law (CNL), which has been progressively adopted by Australian states and territories over the past five years. The MC has proposed additional changes which will benefit Alfalfa House’s governance. As many of you would know, drafts of the new Rules have brought to members’ attention in the past two months.

MC member, Anthony Taylor will introduce the new Rules to the AGM, and if passed, they will come into effect when registered with Fair Trading NSW, with new election processes coming into full swing for the next AGM at the end of 2020.

**In conclusion**, we believe it is the task of all of us to build on 2019’s efforts, and become even better and smarter at what we do at Alfalfa House.

It’s worth noting the three major 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.

With your continued support, these and other points of difference will hold us in good stead in the coming years.

**Nominating to Members’ Council 2020**

If any members are considering getting further involved with Alfalfa House in the coming year, you are most welcome to share your skills, enthusiasm and experience, by nominating for vacant board positions at this AGM – more about that very soon.

*Sincerely*

*Your Members’ Council*

Tom Bartels, Vicki D’Adam, Bruce Diekman, Ashton Roskill, Lauren Sims, and Anthony Taylor