

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2019

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

CONTENTS

Board Report

Profit and Loss Statement

Balance Sheet

Changes in Equity Statement

Cash Flow Statement

Notes to the Financial Statements

Members of the Board Statement

Treasurer's Statement

Treasurer's Profit and Loss Statement

Treasurer's Balance Sheet

Compilation Report

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

BOARD REPORT

FOR THE YEAR ENDED 30 JUNE 2019

The board members submit the financial report of the Alfalfa House Community Food Cooperative Ltd. for the financial year ended 30 June 2019

Board Members

The names of the board members throughout the year and at the date of this report are

Catherine O'Keefe (appointed 26/08/2016 resigned 25/11/2018)
Jennifer Millman (appointed 19/11/2017 resigned 25/11/2018)
Bruce Diekman (appointed 19/11/2017)
Jason Levett (appointed 27/03/2018 and resigned 26/09/2018)
Caroline Brakewell (appointed 27/03/2018 resigned 30/07/2019)
Stephen Catt (appointed 24/04/2018 resigned 1/12/2019)
Thomas Bartels (appointed 25/11/2018)
Cameron Burgess (appointed 25/11/2018 resigned 30/07/2019)
Vicki D'Adam (appointed 28/11/2019)
Kelly Dent (appointed 19/12/2018 resigned 2/04/2019)
Ashton Roskill (appointed 4/04/2019)
Kirsten Lunoe (appointed 4/04/2019 resigned 5/12/2019)
Lauren Sims (appointed 26/09/2019)
Anthony Taylor (appointed as deputy 26/09/2019 appointed as director 4/12/2019)

Principal Activities

The principal activities of the cooperative during the financial year were:
the sale of organic and ethically sourced food, in line with the cooperative's objectives

Significant Changes

No significant changes in the nature of these activities occurred during the year

Operating Result

The Loss for the year ended 30 June, 2019 was \$48,651

Signed in accordance with a resolution of the Board

Director



Bruce Diekman

Director



Ashton Roskill

Dated:

21/2/20

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

PROFIT AND LOSS STATEMENT

FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
REVENUE			
Sales revenue	2	1,065,518	1,115,089
Other revenue	2	65,265	62,178
TOTAL REVENUE		1,130,783	1,177,267
EXPENSES			
Changes in inventories		(20,443)	(332)
Purchases		(676,855)	(715,591)
Employee benefits expense		(354,140)	(349,701)
Depreciation expenses		(13,355)	(8,886)
Rent charges		(41,970)	(40,602)
Other costs	3	(77,238)	(79,091)
Sales POS variance		4,567	(224)
TOTAL EXPENSES		(1,179,434)	(1,194,427)
LOSS FOR THE YEAR		(48,651)	(17,160)

The accompanying notes form part of these financial statements

This report should be read in conjunction with the attached compilation report.

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

BALANCE SHEET

AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
CURRENT ASSETS			
Cash and cash equivalents	4	23,486	28,856
Trade and other receivables		1,261	3,968
Inventories	5	34,401	54,844
TOTAL CURRENT ASSETS		59,148	87,668
NON CURRENT ASSETS			
Property, plant and equipment	6	70,336	76,439
TOTAL NON-CURRENT ASSETS		70,336	76,439
TOTAL ASSETS		129,484	164,107
CURRENT LIABILITIES			
Trade and other payables	7	64,336	40,876
Short-term financial liabilities	8	7,004	6,940
Provisions	9	6,686	16,182
TOTAL CURRENT LIABILITIES		78,026	63,998
TOTAL LIABILITIES		78,026	63,998
NET ASSETS		51,458	100,109
EQUITY			
Retained profits		51,458	100,109
TOTAL EQUITY		51,458	100,109

The accompanying notes form part of these financial statements.

This report should be read in conjunction with the attached compilation report.

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

CHANGES IN EQUITY STATEMENT

AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
Opening balance		100,109	117,269
Retained earnings			
Profit/(loss) attributable to members		(48,651)	(17,160)
CLOSING BALANCE		51,458	100,109

The accompanying notes form part of these financial statements

This report should be read in conjunction with the attached compilation report

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

CASH FLOW STATEMENT

AS AT 30 JUNE 2019

	Note	2019 \$	2018 \$
Cash flow from operating activities			
Receipts from customers		1,130,597	1,176,434
Payments to suppliers and employees		(1,128,901)	(1,188,543)
Interest received		186	833
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		1,882	(11,276)
Cash flow from investing activities			
Purchase of property, plant and equipment		(7,252)	(40,350)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(7,252)	(40,350)
NET DECREASE IN CASH HELD	10	(5,370)	(51,626)
Opening cash and cash equivalents		28,856	80,482
Net decrease in cash held		(5,370)	(51,626)
CLOSING CASH AND CASH EQUIVALENTS	4	23,486	28,856

The accompanying notes form part of these financial statements

This report should be read in conjunction with the attached compilation report

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a special purpose financial report. It has been prepared specifically to meet the requirements of the Co-operatives (Adoption of National Law) Act 2012 (NSW). The entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial report is prepared on an accruals basis (except for the cash flow information) and is based on historical costs unless otherwise stated in the notes. The amounts presented have been rounded to the nearest dollar. The below accounting policies which are consistent with previous periods have been adopted by the directors and are as follows:

(a) Cash and cash equivalents

Cash and cash equivalents include 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.

(b) Provisions

Provisions are recognised when there is a legal or constructive obligation as a result of past events in which it is probable that an outflow of economic benefits will result and in which the outflow can be reliably measured.

(c) Employee benefits

Provisions are recognised for employee benefits arising from services rendered by employees and are measured as the amounts expected to be paid when the liability is settled.

(d) Property, Plant and Equipment

Property, plant and equipment are carried at cost, independent or director's valuation. All assets, excluding freehold land and buildings are depreciated over their useful lives.

(e) Income Tax

The entity is a not-for-profit organisation and the board considers it to be exempt from income tax under Division 50 of the Income Tax Assessment Act 1997 following their own self-assessment, in accordance with their activities and objectives.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventory is determined using the first in first out basis and are net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down using an obsolescence provision if necessary.

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

(g) Revenue

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and rebates allowed. Therefore deferred consideration is not discounted to present values when recognising revenue.

(h) Goods and Services Tax

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

Receivables and payables are stated inclusive of GST.

	2019 \$	2018 \$
2 Revenue		
Sales revenue		
Sale of goods	1,065,518	1,115,089
Other revenue		
Interest received	185	833
Grants	500	28,000
Annual subscription fees	17,002	20,343
Joining fees		10,274
Donations	43,319	
Workshop fees	4,259	2,728
	65,265	62,178
	1,130,783	1,177,267
3 Other costs		
Other costs include but are not limited to accounting, advertising and marketing, bookkeeping, cleaning, EFTPOS fees, insurances, shop operating expenses such as electricity and gas, rubbish removal, internet and telephone, repairs and maintenance, equipment hire, pest management, subscriptions, stationery and office supplies.		
	77,238	79,091
4 Cash and cash equivalents		
Cash on hand	11,131	8,992
Deposits	3,586	3,585
Cash at bank - account # 249	37	134
Cash at bank - account # 250	3,918	1,581
Cash at bank - account # 780	4,814	14,564
	23,486	28,856

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
5 Inventories		
Current		
Stock on hand	34,401	54,844
6 Property, plant and equipment		
Property		
Property improvements	15,064	15,064
Less: Accumulated depreciation	(10,105)	(7,868)
	4,959	7,196
Plant and equipment		
Containers and scoops	12,396	12,396
Less: Accumulated depreciation	(9,550)	(9,048)
	2,846	3,348
Shop and office equipment	70,674	68,404
Less: Accumulated depreciation	(49,494)	(45,849)
	21,180	22,555
Fixtures and fittings	71,503	70,497
Less: Accumulated depreciation	(39,674)	(34,793)
	31,829	35,704
Software	22,214	18,238
Less: Accumulated depreciation	(12,692)	(10,602)
	9,522	7,636
Total plant and equipment	65,377	69,243
Total property, plant and equipment	70,336	76,439

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

	2019	2018
	\$	\$
7 Trade and other payables		
Current		
Trade creditors	59,688	37,544
PAYG withholding payable	4,648	3,332
	64,336	40,876
8 Financial liabilities		
Current		
Superannuation payable	7,004	6,940
	7,004	6,940
9 Provisions		
Current		
Provision for annual leave	6,686	9,351
Provision for long service leave		6,831
	6,686	16,182
10 Cash flow information		
Loss for the year	(48,651)	(17,160)
Depreciation	13,355	8,886
Movements in assets and liabilities:		
Increase in property, plant and equipment	(7,252)	(40,350)
Decrease in trade and other receivables	2,707	(6,138)
Decrease in inventories	20,443	332
Increase in trade and other payables	23,524	5,443
Decrease in provisions	(9,496)	(2,639)
Net decrease in cash held	(5,370)	(51,626)

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

MEMBERS OF THE BOARD STATEMENT

The board has determined that the entity is not a reporting entity and that this special purpose financial report has been prepared in accordance with the accounting policies outlined in Note 1 to the financial statements

The board declares that:

- 1 The financial report presents fairly the entities financial position as at 30 June 2019 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
- 2 There are reasonable grounds to believe that the entity will be able to pay its debts as and when they become due and payable

The directors are responsible for the reliability, accuracy and completeness of the accounting records and the disclosure of all material and relevant information

This statement is made in accordance with a resolution of the board and is signed for and on behalf of the board by:

Director



Bruce Diekman

Director



Ashton Roskill

Dated:

21/2/20

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

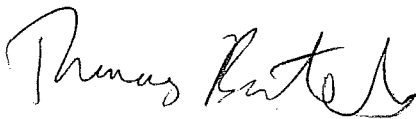
TREASURER'S STATEMENT

In order to improve the Cooperative's working capital position in November 2019, three of the Directors of the Member's Council Board contributed \$25,000 collectively as Director Loans. These are non-interest bearing, cannot be called within 12 months (from the date of signing of the loans) and can only be repaid by agreement of the lending directors and Cooperative Members' Council Board.

The Manager of the Cooperative identified in November 2019 that the Cooperative was owed premiums by iCare due to financial year 2019 workers compensation premium overpayment. This amount (\$4,747.03 - premium receivable net of GST) was receivable as at 30 November 2019 and received on 3 December, 2019.

To ensure this is accurately reflected the Directors have decided to produce a Balance Sheet and Profit and Loss Statement for the Financial Year to date as at 30 November 2019.

Treasurer



Thomas Bartels

Dated:

19/02/2020

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

TREASURER'S PROFIT AND LOSS STATEMENT

FOR THE 5 MONTHS TO NOVEMBER 2019

	5 MONTHS TO NOV 2019 \$	5 MONTHS TO 'NOV 2018 \$
REVENUE		
Sales revenue	451,742	444,375
Other revenue	10,291	9,691
TOTAL REVENUE	462,033	454,066
EXPENSES		
Changes in inventories		
Purchases	(293,466)	(282,432)
Employee benefits expense	(123,945)	(150,236)
Depreciation expenses	(5,990)	(5,065)
Rent charges	(21,080)	(17,423)
Other costs	(31,250)	(29,205)
Sales POS variance	1,935	2,002
TOTAL EXPENSES	(473,796)	(482,359)
LOSS FOR THE YEAR	(11,763)	(28,293)

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

TREASURER'S BALANCE SHEET

AS AT 30 NOVEMBER 2019

	30 NOV 2019	30 JUNE 2019
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	31,625	23,486
Trade and other receivables	6,980	1,261
Inventories	34,401	34,401
TOTAL CURRENT ASSETS	73,006	59,148
NON CURRENT ASSETS		
Property, plant and equipment	64,346	70,336
TOTAL NON-CURRENT ASSETS	64,346	70,336
TOTAL ASSETS	137,352	129,484
CURRENT LIABILITIES		
Trade and other payables	64,509	64,336
Short-term financial liabilities	3,711	7,004
Provisions	4,437	6,686
TOTAL CURRENT LIABILITIES	72,657	78,026
NON-CURRENT LIABILITIES		
Directors loans	25,000	
TOTAL CURRENT LIABILITIES	25,000	
TOTAL LIABILITIES	97,657	78,026
NET ASSETS	39,695	51,458
EQUITY		
Retained profits	39,695	51,458
TOTAL EQUITY	39,695	51,458

ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD

COMPILATION REPORT

Scope

On the basis of the information provided by the directors of Alfalfa House Community Food Cooperative Ltd, we have compiled in accordance with APES 315: Compilation of Financial Information, the special purpose financial report of Alfalfa House Community Food Cooperative Ltd for the year ended 30 June 2019, as set out in the attached profit and loss statement, balance sheet, changes in equity statement, cash flow statement, notes to the financial statements and members of the board statement.

The special purpose for which the special purpose financial report has been prepared is set out in Note 1. The extent to which the accounting standards and other mandatory professional reporting requirements have or have not been adopted in the preparation of the special purpose financial report is also set out in Note 1.

The directors are solely responsible for the information contained in the special purpose financial report. This includes the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the financial statements were prepared.

We have applied professional expertise in accounting and financial reporting to compile these financial statements on the basis of accounting described in the notes to the financial statements. We have complied with the relevant ethical requirements of APES 110: Code of Ethics for Professional Accountants.

Since a compilation engagement is not an assurance engagement, there is no requirement to verify the reliability, accuracy or completeness of the information provided to us to compile the special purpose financial report. Accordingly, an audit opinion or review conclusion has not been expressed.

The special purpose financial report has been compiled for the benefit of the directors who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of this special purpose financial report.

Raassis Taxation Services
PO Box 236
Haberfield NSW 2045



Caroline Raassis

Dated: 20 February, 2020