

1. JUNE NUMBERS / Dashboard

We recorded \$93K in sales (vs. \$101.5K last year). Our Cost of Goods Sold was \$57K (vs. \$63.7K average for the year-to-date and \$69K for last year's average). We are still experiencing discrepancies between our estimated revenue and what KC reports in Xero. This month, we reported possibly, \$94.5K in revenues. This is something we will continue to try to resolve with KC and Sustainable Numbers.

We show a net loss of around \$3K for the month. Note that: (i) we had a slightly smaller IT bill this month; (ii) we have been running with less staff at quieter times; and (iii) we spent \$1.6K on fridge repair.

Simon's take on the month's numbers is that a strong start but it got quieter as we approached stock take with some stock-outs; generally, running inventory down; number of transactions is similar to last year but gross sales has decreased accordingly maybe due to price drops; weekends have gotten busier, but weekdays have gotten less busy (relative to two or three months ago); consistent but not spectacular.

We are looking at a \$23K loss for the year. We cannot continue to sustain such significant losses. Look at the differences between this year and last on dashboard.

Maurice: Did Naked Foods have an impact on our revenues? Plus Dr. Earth under new management? Look at external factors, how they may have affected our sales (groceries)?

Yes, we are going to make a loss this year and we are looking at a newer, lower revenue base, but we have taken steps to reduce our cost base (book-keeping, storage, recycling, wages-staffing, etc.).

Stevie: We should try to figure out why our sales are down on a non-anecdotal level.

Simon: If you look at our net profit on net sales, it shows that we are containing costs (with the exception of September).

Maurice: We must lock in any savings we do make, and not spend these savings (book-keeper, etc.), because our revenues are down.

Our balance sheet will have a bigger loss than our year-end p&l; we need to understand the reduction in assets; prepayment of insurance should be accounted for and pushed into the new year. Start putting together the story of why we have reduced our equity. What is the cut-off point for making year-end adjustments? Simon to ask KC.

2. NUMBER Qs

Clearance accounts discussion. Mansfield added his thoughts on why KC was doing what they were doing. Zahra had a response to this. Jonny to send thread to Stevie and Maurice. We will continue to resolve this with Zahra, et al., over time. It looks like it is just a question of the timing of our bank reconciliations.

Simon will sort out why our sales figures don't match KCs for January (\$3K discrepancy) February (\$2K discrepancy), and now June (\$1.5K). Simon is now going to check his DBS figures against the Filemaker numbers. Is there a discrepancy in April? There may be a \$1K discrepancy for May. This is a work in progress. Simon will look at the POS sales numbers vs. the settlement numbers for January, Feb and May.

What is Cash Sales Adjustment line item?

Later, we (Simon) will go to KC to understand how the DBS numbers are input to Xero.

Why aren't the EFTPOS fees showing as paid but shown as a negative in EFTPOS fees collected in income?

Maurice will look at the last 3 months' numbers to give some analysis as to why we got this increase in sales in April. Work in progress.

3. TRANSITION TO SUSTAINABLE NUMBERS

Simon and Jonny met with Anthony Zahra to discuss our transition to Sustainable Numbers (SN) from Keeping Company. Anthony said that he did not think a year-end audit of our 2016 numbers was necessary, and that he felt comfortable taking over without an audit. We agreed that the transition would run from August 1 to August 19, during which time we would be paying both SN and KC.

KC will be requested to - 1. Close out and reconcile our June and July numbers; 2. Liaise with SN to accomplish a handover of tasks; 3. Continue to perform the daily book-keeping tasks (ABAs, pay runs, bank recs, etc.) through August 19th; 4. Transfer Xero admin to Simon and SN; 5. Withdraw KC access to our bank accounts.

Draft letter/email to KC below:

Dear Mr. Miller:

We wish to terminate our engagement of Keeping Company (KC) as of August 19, 2016. We are very grateful for the work KC and staff have performed for us over the past few years. When KC was first engaged, our internal financial operations and financial reporting was not in the best shape. KC assisted us greatly in improving these systems. At this time, however, we feel

that Alfalfa House should move its bookkeeping to a different provider, Sustainable Numbers (SN).

From today through to August 19th, we would ask you to please perform the following:

1. continue completing the regular, daily tasks associated with bookkeeping (i.e., bank reconciliations, pay runs, ABAs, etc.);
2. close and reconcile the June 2016 results;
3. liaise with SN (Anthony Zahra) to facilitate our transition to his services;
4. transfer administrative privileges/responsibilities on Xero to Simon Holmes and SN; and
5. withdraw your authority to access AH bank accounts as of August 19th.

If you should have any questions or comments regarding the foregoing, please do not hesitate to contact Jonathan Green at 0435-755-018.

Thank you again for your service

Sincerely,

We agreed upon the above text for the email and letter to KC. Simon agreed to transmit the letter to KC.

4. EXPENSES

Cleaning - Cleaners have lifted their game after many meetings with Simon; staff are happy with the level of cleaning. Vollie callout made - no response. This is a work in progress. At this moment, we are OK with the cleaning services.

Possible proposal - double the volunteer discount for cleaners?

We will try to source a dishwasher.

5. BUDGETS/FORECASTS

Draft projection of fixed operating costs, etc.

<https://drive.google.com/open?id=1byLkaCe4IEQ8qcn1nmCEZKxnWL0bz7rsNjjr90vUyk>



ALFALFA HOUSE COMMUNITY FOOD COOPERATIVE PTY LTD

DASHBOARD REPORT - JUNE 2016

Prepared 19 July 2016

Highlights

1. Profit and Loss

The Net Profit for Jun 2016 was \$-3,075, compared to \$2,190 last month. This represents a decrease of \$5,265, or -240.41%.

The Net Profit for the year to date is \$-23,713, compared to \$-2,580 for the same period last year. This represents a decrease of \$21,133, or 819.11%.

2. Balance Sheet

The Assets as at Jun 2016 is \$175,946, compared to \$209,123 for the same period last year. This represents a decrease of \$33,177, or 15.86%.

The Liabilities as at Jun 2016 is \$65,258, compared to \$74,721 for the same period last year. This represents a decrease of \$9,463, or 12.66%.

The Equity as at Jun 2016 is \$110,688, compared to \$134,402 for the same period last year. This represents a decrease of \$23,714, or 17.64%. Comparing to last month's equity of \$113,764, there has been a decrease of \$3,076, or 2.7%.

3. Budget Results

The budgeted profit was set at \$3728 for the 2015/2016 financial year compared to the actual of -\$23,713. This indicates a below budget figure of -\$27,441.

Keeping Tabs

1. BAS/IAS

The total BAS/IAS payable for the month is \$1,377 as the month ends 30 June 2016.

This will be payable 25 August 2016

The balance of the Integrated Client Account as at 30/6/16 is NIL.

2. Superannuation

The super liability as at the end of the period is \$6,169 which includes the June quarter super.

The payment due date for the June Super is 28/07/2016.

3. Creditors

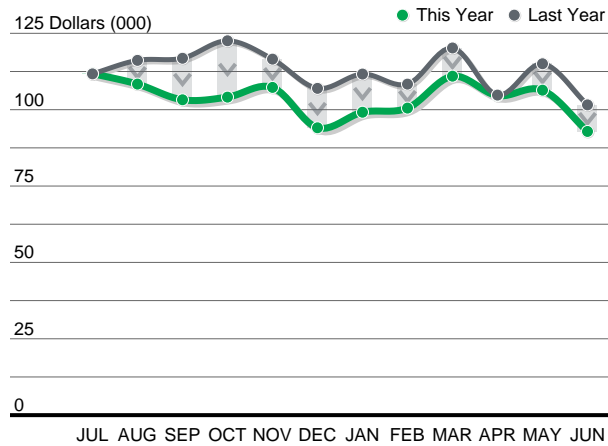
Review aged creditors to ensure suppliers are paid within their payment terms, having regard also to your organisation's operating cash flow requirements.

4. Budget and Forecast

The budget for the reporting period is not for the full financial year. The projected result is for the period March 2016 to June 2016.

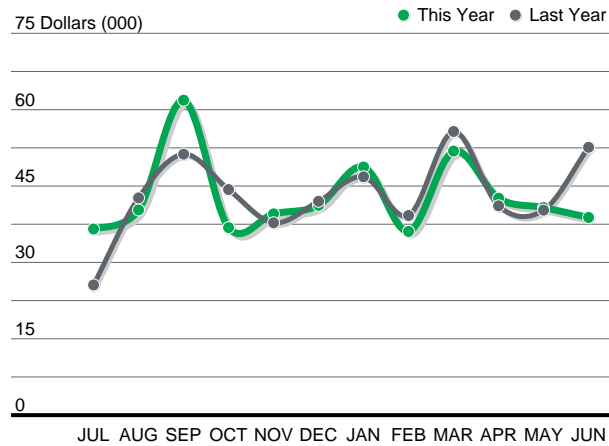
	YTD		Actual vs Last Year		Jun 16 Plus Last 3 Months			
	Actual	% of Rev	Last Year	Variance %	Jun 16	May 16	Apr 16	Mar 16
Other Revenue	15,000	1.2%	0	0.0%	0	0	0	15,000
Sales	1,228,451	98.8%	1,352,424	-9.2%	92,878	106,390	104,596	95,973
Total Revenue	1,243,451		1,352,424	-8.1%	92,878	106,390	104,596	110,973
Veg & Fruit	764,754	61.5%	837,495	-8.7%	57,193	63,497	65,962	61,341
Total Cost of Sales	764,754	61.5%	837,495	-8.7%	57,193	63,497	65,962	61,341
Gross Profit	478,697		514,929	-7.0%	35,685	42,893	38,634	49,632
GP%	38.5%		38.1%	0.4%	38.4%	40.3%	36.9%	44.7%
Administration Expenses	83,764	6.7%	91,792	-8.7%	8,083	6,958	6,474	5,498
Communication Expenses	2,225	0.2%	1,722	29.2%	127	127	64	209
Employment Expenses	337,769	27.2%	347,341	-2.8%	23,068	24,726	28,893	39,483
Facility Expenses	76,148	6.1%	66,842	13.9%	6,322	8,404	6,619	5,049
Insurance Expenses	14,842	1.2%	11,534	28.7%	1,123	562	562	1,629
Other Non-Operating Expenses	498	0.0%	125	298.4%	104	0	0	0
Total Operating Expenses	515,246	41.4%	519,356	-0.8%	38,827	40,777	42,612	51,868
Net Operating Profit	-36,549		-4,427	-725.6%	-3,142	2,116	-3,978	-2,236
Other Revenue	12,836	1.0%	1,847	595.0%	67	74	1,386	2,706
Total Other Revenue	12,836	1.0%	1,847	595.0%	67	74	1,386	2,706
Net Profit Before Tax	-23,713		-2,580	-819.1%	-3,075	2,190	-2,592	470
Net Profit	-23,713		-2,580	-819.1%	-3,075	2,190	-2,592	470

REVENUE - This Year vs Last Year



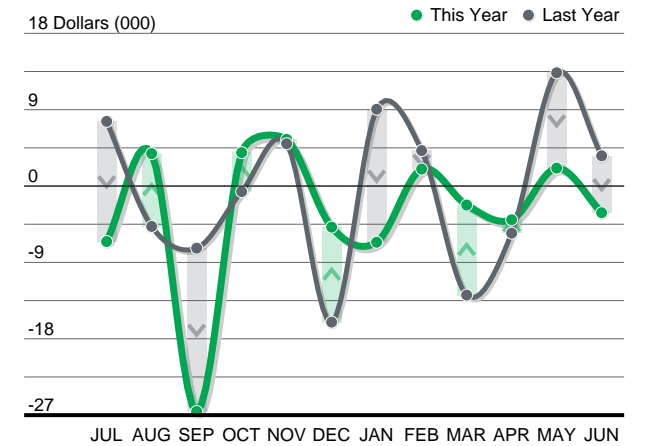
This chart plots current year revenue (unbroken green line) and compares it to last year's (grey line) revenue figures.

OPERATING EXPENSES - This Year vs Last Year



This chart plots current year operating expenses (unbroken green line) and compares it to last year's (grey line) operating expenses.

NET OPERATING PROFIT - This Year vs Last Year



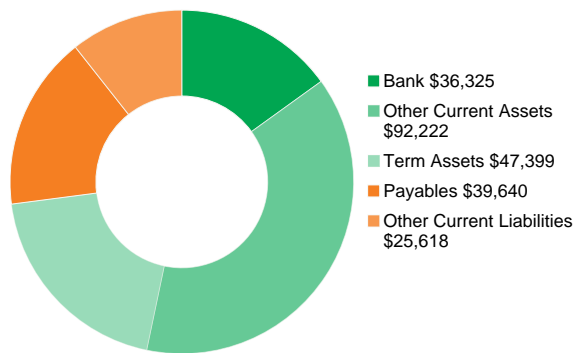
Net Operating Profit = Gross Profit (Total Revenue less Cost of Sales) less Total Operating Expenses. This graph compares the Net Operating Profit of this year (green unbroken line) to last year's Net Operating Profit (grey unbroken line).

	YTD	Actual vs Orig Budget			Projections Analysis				Projection v Last Year			
	Actual	Budget	Variance	Variance %	15/16 Proj	Orig Budget	Variance	Variance %	15/16 Proj	Last Year	Variance	Variance %
Other Revenue	15,000	0	15,000	0.0%	15,000	0	15,000	0.0%	15,000	0	15,000	0.0%
Sales	1,228,451	399,400	829,051	207.6%	1,228,451	399,400	829,051	207.6%	1,228,451	1,352,424	-123,973	-9.2%
Total Revenue	1,243,451	399,400	844,051	211.3%	1,243,451	399,400	844,051	211.3%	1,243,451	1,352,424	-108,973	-8.1%
Veg & Fruit	764,754	251,800	512,954	203.7%	764,754	251,800	512,954	203.7%	764,754	837,495	-72,741	-8.7%
Total Cost of Sales	764,754	251,800	512,954	203.7%	764,754	251,800	512,954	203.7%	764,754	837,495	-72,741	-8.7%
Gross Profit	478,697	147,600	331,097	224.3%	478,697	147,600	331,097	224.3%	478,697	514,929	-36,232	-7.0%
GP%	38.5%	37.0%			38.5%	37.0%			38.5%	38.1%		
Administration Expenses	83,764	25,292	58,472	231.2%	83,764	25,292	58,472	231.2%	83,764	91,792	-8,028	-8.7%
Communication Expenses	2,225	1,056	1,169	110.7%	2,225	1,056	1,169	110.7%	2,225	1,722	503	29.2%
Employment Expenses	337,769	88,550	249,219	281.4%	337,769	88,550	249,219	281.4%	337,769	347,341	-9,572	-2.8%
Facility Expenses	76,148	24,286	51,862	213.5%	76,148	24,286	51,862	213.5%	76,148	66,842	9,306	13.9%
Insurance Expenses	14,842	5,088	9,754	191.7%	14,842	5,088	9,754	191.7%	14,842	11,534	3,308	28.7%
Other Non-Operating Expen	498	0	498	0.0%	498	0	498	0.0%	498	125	373	298.4%
Total Operating Expenses	515,246	144,272	370,974	257.1%	515,246	144,272	370,974	257.1%	515,246	519,356	-4,110	-0.8%
Net Operating Profit	-36,549	3,328	-39,877	-1,198.2%	-36,549	3,328	-39,877	-1,198.2%	-36,549	-4,427	-32,122	-725.6%
Other Revenue	12,836	400	12,436	3,109.0%	12,836	400	12,436	3,109.0%	12,836	1,847	10,989	595.0%
Total Other Revenue	12,836	400	12,436	3,109.0%	12,836	400	12,436	3,109.0%	12,836	1,847	10,989	595.0%
Net Profit Before Tax	-23,713	3,728	-27,441	-736.1%	-23,713	3,728	-27,441	-736.1%	-23,713	-2,580	-21,133	-819.1%
Net Profit	-23,713	3,728	-27,441	-736.1%	-23,713	3,728	-27,441	-736.1%	-23,713	-2,580	-21,133	-819.1%

	Now	Actual vs Last Year to Date			Last 3 Months		
	As at Jun 16	Last Year	Variance	Variance %	May 16	Apr 16	Mar 16
Accounts Receivable	0	4,262	-4,262	-100.0%	0	0	0
Bank Accounts	36,325	65,272	-28,947	-44.3%	34,035	36,469	32,440
Other Current Assets	92,222	87,275	4,947	5.7%	95,209	96,913	96,005
Total Current Assets	128,547	156,809	-28,262	-18.0%	129,244	133,382	128,445
Non-Current Assets	47,399	52,314	-4,915	-9.4%	48,283	49,195	50,079
Total Assets	175,946	209,123	-33,177	-15.9%	177,527	182,577	178,524
Accounts Payable	40,584	33,031	7,553	22.9%	41,175	35,555	35,593
ATO Liabilities	316	546	-230	-42.1%	1,087	8,340	4,514
Employment Liabilities	24,358	34,644	-10,286	-29.7%	21,501	27,110	24,252
Other Current Liabilities	0	6,500	-6,500	-100.0%	0	0	0
Total Current Liabilities	65,258	74,721	-9,463	-12.7%	63,763	71,005	64,359
Total Liabilities	65,258	74,721	-9,463	-12.7%	63,763	71,005	64,359
Equity	110,688	134,402	-23,714	-17.6%	113,764	111,572	114,165

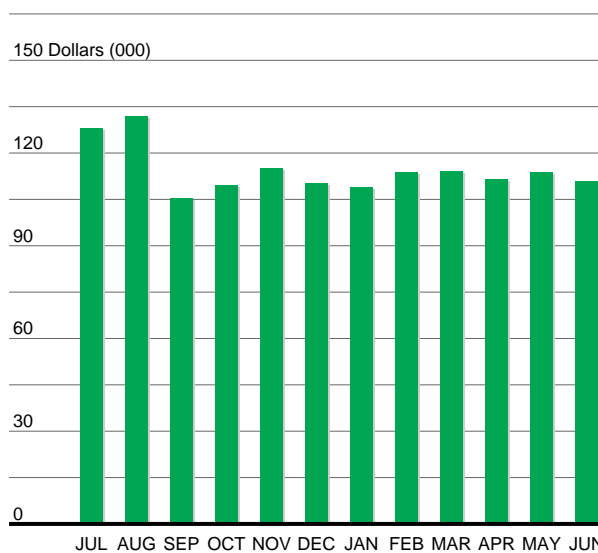
Monitors	
CAPEX Monitor	YTD
Non-Current Assets	-4,915
Total CAPEX	-4,915
Debt Monitor	
As at Jun 16	
Accounts Payable	39,640
Taxes	-2,773
Other	28,391
Total Debt	65,258

BALANCE SHEET COMPONENTS

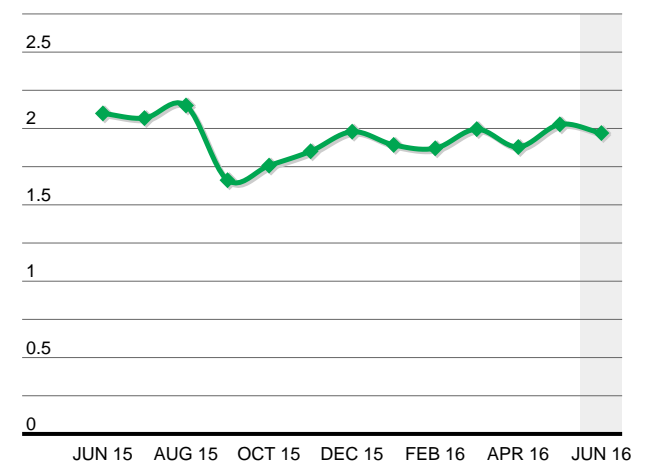


This graph shows the components of how your balance sheet (assets and liabilities) is made up. At a glance, the green parts are the assets and the orange parts represents the liabilities. A healthy balance sheet has more

EQUITY TREND



CURRENT RATIO TREND



The current ratio (also known as the working capital ratio) gives an indication of how well your organisation is placed to meet its short term liabilities. A benchmark of 2.0 is considered healthy.

	FY15 Monthly Average	YTD Monthly Average	Same Month Last Year
Total Income	\$112,702.09	\$103,629.76	\$101,573.04
Cost of Sales	\$69,791.33	\$63,699.34	\$45,402.41
Gross Profit	\$42,910.76	\$39,930.42	\$56,170.63
Operating Expenses	\$43,269.14	\$42,947.00	\$52,483.17
Operating Profit	-\$204.52	-\$1,988.34	\$3,667.94
Absolute Free Cash Reserve*			\$10,250.97
Absolute Free Cash Reserve plus Inventory**			\$77,471.47
Absolute Free Cash Reserve plus Inventory x 1.3			\$97,637.62
Current Ratio****			2.09858
Acid Ratio			1.19897
Current Assets - Current Liabilities			\$82,087.58
Cash			\$65,271.81

June 2016	YTD Total	Same YTD Last Year			
\$92,878.77	\$1,243,557.12	\$1,352,425.08			
\$56,830.14	\$764,392.05	\$837,496.00			
\$36,048.63	\$479,165.07	\$514,929.08			
\$39,340.82	\$515,363.96	\$519,229.70			
-\$3,328.47	-\$23,860.03	-\$2,579.31			
-\$4,430.00					
\$62,790.50					
\$82,956.65					
1.95774					
0.93813					
\$63,141.35					
\$36,741.50					

*Cash plus Till Float minus Current Liabilities			
**Inventory value does not vary month to month			
****Current Ratio is Total Current Assets divided by Total Current Liabilities; Acid Ratio takes out Inventory from the Total Current /			

Assets						

June 2016 Monthly Report.xlsx - Sheet1

June 2016 Monthly Report.xlsx - Sheet1



The new front window display.

MANAGERS REPORT
ALFALFA HOUSE
JUNE 2016

22nd July 2016

Sales down by 9% on previous month
Number of vollies down by 7%
Vollie hours down by 6%
Daily transactions down by 5%
Average daily sales down by 2%
Produce up 9% year on year
Groceries down 11% year on year

NB : please note these trends are in line with similar month to month trends from May to June 2015 (see

dashboard page 4), i.e. June is usually a quiet month...

SALES

		Average Number Transactions	Average Daily Sales	Average Transaction Value
JUNE 2016	\$97 381	108	\$3357.95	\$31.20
MAY 2016	\$106 390	114	\$3431.95	\$30.10
APR 2016	\$ 104 596	115	\$3606.75	\$31.10
JUNE 2015	\$101 573	110	\$3502.50	\$31.85

PRODUCE

	<u>REVENUE</u>	<u>PERCENTAGE OF SALES</u>	<u>GROSS PROFIT MARGIN</u>	<u>STOCK LOSS</u>
JUNE 2016	\$29 907.06	27.4%	37.5%	\$465.20
MAY 2016	\$34 922.02	32.8%	38.4%	\$432.61
APR 2016	\$32 812.06	27.4%	30.8%	\$410.90
JUNE 2015	\$27 356.01	30.0%	30.0%	\$432.08

GROCERIES

	<u>REVENUE</u>	<u>PERCENTAGE OF SALES</u>	<u>GROSS PROFIT MARGIN</u>	<u>STOCK LOSS</u>
JUNE 2016	\$66 212.88	68.0%	45.5%	\$189.59
MAY 2016	\$72 197.04	67.1%	44.5%	\$262.09
APR 2016	\$73 909.04	68.2%	45.5%	\$ 95.75
JUNE 2015	\$74 152.70	72.0 %	55.1 %	\$78.38

MEMBERSHIP

CURRENT

JUNE 2016 **4212**

MAY 2016	4237
APRIL 2016	4223
MARCH 2016	4243

NEW

JUNE 2016	42 excluding 9 skipped records.
MAY 2016	54 excluding 3 skipped and 1 blank record
APRIL 2016	54 excluding 17 skipped and 2 blank record

Please minute the following numbers : 11556 – 11606 , excluding 11560, 11568, 11572, 11590, 11592, 11601, 11602, 11603, 11605) (skipped)

CANCELLED

JUNE 2016	67
MAY 2016	60 excluding 1 blank record
APRIL 2016	74 excluding three blank records

Please minute the following numbers : 1757, 3077, 3190, 3192, 3345, 3532, 4153, 4540, 5121, 5513, 5524, 5634, 6153, 6205, 6405, 6478, 6504, 6509, 6601, 674, 6803, 6827, 6902, 7135, 7460, 7625, 7664, 7710, 7856, 7894, 7931, 7940, 7969, 8089, 8199, 8281, 8388, 8448, 8663, 8672, 8749, 8869, 8898, 9031, 9161, 9193, 9274, 9287, 9297, 9361, 9418, 9530, 9555, 9557, 9641, 9684, 9694, 9696, 9697, 9701, 9703, 9727, 9734, 9735, 9738, 9746 and 9761..

STAFFING

There were no appointments or resignations in the month.

VOLUNTEER HOURS

	Hours	Volunteers	Average
JUNE 2016	388.25	65	5.9 hours
MAY 2016	413.25	70	5.9 hours
APRIL 2016	385.50	70	5.5 hours

WORKPLACE HEALTH AND SAFETY

No WHS incidents have occurred between the 1st of June and the date of this report.

FOOD GRANTS

No new food grant applications were received this month.

SOCIAL MEDIA

Facebook reach for the 28 days to the 19th of July 2016 totalled 9759 people, down by 15% on the previous 28 day period .

OTHER MATTERS

The refurbishment of the front window display fitting was completed on Saturday the 16th and Sunday the 17th of July, after closing and before opening respectively.

The modification of the grant application to facilitate the completion of the awning work has been approved by the relevant government department. Therefore AH is ready to proceed with this work.

The lease renewal of AH has been finalised, and will be available for signing by two directors at the MC meeting. The document itself is four pages in total, as an renewal of AH's existing lease - it captures the changes to the agreement without reiterating the matters that remain the same.

