

ALFALFA HOUSE SHED DESIGN

KEY OUTCOMES

- _Keep back area tidy
- _Increase storage capacity
- _Provide space for future freezer
- _Provide more accessible storage
- _Provide new floor to increase protection from weather

DESIGN DRIVERS

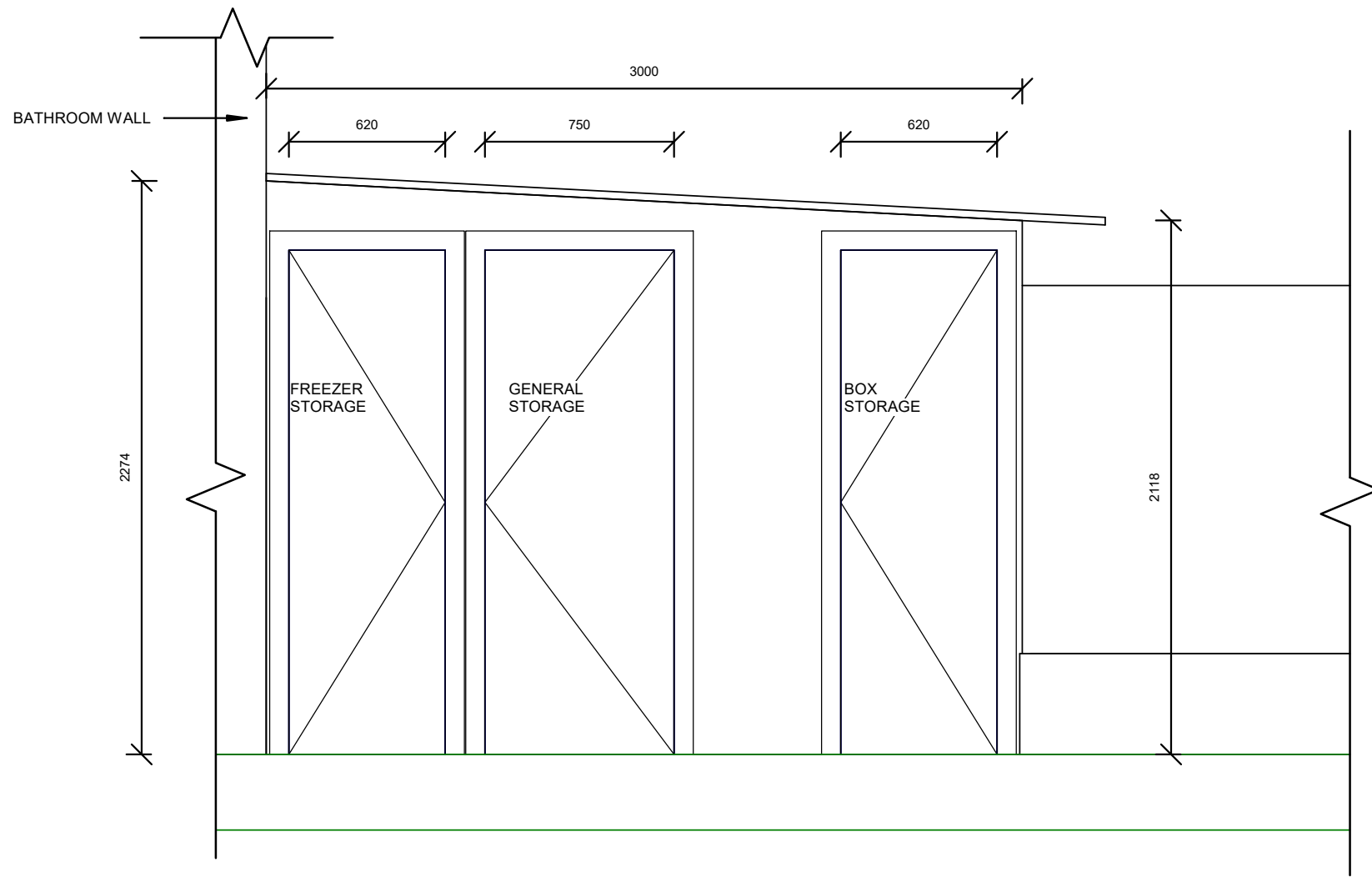
- _Cost effective
- _Able to be constructed quickly by a few volunteers
- _Recycled materials where possible

PENDING DECISIONS

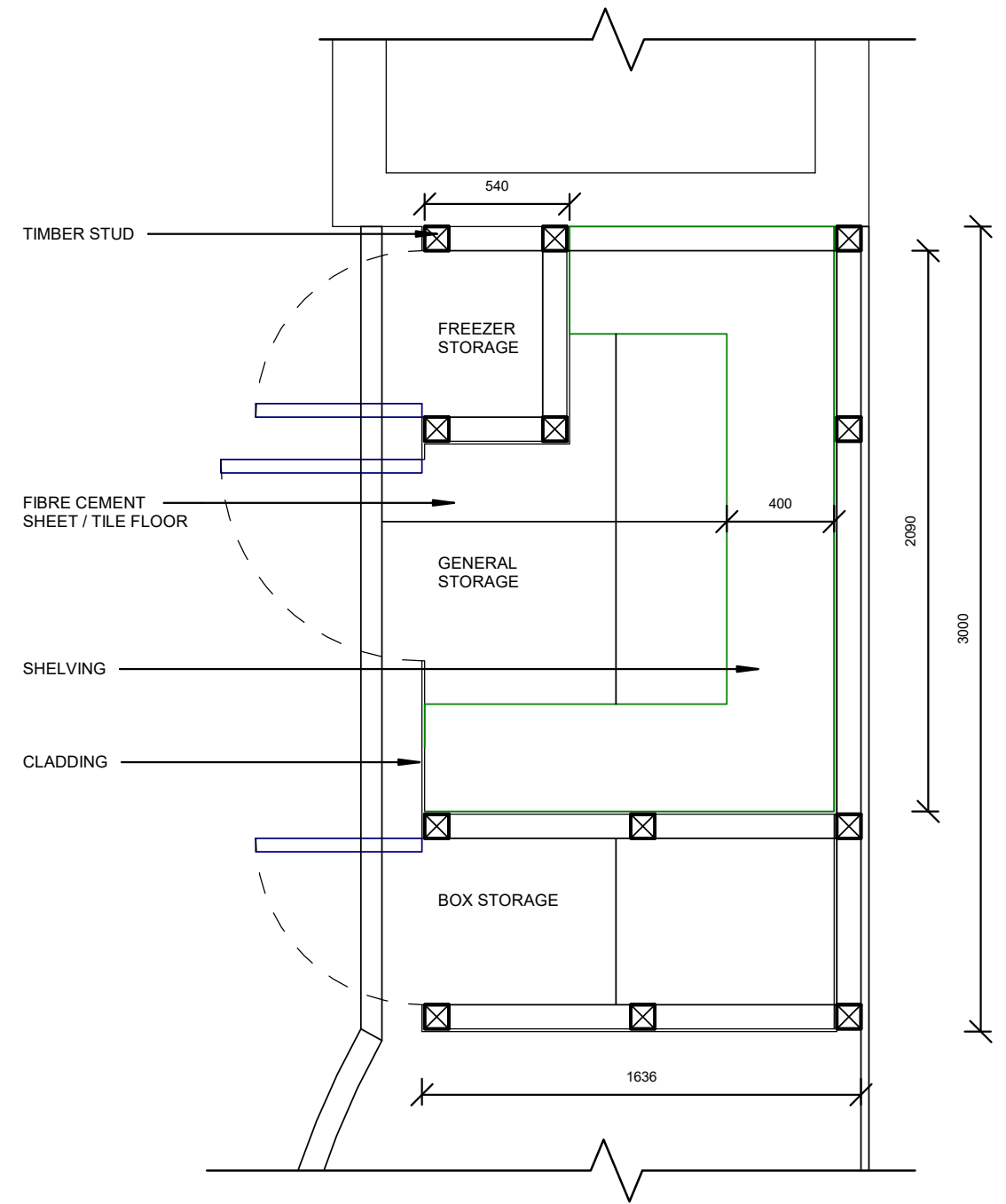
- _Material options
- _Budget
- _Volunteers available for construction
- _Transportation of materials
- _Time frame for construction
- _Storage of building materials

POTENTIAL RISKS

- _Cost
- _No council approval



ELEVATION - 1:25



PLAN - 1:25

--

No.	Description	Date

--

ALFALFA HOUSE SHED			
Project number		A101	
Date	06.03.19		
Drawn by	BC		
Checked by	Checker		
		Scale	1 : 25

MANAGERS REPORT

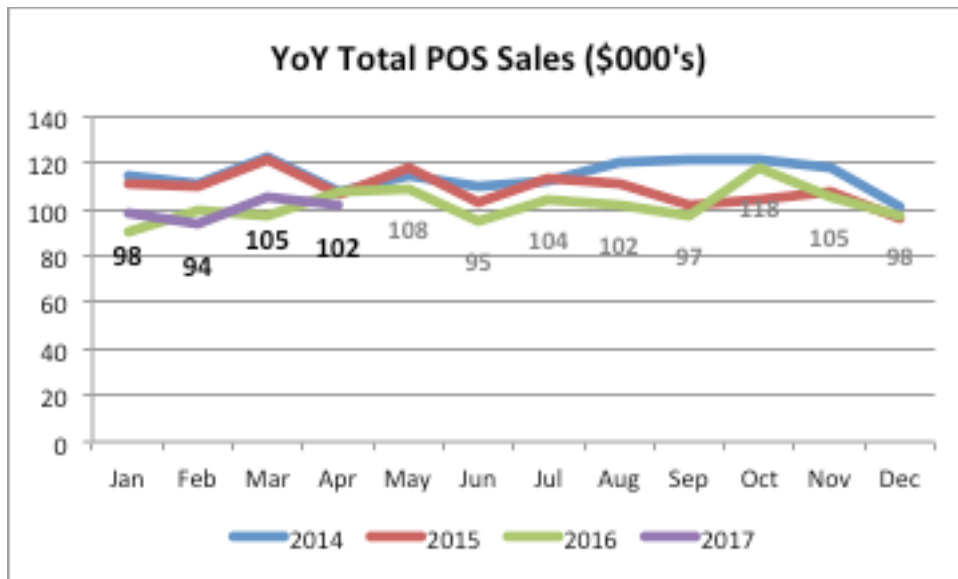
ALFALFA HOUSE

APRIL 2017

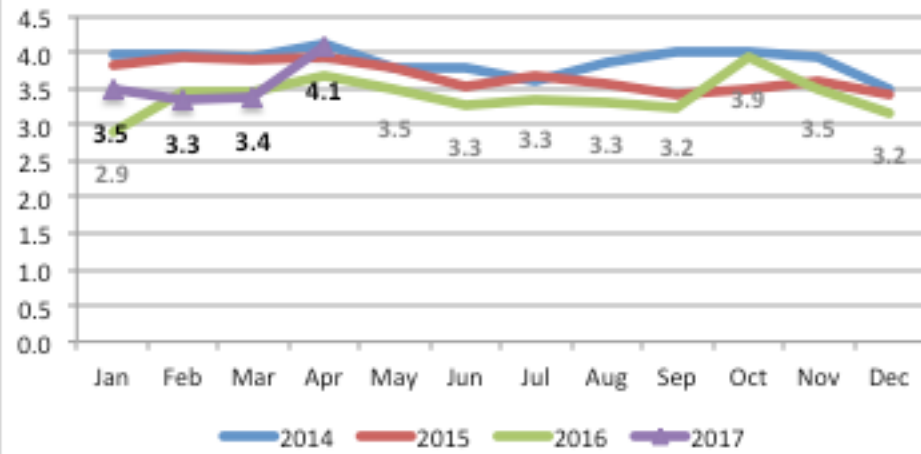
Sales according to POS

Highlights:

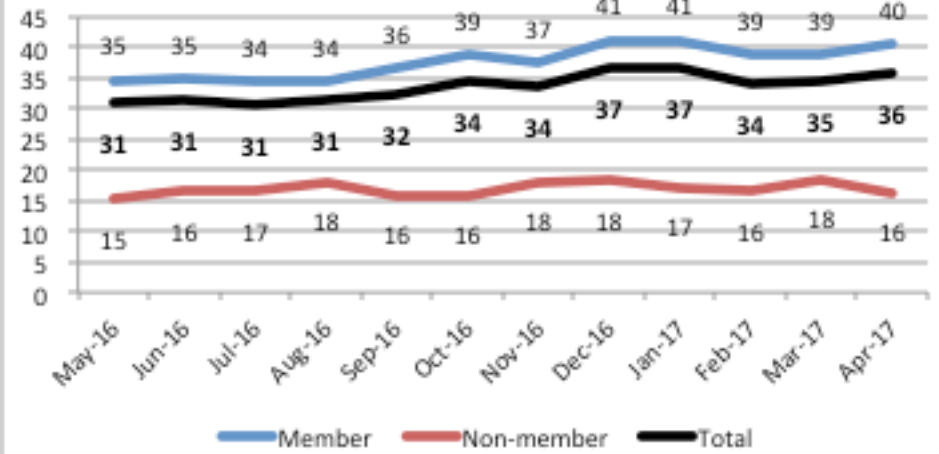
- Total POS sales are showing positive signs of recovery.
- The average spend per transaction is slowly increasing, now at \$40 per transaction.
- Average number of 'member' transactions has increased dramatically to 92 per day.
- We continue to focus our attention on groceries sales, we have seen some minor improvements on fridge sales.



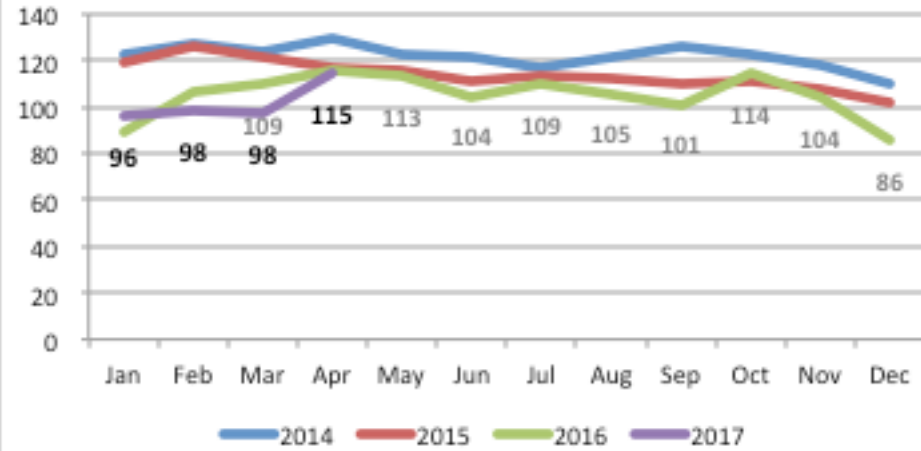
Average Daily POS Sales (\$000's)



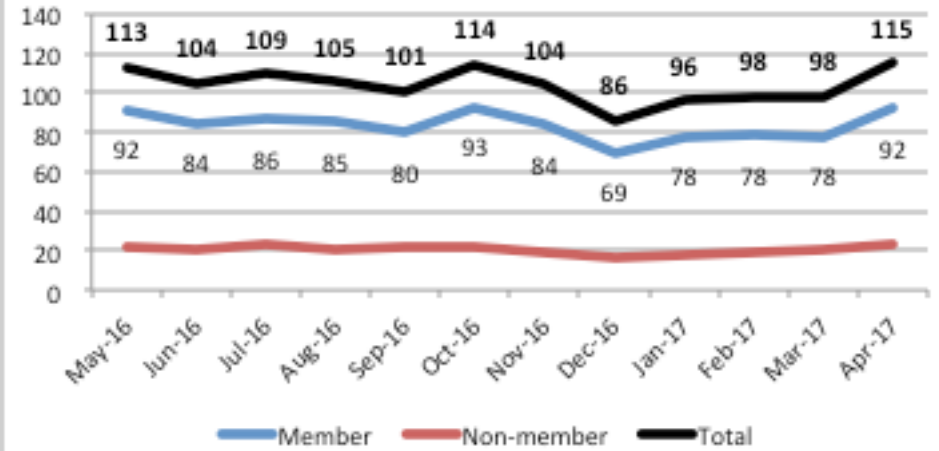
Average Sales (\$) per transaction



YoY Average No. of transactions



Average Number of transactions (per day)



ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE LTD.
Quarterly Sales Analysis by Category

Category Super	Category	2016							2016	2017		Mth v Mth Δ
		Q1	Apr	May	Jun	Q2	Q3	Q4	Total	Q1	Apr	Apr16 v Apr17
Groceries	fridge	38,226	12,617	13,080	12,273	37,971	39,800	42,493	158,489	40,578	13,493	7%
	nuts and seeds	27,342	10,675	10,087	8,979	29,741	29,192	30,184	116,459	26,486	9,056	-15%
	home	20,426	7,214	7,013	6,665	20,892	18,752	21,303	81,373	19,367	5,792	-20%
	edible liquids	15,370	5,881	5,413	5,204	16,499	16,291	17,199	65,359	16,789	5,747	-2%
	pre-pack	13,795	5,143	5,663	4,619	15,426	14,852	15,108	59,181	11,312	3,958	-23%
	cereal	11,275	4,106	4,035	3,681	11,822	11,646	12,132	46,875	11,679	3,434	-16%
	sweets	9,742	3,864	4,172	3,876	11,912	12,468	11,810	45,932	10,302	3,859	-0%
	dried fruit	9,230	4,103	3,856	4,006	11,964	12,040	11,576	44,811	9,243	2,955	-28%
	flours and powders	10,482	3,663	3,616	3,647	10,926	9,681	8,812	39,902	8,223	2,751	-25%
	bakery	8,843	3,275	3,343	3,441	10,059	10,297	10,062	39,261	9,945	3,228	-1%
	herbs-spices-teas-coffee	8,066	3,244	3,128	3,642	10,014	10,374	9,161	37,615	7,415	3,058	-6%
	grains	7,589	2,888	2,515	2,835	8,237	7,168	8,771	31,766	7,835	2,814	-3%
	legumes and beans	5,080	1,932	1,724	2,018	5,674	5,467	5,535	21,756	4,510	1,241	-36%
	pasta	3,543	1,265	1,311	1,273	3,850	3,566	3,788	14,747	3,473	1,041	-18%
	asian	2,842	900	958	1,012	2,870	3,168	2,633	11,513	2,218	946	5%
packaging	1,482	602	511	434	1,547	1,492	1,365	5,886	1,252	440	-27%	
snacks	677	221	175	316	712	865	763	3,017	669	187	-16%	
Groceries Total		194,014	71,594	70,600	67,922	210,116	207,119	212,693	823,942	191,296	63,998	-11%
Produce	VEG	46,074	16,127	17,563	17,442	51,131	52,762	52,267	202,234	50,474	16,514	2%
	FRESH FRUIT	39,836	12,669	12,546	10,870	36,084	32,357	36,990	145,267	41,340	11,100	-12%
	FRESH HERBS	6,884	2,464	2,636	2,395	7,495	7,027	7,379	28,785	6,580	2,223	-10%
	VEG BOX	3,731	1,507	1,486	1,353	4,345	3,723	4,593	16,392	4,612	1,666	11%
Produce Total		96,526	32,766	34,231	32,059	99,055	95,869	101,229	392,679	103,006	31,503	-4%
Grand Total		484,554	104,360	104,830	99,982	519,288	510,106	526,615	1,216,621	485,599	95,501	-8%

- Groceries have seen a small improvement in fridge sales but more needs to be done across all categories.
- Pre-pack, flours and powders along with legumes are primary areas of focus on over the coming months.
- Nuts and seeds as well as home items will also need attention.

PRODUCE

	<u>REVENUE</u>	<u>PERCENTAGE OF SALES</u>	<u>GROSS PROFIT MARGIN</u>	<u>LOSS</u>	<u>STOCK</u>
APR 2017	\$31,512.15	32.5%	43.6%		\$199.08
MAR 2017	\$35,413.44	32.4%	34.8%		\$389.26
FEB 2017	\$29,935.48	32.4%	34.8%		\$260.16
JAN 2017	\$33,573.78	36.3 %	35.1 %		\$272.90
DEC 2016	\$30,113.67	31.3 %	41.7 %		\$454.32
NOV 2016	\$32,871.00	32.1 %	36.4%		\$370.67
OCT 2016	\$37,025.64	32.4 %	33.7%		\$288.59
SEP 2016	\$30,715.14	31.3 %	41.9%		\$485.72
<i>APR 2016</i>	<i>\$ 32,812.06</i>	<i>31.0 %</i>	<i>30.1%</i>		<i>\$410.90</i>

GROCERIES

	<u>REVENUE</u>	<u>PERCENTAGE OF SALES</u>	<u>GROSS PROFIT MARGIN</u>	<u>LOSS</u>	<u>STOCK</u>
APR 2017	\$65,340.58	64.1%	50.1%		\$100.84
MAR 2017	\$66,144.39	63.1%	48.6%		\$321.38
FEB 2017	\$62,346.63	64.4%	49.2%		\$205.41
JAN 2017	\$58,999.18	58%	42.8%		\$247.03
DEC 2016	\$66,142.05	68 %	44.8%		\$249.29
NOV 2016	\$69,470.88	66 %	49.3%		\$93.84
OCT 2016	\$77,271.27	67.6 %	42.4%		\$98.85
SEP 2016	\$66 313.88	68.3 %	49.3%		\$159.05
<i>APR 2016</i>	<i>\$73,099.04</i>	<i>68.2%</i>	<i>45.5%</i>		<i>\$95.75</i>

MEMBERSHIP

Month	Current	New	Cancelled	Net Change +/-
Apr-17	3,767	54	(49)	5
Mar-17	3,762	46	(120)	(74)
Feb-17	3,837	72	(79)	(7)
Jan-17	3,844	56	(19)	37
Dec-16	3,807	34	(97)	(63)
Nov-16	3,870	58	(92)	(34)
Oct-16	3,904	48	(44)	4
Sep-16	3,900	66	(83)	(17)

Please minute the following **new** numbers:

12184 12185 12186 12187 12188 12189 12191 12192 12193 12194 12196 12197 12198 12199 12200 12201 12202 12203 12204 12205
 12206 12207 12208 12209 12210 12211 12212 12213 12214 12215 12217 12218 12219 12220 12221 12224 12225 12227 12228 12229
 12230 12231 12233 12234 12235 12236 12237 12238 12239 12240 12241 12242 12243 12244

Please minute the following **cancelled** numbers:

2533 4219 4284 4698 5055 5219 5462 8075 8244 8322 8384 8561 8580 9237 9291 9294 9379 9414 9419 9422 9667 9801 10011 10034
 10134 10173 10218 10266 10351 10515 10536 10577 10584 10591 10600 10601 10602 10603 10613 10616 10618 10620 10621 10626
 10627 10630 10631 10642 10644

Annual Subscription Fee (2017)

Flag In POS	Jan		Feb		Mar		Apr		Total \$	Total ID
	\$	ID	\$	ID	\$	ID	\$	ID		
Yes	\$618	34	\$1,307	72	\$823	46	\$964	53	\$3,712	205
No							\$36	2	\$36	2
New Total	\$618	34	\$1,307	72	\$823	46	\$1,000	55	\$3,748	207
Yes	\$6,397	354	\$2,759	152	\$2,216	122	\$3,752	209	\$15,124	837
Renew	\$6,397	354	\$2,759	152	\$2,216	122	\$3,752	209	\$15,124	837
Grand Total	\$7,015	388	\$4,066	224	\$3,039	168	\$4,752	264	\$18,872	1,044

- As at 30 April, we have seen 837 members pay their 2017 annual subscription fee.
- In addition, we should note that we 207 **new** members joined, during the same period.
- As per recent communications, we will continue to collect the ASF this year, as some members will be paying on their next shop with us.
- Victoria and I are working closely on any issues which we encounter, such as the below clarification.
 - If a member does not choose to pay the ASF, under the current rules this member will keep their membership number but will not receive the 10% discount. The current rules state, that as long as you shop once in the calendar year, your membership remains active.
 - The above issue may need to be assessed during the half yearly review of the ASF implementation.
 - If a member has existing volunteer discounts, they will need to pay their ASF in order to use these discounts going forward.
 -

STAFFING

- Please be advised Julia Gove has now completed training for Lucy Williams Moore in the groceries coordinator role.
- Julia will now move to work in the Friday produce role and continue with her volunteer and shop coordinator roles. As previously discussed, I will be looking to extend Julia's volunteer hours over the coming month from 5 hours to 10 hours per week.
- Jann French is recovering from her medical condition and is on annual leave, planning to return the week commencing 29 May.

VOLUNTEER HOURS

Month	Hours	Volunteers	Average (hrs)	Comments
Apr-17	374	70	5.3	
Mar-17	494	70	7.0	
Feb-17	385	58	5.7	
Jan-17	332	62	5.3	
Dec-16	269	46	5.9	

Volunteers (hrs)	Apr-17	Mar-17	Feb-17	Jan-17	Dec-16
Permanent	213	215	144	134	117
Reg/Casual/XD	161	279	241	198	152
Total	374	494	385	332	269

Volunteers (hc)	Apr-17	Mar-17	Feb 17	Jan-17	Dec-16
Permanent	30	27	21	17	18
Reg/Casual/XD	40	43	47	45	28
Total	70	70	68	62	46

WORKPLACE HEALTH AND SAFETY

- GIO is scheduled to meet with Yue Ajioka and myself on 23 May with regards to her Certificate of Capacity submission.
- Cleaning with regards to mould remediation is scheduled for 19 May at 7am (3 door refrigerator) and 24 May (2 x air conditioner)

Proposal for new aprons, tote bags and t-shirts

Screen printing:

Free. To be done by volunteers. Two volunteers engaged.

Ink:

Permaset eco waterbased ink

\$24.95 per pot. White, Green. We have black ink care of Jann.

Screen:

Jann has a screen we can use. New logo can be transferred to the screen by my house mate for \$20.

Aprons:

\$26.08p/unit exc gst (10+)

<http://www.liminal.org.au/online-shop/aprons>

\$11.51 EA (15) WHITE ONLY

<https://www.bagpeople.com.au/collections/aprons/products/cotton-apron>

\$32.50

<http://thelinenpress.com.au/catalogue/certified-organic-textiles/organic-cotton-heavy-duty-apron>

\$34.95

<https://www.creamworkwear.com.au/collections/aprons/products/apron-waitstaff-organic-cotton-denim>

Tote Bags:

\$2.54 for 50

<https://www.bagpeople.com.au/collections/fairtrade-cotton/products/fairtrade-cotton-tote-bag>

\$13.91p/unit exc gst

<http://www.liminal.org.au/online-shop/cotton-bag/freeset-everyday-totebag-fox-print-chloe-ruby-detail>

\$4.95 (10+)

<http://www.buyecogreen.com.au/bags-organic-and-fair-trade-cotton/fair-trade-cotton-shoulder-bag>

T-shirts:

Members can drop off a t-shirt.

I suggest we ask for \$5 for printing, Or should we make it free? It could be free for volunteers, \$5 for members? or do we just take it as free advertising and not charge?

Item	Cost
Ink	\$49.90
Screen	\$20
Aprons: 12 at \$26.08 each plus \$10 delivery	\$322.96

Totes: 50 at \$ plus \$9.50 delivery	\$136.50
T-shirts: estimated 10 members at \$5 each	-\$50
Total	\$479.36

APRIL NUMBERS / Dashboard

We recorded \$95.5K in sales (vs. \$-----K last year vs. \$-----K the year before).

We show a net profit of around \$15.2K for the month. Note that: (i) we booked \$4.8K in annual subscription fees; (ii) purchasing was lower than average for the month at \$49.5K (compared to \$61.3 in the year before and an average of about \$58.7K a month for the current fiscal year); (iii) April was a 2-payroll month (low payroll of \$23.7K vs. \$26.5K a month for the current fiscal year); (iv) we paid our quarterly electricity bill of \$2.7K; and (v) we were closed for five days due to the April holidays.

So, in actuality, we are looking at, maybe, a flat for the month.

Our YTD numbers look like this with comparables for the last two years:

	2017 YTD	2016 YTD	2015 YTD
Revenue	971,157	1,013,504	1,107,246
Cost of Goods	586,923	644,121	730,671
Operating Expenses	378,492	435,247	426,482
Donations/Grants	4,931	16,878	10,590
Annual Subscription Fees	18,871	0	0
Joining Fees	5,820	13,800	17,980
Profit (Loss)	36,074	(22,885)	(19,744)

So, as we have discussed, revenue is down, but because of our cost-cutting and the annual subscription fee and donations, we are looking at a potential profit at year-end.

Maurice's overall take is that for the month of April, we saw a promising increase in our average spend per day (from \$38 to \$40) and an increase in transactions (+20). What we are seeing now is around \$4K a day vs. \$3.4K in March. We saw a 7% increase in our grocery fridge sales over the April 16 numbers. Good activity in the shop. The annual subscription fees spiked before the deadline.

We are continuing to put off paying certain creditors: (i) \$386 for Simon's annual leave payout - being paid out on a \$1K/mo plan; and (ii) \$2.2K in PAYG withholding.

Sales Variance (POS v. bank) at \$273.60 for the month, -\$308.61 for the current year to date. Maurice and Matt worked to clear these numbers for YTD. Thanks to them we now have a clearer picture of our YTD variance. Maurice is working with a volunteer (Bill Garvis) to create a process for resolving these variances at the end of day. This process would be implemented by the staff at the till at close. We are about 4 to 6 weeks out on getting this into place.

In addition, by May 31, 2017, we have to spend the remaining \$6.1K of the grant from Jenny Leong's office. In essence, this remainder is borrowed money which we must repay (by spending it on our projects). The money will be spent on the (\$2.7K) shelving (heavy liquids) plus an addition \$600 for a drip tray; (\$1K) remediation of the AC units; the remaining (\$1.8) will be used to buy material to fix the nut shelves, the outdoor storage unit and other shelving in the shop.

FORENSIC ACCOUNTING

This is on hold. Maurice will get together with Sax to delve further into the historical data (April 2014 - September 2016).

From November: We continue to work with RGL Forensics in order to sort out the \$20K loss we recognized in 2016. Recently (with the help of Katherine Lustig's partner, Sax) we were able to access our historical financial data on MYOB (July 2013 - May 2014). This has been forwarded to RGL Forensics; and they have put together our monthly balance sheets (July 2013 to Present) which shows the Clearing Account - Cash line item. It is here for your perusal - <https://drive.google.com/open?id=0B2CzrZkqx6HpQjZtVlhaQ29xb2QzaURFZzlhZNoR0JwWU1v>

At this time, RGL Forensics does not see any easily discernable pattern in this data which would reflect theft. The balance in the Clearing Account - Cash fluctuates in a manner which seems unrelated to staffing. We have asked Sax for additional help retrieving data from our historical financial data. When we get that information, Maurice is going to take a closer look at the daily revenues to see if we can get some clarification with respect to the movements in the Clearing Account.

We still need to pursue variances in the recent past; Maurice/Julia have done some good work on November's numbers which may prove helpful for July - October. Maurice will look at July - October over the holidays. Maurice has seen a lot continuing issues with the POS reporting and closing out of the tills. We continue to see issues with the doubling up of a day's sales (a mistake at the till). Maurice is addressing these issues with procedures for staff on till handling.

INSOLVENCY ALARM

We discussed when we should be concerned about immediate insolvency. We all recognize the formal position that it is the point at which we would be unable to pay our debts as they come due. We looked at the current balance sheet, and we estimated that our current buffer is about \$82.1K. This figure is based upon the Current Assets less Liabilities; taking into account the \$6.1K grant money we owe back; basing inventory value at cost; estimating that inventory is at around the same value as at June 30.

CASH FLOW BUDGET/FORECAST

Maurice still feels comfortable with his fortnightly budgeting at the moment. Maurice is now budgeting about \$18K a week on stock purchases going forward. We are comfortable with our cash position for the next month. We are looking at the following expenses in May: TVH will be cleaning the AC (\$1K); Sydney Eco Cleaning will be cleaning the silver fridge (\$200).

POS WORK

IN PROGRESS

Maurice found idealPOS as a potential vendor; they are working at Bathurst co-op. Jonny is contacting them for a quote. Maurice has heard that Vend might have integrated scales now.

Maurice is discussing improving the POS (FileMaker) with the volunteer (Bill), potentially installing scales integration and touch-screens in the tills.

Profit & Loss

ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE 1 April 2017 to 30 April 2017

	30 Apr 17	30 Apr 16	30 Apr 15
Income			
Cash Sales Deposited to bank	-	-	-
Debit/Credit Card Sales Deposited to bank	-	-	-
Sales - Ex GST	81,852	90,804	89,403
Sales - GST	13,349	14,070	15,845
Sales variance - POS to bank	274	-	-
Till Variance - Cash	-	(178)	(465)
Vouchers Claimed	-	(100)	-
Total Income	95,475	104,596	104,783
Less Cost of Sales			
Fruit & Vegetables	18,126	22,836	23,912
Groceries	31,344	43,087	45,313
Opening Inventory	-	96	-
Packaging	27	-	-
Total Cost of Sales	49,497	66,020	69,225
Gross Profit	45,978	38,576	35,558
Plus Other Income			
Annual Subscription Fees	4,752	-	-
Donations	23	-	-
Interest Income	87	72	127
Paid Parental Leave Received	-	1,314	-
Total Other Income	4,862	1,386	127
Less Operating Expenses			
Administration Expenses			
Advertising & Marketing	14	20	-
Bank Fees	3	-	54
Bookkeeping Fees	1,600	2,500	3,000
Computer & IT Maintenance	-	1,040	-
Computer Expenses	295	-	192
Depreciation	823	883	947
EFTPOS Fees	668	805	777
Licences	-	90	-
Printing	35	33	140
Recruitment Fees	(110)	-	-
Repairs & Maintenance	727	345	80
Room Hire	173	-	-
Shop & Office Equip < \$1000	-	267	126
Software [62830]	-	-	64
Staff Amenities	77	-	85
Stationery & Office Supplies	47	-	249
Storage Fees	-	120	-

Profit & Loss

	30 Apr 17	30 Apr 16	30 Apr 15
Subscriptions	12	149	106
Travel Expenses	-	-	23
Website Hosting	-	222	-
Total Administration Expenses	4,365	6,474	5,842
Communication Expenses			
Internet	-	64	64
Telephone Expenses	18	-	84
Total Communication Expenses	18	64	148
Employment Expenses			
Annual Leave - Movements	(12)	748	(3,290)
Long Service Leave Expense	269	-	-
Paid Parental Leave Expense	-	2,628	-
Superannuation Expense	1,931	2,110	2,291
Wages & Salaries Expenses	21,513	23,407	28,102
Total Employment Expenses	23,701	28,893	27,103
Facility Expenses			
Cleaning Expenses	90	2,836	2,099
Electricity Expenses	2,735	-	2,910
Recycling Fees	-	200	100
Rent	3,313	3,259	2,762
Rubbish Removal	80	129	148
Shop Inspection	-	195	-
Total Facility Expenses	6,218	6,620	8,019
Insurance Expenses			
Workers Comp Insurance	1,269	562	-
Total Insurance Expenses	1,269	562	-
Total Operating Expenses	35,570	42,612	41,111
Net Profit	15,271	(2,650)	(5,426)

Profit & Loss

ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE 1 July 2016 to 30 April 2017

	30 Apr 17	30 Apr 16	30 Apr 15
Income			
Cash Sales Deposited to bank	433	-	-
Daily Balance Sheet Variance	-	-	1,821
Debit/Credit Card Sales Deposited to bank	-	-	-
EFTPOS Fees Collected	-	(788)	-
Sales - Ex GST	850,455	882,310	963,567
Sales - GST	126,398	147,380	170,322
Sales variance - POS to bank	(309)	-	-
Till Variance - Cash	-	(1,498)	(10,394)
Vouchers Claimed	-	(100)	(90)
Total Income	976,978	1,027,304	1,125,226
Less Cost of Sales			
Freight In	-	-	120
Fruit & Vegetables	213,494	210,405	221,240
Groceries	374,259	433,620	509,311
Less: Closing Inventory	-	-	(58,710)
Opening Inventory	-	96	58,710
Packaging	27	-	-
Total Cost of Sales	587,779	644,122	730,672
Gross Profit	389,199	383,182	394,554
Plus Other Income			
Annual Subscription Fees	18,872	-	-
Donations	4,932	-	-
Fundraising Income	-	1,879	10,591
Grant Income	-	15,000	-
Interest Income	709	870	1,623
Paid Parental Leave Received	-	11,826	-
Total Other Income	24,513	29,575	12,214
Less Operating Expenses			
Administration Expenses			
Accounting & Audit Fees	800	-	-
Advertising & Marketing	1,746	20	715
Bank Fees	25	4	617
Bookkeeping Fees	18,544	29,000	30,000
Catering Expenses	-	-	90
Computer & IT Maintenance	2,405	9,085	8,766
Computer Expenses	1,619	-	192
Consultancy Fees	-	1,900	-
Depreciation	8,069	8,431	8,186
EFTPOS Fees	7,617	7,222	7,148
Fines and Penalties	124	104	104

Profit & Loss

	30 Apr 17	30 Apr 16	30 Apr 15
Licences	223	650	176
Pest Management	887	582	836
Postage [62850]	-	88	156
Printing	448	410	520
Recruitment Fees	220	440	-
Repairs & Maintenance	3,384	2,769	3,053
Room Hire	1,083	1,386	1,899
Shop & Office Equip < \$1000	1,655	1,444	2,190
Shop Refurbishment	-	-	4,936
Software [62830]	85	528	636
Staff Amenities	280	-	85
Staff Amenities [62820]	-	-	12
Stationery & Office Supplies	740	975	2,839
Storage Fees	-	588	-
Subscriptions	1,088	2,649	1,491
Travel Expenses	27	224	42
Website Hosting	-	222	133
Total Administration Expenses	51,069	68,722	74,823
Communication Expenses			
Internet	598	757	636
Telephone Expenses	608	1,211	712
Total Communication Expenses	1,206	1,968	1,349
Employment Expenses			
Annual Leave - Movements	(3,707)	(3,330)	(488)
Contractor Expenses	-	837	817
Long Service Leave Expense	2,830	(6,113)	(5,244)
Paid Parental Leave Expense	-	11,826	-
Superannuation Expense	22,041	23,485	24,270
Wages & Salaries Expenses	243,461	263,272	265,516
Total Employment Expenses	264,626	289,976	284,871
Facility Expenses			
Cleaning Expenses	11,080	19,041	13,500
Electricity Expenses	6,561	6,970	6,777
Recycling Fees	-	1,715	1,505
Rent	30,228	31,092	27,372
Rubbish Removal	1,149	1,890	1,222
Shop Inspection	150	275	300
Water Expenses	-	-	286
Water Usage	346	442	451
Total Facility Expenses	49,515	61,425	51,412
Insurance Expenses			
Business Insurance	5,229	11,085	8,546
Workers Comp Insurance	6,927	2,072	5,482
Total Insurance Expenses	12,156	13,157	14,028
Total Operating Expenses	378,573	435,247	426,483
Operating Profit	35,139	(22,491)	(19,715)

Profit & Loss

	30 Apr 17	30 Apr 16	30 Apr 15
Non-operating Expenses			
Other Non-operating Expenses			
Suspense	-	394	-
Total Other Non-operating Expenses	-	394	-
Total Non-operating Expenses	-	394	-
Net Profit	35,139	(22,885)	(19,715)

Balance Sheet

ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE As at 30 April 2017

	30 Apr 2017	30 Apr 2016	30 Apr 2015
Assets			
Current Assets			
Bank Accounts			
Bank Account - Debit Card 249	998	24,764	38,173
Bank Account - Expenses - 250	24,555	11,705	12,808
Community Access	20,983	-	-
Total Bank Accounts	46,536	36,469	50,982
Inventory			
Inventory	71,228	67,221	58,710
Total Inventory	71,228	67,221	58,710
Other Current Assets			
Bond on rental property	3,585	-	-
TFN Withholding Credits	-	354	354
Total Other Current Assets	3,585	354	354
Till Box			
Float Till Drawer	300	300	300
Front Till Change box	518	466	466
Total Till Box	818	766	766
Undeposited Funds			
Electronic Clearing Account	-	(210)	(892)
Undeposited - Cash	5,082	22,226	15,844
Undeposited - Debit/Credit Card Funds	10,496	6,557	4,651
Total Undeposited Funds	15,578	28,573	19,602
Total Current Assets	137,745	133,382	130,414
Non-current Assets			
Containers & Scoops	4,056	4,771	5,613
Fixtures & Fittings	7,616	9,244	11,525
Improvements	9,246	11,430	13,615
Shop & Office Equipment	19,206	22,137	21,333
Software	1,212	1,615	2,154
Total Non-current Assets	41,335	49,197	54,241
Total Assets	179,080	182,579	184,655

Liabilities

Current Liabilities			
ATO Liabilities			
GST	(2,345)	(1,492)	(2,358)
ICA - ATO	-	9,831	4,760
PAYG Withholding Payable	12,374	1	1
Total ATO Liabilities	10,029	8,340	2,403

Balance Sheet

	30 Apr 2017	30 Apr 2016	30 Apr 2015
Employment Liabilities			
Annual Leave Provision	12,248	14,673	20,198
Long Service Leave Provision	6,428	3,598	-
Superannuation Payable	1,931	8,839	9,988
Wages Payable - Payroll	-	-	-
Total Employment Liabilities	20,607	27,110	30,187
Payables			
Trade Creditors	18,875	35,606	34,793
Total Payables	18,875	35,606	34,793
Total Current Liabilities	49,512	71,057	67,383
Total Liabilities	49,512	71,057	67,383
Net Assets	129,568	111,522	117,272
Equity			
Current Year Earnings	35,139	(22,885)	(19,715)
Retained Earnings	94,429	134,407	136,987
Total Equity	129,568	111,522	117,272

Product Strategy

Report by Katherine Lustig, Chair Members' Council 19.05.2017

Recommendations:

1. That no herbs, spices or teas currently carried by the shop be discontinued.
2. That niche products are not discontinued unless it is shown that there are zero sales in a year.
3. That significant changes to shelf space for products be justified by the sales over time, which are determined by an examination of the sales data over the past three years.
4. Further, that a report be provided to MC with the proposed product line strategy based on sales data, member survey information and the like.

Background:

There are many changes occurring at Alfalfa House, largely with the goal of ensuring long term sales improvements as well as savings. This has involved a lot of hard work from staff. There are, however, some changes being made ostensibly for these reasons, but which could have a detrimental effect on the sales.

A study was to be undertaken some time ago to understand sales data over time and assist in determining how to stock shelf space for higher sales. It is understood that this occurred in some form, but the results have not been presented to MC.

Report:

Herbs, spices and teas

One area of concern is the discontinuation of certain herbs, spices and teas. Those currently marked as "discontinued" include marjoram, horsetail, lemon balm, gotu kola (aka Asiatic pennywort), pennyroyal and hot paprika. At least two of these are commonly used ingredients.

While spices may not be large sellers or significant earners for Alfalfa House, it is important for people to be able to get all their essentials in one place. If a herb or spice key to a person's shopping list is not available at Alfalfa House, the person may be inclined to shop elsewhere. Further, herbs and spices are a major point of difference for Alfalfa House, being significantly cheaper by kilogram at the cooperative than are the small jars in supermarkets.

It is proposed that we should ensure we are a place where ALL (or most) herb, spice and tea needs can be met.

Niche items

Some items being discontinued are difficult to find in other places, particularly for people seeking to forgo plastic with their purchases. Two current examples of products marked "discontinued" are glace figs and crystallised ginger.

Staff have reported that there are always a small number of members disappointed when their favourite item is discontinued because it doesn't sell well enough. While it is not possible to provide every item for sale that members desire, it is very important to stock foods that cannot be found elsewhere, especially without packaging. Providing different foods makes us a destination, and people who come for an item that is hard to find are likely to stay to buy more. When the new website is functioning, it will be able to list all items we carry so that people searching online for interesting foodstuffs will discover Alfalfa House as a place to shop. It is strongly recommended that niche items are not discontinued at the present time particularly when we are just about to be able to advertise more usefully that we carry them.

Significant changes to shelf space allocation

Some time ago it was proposed to look into sales trends over time, with a view to ensuring that shelf space was devoted to items that brought sales. It is not clear if significant changes that have occurred (eg, introduction of kombucha on tap) and that are proposed to occur (eg, introduction of frozen items) are based on this study, other survey information, or simply ideas from the staff.

While new products may indeed lead to success, it is not clear how these decisions have come about. Further, where items are being discontinued because there is insufficient shelf space to keep them (one reason that has been given by staff over time), it is concerning to see new products come in that take up more space. It also raises the question as to which items have been removed to accommodate the new ones, or if space really is as limited as it is said to be.

Finally, it should be noted that previous surveys have shown that a percentage of our members would like us to sell meat. While it is often assumed that our Rules prevent us from doing so, this is not actually the case. The argument usually given for not carrying meat is that we do not have space for a freezer and cannot sell it fresh. This argument will not be possible in the event that we buy a freezer. It should also be noted that meat, like most frozen goods, requires disposable packaging and cannot be provided in bulk, which goes against our Object of minimising resource wastage, as well as our short term plan to further reduce the plastic packaging sold in the shop.

Conclusion:

The Members' Council does not typically involve itself in decisions about product lines in the shop but it is responsible for strategic action. Significant changes being made to product lines are not being discussed with MC as they are, taken individually, an operational matter. Taken together, however, they represent a strategic action that may affect sales, an aspect of the cooperative for which the Members' Council is certainly responsible.

Alfalfa House: external engagement with community groups, business entities, public administration

Date: 20th May 2017

Submitted by: Emma Lees

Proposal: To look at measures for Alfalfa House to better position itself as the go-to supplier for snacks for meetings/events for local entities, i.e., community groups, business entities, public administration.

That is, entities to prioritise purchasing snacks for meetings/events from Alfalfa House based on values of ethical and healthy consuming and supporting community co-operative initiatives.

Background thinking, and questions for MC:

Could local entities (community groups, business entities, public administration) within radius of x km's from Alfalfa House, be 'targeted/approached' in some way, with material that communicates why they might consider Alfalfa House as go-to supplier?

Could this build stronger broad-based local community support, given competition moving into area?

How do we feel about direct approaches like this? Are there other ways to do this? Are there resources to develop anything related, like 'snack pack samples'?

Actions, for example:

- New website for Alfalfa House to include a section called 'snacks', with images and list of groceries and produce options
- Once communication material available on Alfalfa range (Maurice said mid-June), follow through with emailing Edward Fernandez, Inner-West Council, who has already said he can send to all staff that procure food for meetings (i.e. not staff who order catering, but staff who buy items to serve at their meetings/events).
- Map community groups, environmental groups etc. in area, that could be contacted.