

Alfalfa House Community Food Co-operative

**Financial Statements
For the Year ended 30 June 2018**

Alfalfa House Community Food Co-operative

Board's Report For the Year Ended 30 June 2018

Your board members submit the financial report of the Alfalfa House Community Food Co-operative, for the financial year ended 30 June 2018.

Board Members

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

Caroline Bakewell (appointed 27/03/18)
Stephen Catt (appointed 24/04/18)
Kelly Dent (appointed 19/12/18)
Bruce Diekman (appointed 19/11/17)
Jonathan Green (appointed 17/11/15 resigned 27/3/18)
Jennifer Millman (appointed 16/11/17)
Jason Levett (appointed 27/03/18 resigned 26/09/18)
Catherine O'Keefe (appointed 26/08/16)

Principal Activities

The principal activities of the co-operative during the financial year were; the sale of organic and ethically sourced food, in line with the co-operative's objectives.

Significant Changes

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

Operating Result

The Loss for the year ended 30 June 2018 amounted to (\$17,160).

Signed in accordance with a resolution of the Board.


.....
Kelly Dent


.....
Catherine O'Keefe

Dated

Alfalfa House Community Food Co-operative
Statement of Profit or Loss & Other Comprehensive Income
For the Year ended 30 June 2018

	Note	2018 \$	2017 \$
Revenue	2	1,115,089	1,174,331
Other revenue		62,178	36,125
Changes in inventories		(332)	(16,052)
Purchases		(719,927)	(719,596)
Employee benefits expense		(349,043)	(322,220)
Depreciation and amortisation		(8,886)	(10,233)
Rent and occupancy charges		(40,602)	(36,855)
Other costs		(75,413)	(82,063)
Sales POS variance		(224)	(542)
Loss before income tax	4	<u>(17,160)</u>	<u>22,895</u>
Loss for the year		<u>(17,160)</u>	<u>22,895</u>
Other comprehensive income			
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		<u>(17,160)</u>	<u>22,895</u>

The accompanying notes form part of these financial statements.

Alfalfa House Community Food Co-operative

Balance Sheet As at 30 June 2018

	Note	2018 \$	2017 \$
Current Assets			
Cash and Cash Equivalents	5	28,856	80,482
Trade and Other Receivables		3,891	-
Inventories	7	<u>54,844</u>	<u>55,176</u>
Total Current Assets		<u>87,591</u>	<u>135,658</u>
Non-Current Assets			
Property, Plant and Equipment	8	<u>76,437</u>	<u>44,124</u>
Total Non-Current Assets		<u>76,437</u>	<u>44,124</u>
Total Assets		<u><u>164,028</u></u>	<u><u>179,782</u></u>
Current Liabilities			
Trade and Other Payables	9	39,634	36,438
Short-Term Financial Liabilities	10	6,940	6,091
Provisions	11	<u>17,345</u>	<u>19,984</u>
Total Current Liabilities		<u>63,919</u>	<u>62,513</u>
Total Liabilities		<u>63,919</u>	<u>62,513</u>
Net Assets		<u><u>100,109</u></u>	<u><u>117,269</u></u>
Equity			
Retained Profits		100,109	117,269
Total Equity		<u><u>100,109</u></u>	<u><u>117,269</u></u>

The accompanying notes form part of these financial statements.

Alfalfa House Community Food Co-operative
Statement of Changes in Equity
For the Year ended 30 June 2018

	2018	2017
	\$	\$
Opening Balance	117,269	94,374
Retained Earnings		
Profit/(Loss) Attributable to Members	<u>(17,160)</u>	<u>22,895</u>
	(17,160)	22,895
Closing Balance	<u><u>100,109</u></u>	<u><u>117,269</u></u>
Reconciliation of Retained Earnings		
Opening Balance	117,269	94,374
Profit/(Loss) Attributable to Members	<u>(17,160)</u>	<u>22,895</u>
Closing Balance	<u>100,109</u>	<u>117,269</u>
Total Equity	<u><u>100,109</u></u>	<u><u>117,269</u></u>

*The accompanying notes form part of these financial statements.
 These financial statements have not been subject to audit or review and should be read in conjunction with the
 attached Compilation Report.*

Alfalfa House Community Food Co-operative

Statement of Cash Flows For the Year ended 30 June 2018

	Note	2018 \$	2017 \$
Cash Flows from Operating Activities			
Receipts from Customers		1,176,434	1,209,568
Payments to Suppliers and Employees		(1,188,543)	(1,164,575)
Interest Received		<u>833</u>	<u>888</u>
Net Cash Outflow from Operating Activities	6	(11,276)	45,881
Cash Flows from Investing Activities			
Purchase of Property, Plant and Equipment		<u>(40,350)</u>	<u>(7,036)</u>
Net Cash Outflow from Investing Activities		(40,350)	(7,036)
Net Decrease in Cash Held		<u>(51,626)</u>	38,845
Cash and Cash Equivalents as at 1 July 2017		80,482	41,637
Cash and Cash Equivalents as at 30 June 2018		<u><u>28,856</u></u>	<u><u>80,482</u></u>

The accompanying notes form part of these financial statements.

Alfalfa House Community Food Co-operative

Notes to the Financial Statements For the Year ended 30 June 2018

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the co-operative is a non-reporting entity because there are no users who are dependent on its general purpose financial statements. These financial statements are therefore special purpose financial statements that have been prepared in order to meet the requirements of the Co-operatives (Adoption of National Law) Act 2012 (NSW). The co-operative is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles 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 those of previous periods unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

The following material accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of the financial statements.

(a) **Cash and Cash Equivalents**

Cash and cash equivalents comprises 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 the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(c) **Employee Benefits**

Provision is made for the co-operative's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits have been measured at the amounts expected to be paid when the liability is settled.

(d) **Property, Plant and Equipment**

Leasehold improvements and office equipment are carried at cost less, where applicable, any accumulated depreciation.

The depreciable amount of all fixed assets are depreciated over the useful lives of the assets to the association commencing from the time the asset is held ready for use.

Leasehold improvements are amortised over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

(e) **Income Tax**

The co-operative is a not-for-profit organisation and the board consider it to be exempt from income tax under Division 50 of the Income Tax Assessment Act 1997 following their own self-assessment review of the co-operative's activities and objectives.

Alfalfa House Community Food Co-operative

Notes to the Financial Statements For the Year ended 30 June 2018

(f) **Inventories**

Inventories are measured at the lower of cost and net realisable value. 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 through an obsolescence provision if necessary.

(g) **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. For this purpose, deferred consideration is not discounted to present values when recognising revenue.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

(h) **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 Tax Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables in the assets and liabilities statement are shown inclusive of GST.

Alfalfa House Community Food Co-operative

Notes to the Financial Statements For the Year ended 30 June 2018

	2018	2017
	\$	\$
2. Revenue		
Sales Revenue		
Sale of Goods	<u>1,115,089</u>	<u>1,174,331</u>
	1,115,089	1,174,331
Other Revenue		
Interest Received	833	888
- Grants	28,000	-
- Annual Subscription Fees	20,343	18,596
- Joining Fees	10,274	11,660
- Donations	<u>-</u>	<u>4,981</u>
	59,450	36,125
	<u><u>1,174,539</u></u>	<u><u>1,210,456</u></u>
3. Profit		
Expenses		
Decrease in Inventories of Finished Goods or Wip	332	16,052
Raw Materials, Purchases and Consumables Used	719,927	719,596
Employee Benefits Expense	349,043	322,220
Depreciation and Amortisation	8,886	10,233
Rent	40,602	36,855
Other Expenses	<u>75,637</u>	<u>82,605</u>
	<u><u>1,194,427</u></u>	<u><u>1,187,561</u></u>
4. Profit for the Year		
Profit before income tax expense from continuing operations includes the following specific expenses:		
Charging as Expense		
Cost of Goods Sold	720,259	735,648
Movements in Provisions		
Depreciation		
- Depreciation of Property, Plant and Equipment	8,886	10,233
Net Expenses Resulting from Movement in Provisions	<u>8,886</u>	<u>10,233</u>
5. Cash and Cash Equivalents		
Cash on Hand	8,992	5,353
Deposits	3,585	3,585
Cash at Bank - acc 249	134	1,002
Cash at Bank - acc 250	1,581	50,934
Cash at Bank - acc 780	<u>14,564</u>	<u>19,608</u>
	<u><u>28,856</u></u>	<u><u>80,482</u></u>
Reconciliation of Cash		
Cash and Cash Equivalents	<u><u>28,856</u></u>	<u><u>80,482</u></u>
	<u><u>28,856</u></u>	<u><u>80,482</u></u>

The accompanying notes form part of these financial statements.

Alfalfa House Community Food Co-operative

Notes to the Financial Statements For the Year ended 30 June 2018

	2018 \$	2017 \$
6. Cash Flow Information		
Reconciliation of Cash Flow from Operations with Profit after Income Tax		
Loss after Income Tax	(17,160)	22,895
Adjustments for Non-Cash Components in Profit:		
Depreciation	8,886	10,233
Changes in Assets and Liabilities		
Increase in Trade and Other Receivables	(6,138)	-
Decrease in Inventories	332	16,052
Increase in Trade and Other Payables	5,443	(3,732)
Decrease in Provisions	(2,639)	433
Net Cash Decrease in Cash Held	<u>(11,276)</u>	<u>45,881</u>
7. Inventories		
Current		
Stock on Hand	<u>54,844</u>	<u>55,176</u>
	<u>54,844</u>	<u>55,176</u>
8. Property, Plant & Equipment		
Land & Buildings		
Property Improvements	15,064	14,564
Less Accumulated Impairment	<u>7,868</u>	<u>5,684</u>
	7,196	8,880
Total Land & Buildings	<u>7,196</u>	<u>8,880</u>
Plant & Equipment		
Containers & Scoops	12,396	12,396
Less Accumulated Impairment	<u>9,048</u>	<u>8,457</u>
	3,348	3,939
Shop & Office Equipment	68,403	60,155
Less Accumulated Impairment	<u>45,849</u>	<u>42,042</u>
	22,554	18,113
Fittings & Fixtures	70,496	44,820
Less Accumulated Impairment	<u>34,793</u>	<u>32,776</u>
	35,703	12,044
Software	18,238	11,463
Less Accumulated Impairment	<u>10,602</u>	<u>10,315</u>
	7,636	1,148
Total Plant & Equipment	<u>69,241</u>	<u>35,244</u>
Total Property, Plant & Equipment	<u>76,437</u>	<u>44,124</u>

The accompanying notes form part of these financial statements.

Alfalfa House Community Food Co-operative

Notes to the Financial Statements For the Year ended 30 June 2018

	2018	2017
	\$	\$
9. Trade and Other Payables		
Current		
Trade Creditors	36,304	30,550
PAYG Withholding Payable	3,330	3,641
Provision for GST	-	2,247
	<u>39,634</u>	<u>36,438</u>
Total Trade and Other Payables	<u><u>39,634</u></u>	<u><u>36,438</u></u>
10. Financial Liabilities		
Current		
Superannuation Payable	<u>6,940</u>	<u>6,091</u>
	<u><u>6,940</u></u>	<u><u>6,091</u></u>
Total Financial Liabilities	<u><u>6,940</u></u>	<u><u>6,091</u></u>
11. Provisions		
Current		
Provision for Annual Leave	10,963	13,421
Provision for Long Service Leave	<u>6,382</u>	<u>6,563</u>
	<u><u>17,345</u></u>	<u><u>19,984</u></u>

The accompanying notes form part of these financial statements.

Alfalfa House Community Food Co-operative


Statement by Members of the Board For the Year ended 30 June 2018

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

In the opinion of the board as set out in the accompanying financial report;

1. This report presents a true and fair view of the financial position of Alfalfa House Community Food Co-operative as at 30 June 2018 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that Alfalfa House Community Food Co-operative will be able to pay its debts as and when they fall due.

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


.....
Director: Kelly Dent


.....
Director: Catherine O'Keefe

Dated

Alfalfa House Community Food Co-operative Compilation Report To Alfalfa House Community Food Co-operative

We have compiled the accompanying special purpose financial statements of Alfalfa House Community Food Co-operative which comprise the balance sheet as at 30 June 2018, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Directors

The directors are solely responsible for the information contained in the special purpose financial statements and have determined that the basis of accounting adopted is appropriate to meet their needs and for the purpose that the financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors, we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting adopted and APES 315: Compilation of Financial Information.

Our procedures use accounting expertise to collect, classify and summarise the financial information, which the directors provided, in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed and accordingly no assurance is expressed.

The special purpose financial statements were compiled exclusively for the benefit of the directors. We do not accept responsibility to any other person for the contents of the special purpose financial statements.

Sustainable Numbers Pty Ltd
Chartered Accountants
Suite 405 Level 4, 83 York St Sydney NSW



Anthony Zahra
Director
28 November 2018

Alfalfa House Community Food Co-operative

Annual Report for the Year Ended 30 June 2018

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