

Lyttleton Stores Co-operative Annual Report 2021



Photograph by Maja Baska

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Statement of purpose

Lyttleton Stores Co-op exists to help grow healthy and sustainable local communities in which members, customers, makers and growers are connected.

Directors & Coordinators

Steve Garthwin - Director

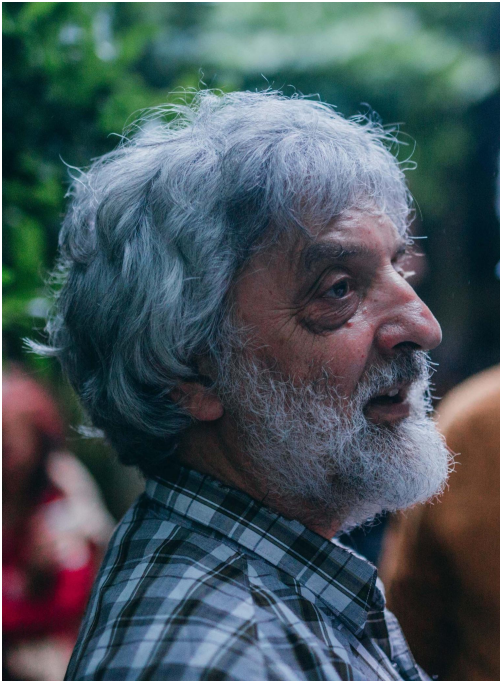


Kimberly Virgona - Treasurer



Aaron Brocken - Chairperson

Cesidio Parissi - Secretary



Jacinta Carmichael-Parissi - Director & Retail



Rosie Shepherd - Workshop



Mandy Goodger & Jerilee Murphy - Kitchen



Chair's Report

Last year, in November of 2020 we held our second Annual General Meeting, after our first year of operating as a cooperative. Kimberly Virgona was elected onto the board at the last AGM and has since been appointed as Treasurer, and has made a great contribution to the development of our budget. This year Emmanuela Prigioni stepped down as Director and was temporarily replaced by Jacinta Carmichael-Parissi. The official election is being held at this AGM, with two nominations having been put forward by Brett Thompson and Michael Connolly. A big thank you to Emmanuela for her contribution as Director, and to Jacinta for filling the casual vacancy. This changeover has instigated conversation to broaden the Board of Directors to include a coordinator and staff representative as a voice and a vote for management and for workers, with further discussion on a plan for the New Year.

Covid restrictions impacted our opportunities for catering, exhibition openings, events, fundraisers, dinners with panel discussions and workshops. This had a negative impact on our anticipated revenue streams, but thanks to good planning and resilience through diversity we were able to keep the doors open with more sales through the shop as an essential service.

Thank you and farewell Sonya Byron for her wonderful contribution as Workshop Coordinator, Sonya held many successful workshops prior to the first lockdown and rebuilt the program afterwards. We are now looking forward to working with Rosie Shepherd who has been hired to be the new Workshop Coordinator in the new year, with the help of a grant by the BMCC, with many thanks to Erst Carmichael who worked on the grant application. We also say thank you and farewell to Emmanuela as Garden Coordinator who has moved on to working on the Farm it Forward project outside of Lytleton Gardens. We have not replaced Manu at this stage but do intend on getting the garden department back up and running in the New Year. Heather Miller joined us as Atelier Coordinator for a short time to help nurture the artists and makers of Atelier, she also contributed her energies to a refurbishment of the stores and we offer her a big thank you.

We received another grant to increase our solar power capacity, led by Steve Garthwin, which was completed in July and has already started reducing our Carbon footprint! We say thank you to NSW Government's Community Building Partnership for empowering us to be more self-sufficient.

With the input of Steve and Kimberly we have joined the Co-op Federation, and Co-op Grocer. We are now connected to a network of support for co-ops. We intend to explore further opportunities to collaborate with the Co-op Grocer group to deliver enhanced services and benefits to our Members.

We established three new working groups, reporting to the Board, to advance the interests of Lyttleton Co-op, including:

- Finance Committee formed in August 2020 to ensure Financial reports to the Board are accurate (thank you to Emma Klymenko and Cindy Babage alongside Kimberley and Steve and rotating coordinator members).
- Marketing & Communications Sub-Committee formed in February 2021 to produce Lyttleton Newsletter and social media content (thank you to Maja Baska, Chloe Grabham and Heather Miller alongside the coordinators)
- Data Working Group formed in March 2022 to uplift Lyttleton data, including reviewing the underlying processes and technology used by Lyttleton staff (thank you to Emma Klymenko, Michael Rosser alongside rotating board members and coordinators)

We are looking forward to our third year as a co-op, and our sixth year of operating Lyttleton Stores. Another huge thank you to everyone who has been involved and contributed to our continual evolution.

Aaron Brocken, Lyttleton Chairperson

Coordinator Collective's Report

PanTree

Our organic grocery range has slowly expanded in our range as well as services. We have now been offering home delivery for almost two years and it has been going well. Over the lockdown times we have had many people take up the offer to do over the phone ordering and home delivery or curb side pick up. We have sold over 700 produce boxes as well as the phone orders and have delivered from Glenbrook to Mount Victoria. There have been some changes with our fresh produce suppliers with the wonderful Lins Organics stopping farming, our greens are now coming from Harvest Farms, Megalong Grown, Plot 101, Farm it Forward and the organic markets when no local organic is available. A big thank you to all of our retail staff who have worked solidly through the covid lockdowns, doing their best to keep people safe and calm during their visits to our co-op. It has been to their credit that we have maintained a high standard of service during the busier months when tensions have been high. We have increased our bulk cleaning range and hope to build a new display that will help make it easier to access in the new year. A special thanks to Haylea Bridle who has taken on much of the ordering, working closely with Jacinta.

Atelier

Atelier has undergone much simplification this past year, with Jacinta continuing her work to streamline the experience for makers and exhibitors as well as new co-ordinators. We have kept up exhibitions without gallery hire fees and have held off on openings and artist dinners, although we hope to reinstate them as the restrictions ease. Heather Miller coming on for a brief turn as Atelier coordinator was a great help with rearranging the store to refresh the space for customers and workers. Thank you to Heather! She has continued to contribute her talents and skills on our Marketing and Communications sub-committee doing our social media. Next year we are looking to change our commission rate in favour of the maker to hopefully encourage more locally-made pieces coming through the Atelier.

Gardens

We have undergone a transition with the Garden department of Lyttleton. Manu has resigned from the position of Garden Coordinator in order to focus on the Farm it Forward project, a big thank you to Manu for her contribution to Lyttleton over the years! We have not replaced Manu yet and intend to re-establish a coordinator once we have had time to redesign our garden program. Meanwhile we will continue to maintain our gardens and offer gardening workshops but hold off from previously offered design services.

Preserve/Workshops

Due to COVID restrictions, we had a slow start to our workshops this year. Sonya Byron did a great job with getting the workshops back up and running at the beginning of the year. Thank you Sonya! Our workshops were in full swing again, however further lockdown restrictions at the end of June have put a halt to all workshops for now. We're excited to announce that we received a grant from the Blue Mountains City Council to develop and run a series of workshops which aid social and environmental recovery and support communities to build disaster resilience. Sonya left Lyttleton at the end of June and Rosie Shepherd has since been hired to develop some exciting content as part of this grant. We plan to resume workshops as restrictions ease and hope to have them back up and running by February 2022.

Kitchen

The kitchen department has 2 part-time positions sharing the role of kitchen Coordinator run by Mandy and Jeri. The collaboration of 2 staff members has been a game changer for the kitchen. Through budgets, costing and meticulous data entry (Mandy has brought a lot of strength to this area) --- we've been able to start seeing a small profit despite being unable to do workshops or catering due to Covid. Our primary goal this past year has been to define how the kitchen operates and determine what products are important for the shop, what our customers want and which products yield a strong enough profit to be worth time and effort. It's been a big year for budgets

and making hard decisions about what we can realistically achieve. This has been hard but fruitful and we are seeing the benefits of those decisions in our numbers.

We continue to try to use as much 'waste' from the shop as possible, to pickle and preserve what we can and turn ingredients into meals, cakes, jams, chutneys and biscuits.

Our grazing boards have been a huge success - many thanks to the marketing and communication team and to Maja's photography.

This coming year we will be looking at establishing new products and incorporating a more opened-up Blue Mountains into our kitchen routine with workshops and no doubt extra catering opportunities.



Photograph by Maja Baska

Treasurer's Report

I am extremely proud of what we achieved in 2021 to enable a more accurate and transparent picture of Lyttleton's financial and operational performance. Since the Finance Committee was formed in August 2020, we have systematically reviewed and improved our financial data; including working closely with the Data Working Group to understand and improve the processes from which the data is generated. The Committee's activities included cleaning up the Lyttleton Balance Sheet by consolidating loans to the Carmichael-Parissi Family; updating our Stock at Hand from Point-of-Sale (POS) data; resolving Lyttleton Gardens loans and reconciling Store Credit. Whilst Lyttleton is a not-for-profit, non-distributive Co-operative working to the benefit of its Members and the wider community, it is crucial that we work towards delivering a financial surplus to ensure that we will be able to continue to operate - to serve our community and pay our employees, suppliers, artisans and growers.

Financial Year 2021 was a mixed year for Lyttleton. We delivered huge sales growth of 36% on FY20 Sales, reaching a Trading Income of over \$850k. Despite this, we had an overall loss of -\$106k compared with FY20 loss of -\$47k. This was due in the most part due to a \$47k write-off of Stock at Hand from the stocktake undertaken in June 2021 and a \$96k increase in Wages & Superannuation from the previous year. We have been able to survive due to the ongoing generosity of the Carmichael-Parissi family. The Board however, has been busy working to ensure appropriate financial and other controls are in place to assure we trade at a surplus in FY22 and beyond with the intention of honouring the Vendor Loan and additional loan from the Carmichael-Parissi Family as soon as reasonably possible.

Already in FY22 year to date, we have seen significant improvements in our trading surpluses and liquidity. In addition, there have been considerable changes in how we evaluate and control our costs through budgeting tools, inventory management processes and improved reporting and governance.

I can't wait to see what we can achieve together in the next 12 months!

Kimberley Virgona, Lyttleton Treasurer

Subcommittee Reports

Data Working Group Report

Since establishing the Data Working Group in March 2021, the group has been busy assuring and reporting on the accuracy of our data, including:

- Working with Coordinators to develop FY22 Budgets and implementing reports and processes to ensure that we stay on top of our finances, working also with the Finance committee.
- Monthly reporting of Store Credit liabilities and Inventory position.
- Review of inventory data and implementation of more robust inventory and stocktake processes. Lyttleton coordinators, board members and volunteers managed to complete the cooperative's first successful major stocktake, however due to the lockdown restrictions, it was completed in two parts.
- Review of Store Credit and Gift Card processes, including implementation of new processes on the POS system.
- Development of weekly reports by Coordinator Area to provide better clarity on performance to budget and enable good decision-making.

Marketing & Communications Report

At the beginning of the year, we established a marketing and communications committee which is in charge of creating engaging content for our monthly newsletter and social channels. This committee is entirely made up of dedicated volunteers - Maja Baska our photographer, Heather Miller who looks after our social media, Chloe Grabham who is our writer and Rosie Shepherd who is our website and newsletter coordinator. Every newsletter speaks to important and relevant themes and fosters community engagement. Each month we feature/interview people from our community (growers, artists, Lyttleton customers and volunteers). We are so grateful for the help of our talented volunteers and look forward to rolling out more engaging content with their help next year.

Volunteer report

We have always relied on wonderful volunteers to operate Lyttleton, from before being a co-op, throughout the creation of the co-op and continuing as our Co-op expands. We have been lucky enough to have John Holick contribute his time to the original creation of the official volunteer program for members of the co-op, and Emma To also contributing to this program. We want to thank them both for their efforts and the positive impact it has had to being able to include the general member base into the running of the shop. They have this year moved on from the role of Volunteer Coordination due to life changes including the arrival of their baby son and a new job! Congratulations and thank you to them both for all the work and love put into Lyttleton Stores Co-op. We also had Alinta Pilkington contribute a large effort to further develop our volunteer program with new ideas and a fantastic system upgrade suggestion. Due to covid restrictions we have yet to implement this next level of our volunteer system, but the wonderful work that Alinta started is bound to be continued in the new year. Thank you also to Alinta! We currently do not have a volunteer coordinator and are looking to find someone again in the new year. Jacinta has been doing her best to encourage and induct new volunteers during the lockdown months, although we have seen a significant drop in volunteers during this time. We have also had some fantastic stalwart long-term volunteers continue their efforts and some new people come onboard this year including new sub-committees who have completely changed the way we are able to keep up with our current workloads as well as to develop new ideas, procedures, and systems. Big thank you to our sub-committee volunteers!

***LYTTLETON STORES
CO-OPERATIVE LTD***

**FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30TH JUNE 2021**

**Lyttleton Stores
Co-Operative Ltd
ABN 42 270 518 214**

Financial Statements
For the year ended 30 June 2021

Howells Chartered Accountants
192A Great Western Highway
Hazelbrook NSW 2779

Phone: 0247742844
Email: office@howellsca.com.au

Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214

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Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214

Committee's Report

For the year ended 30 June 2021

Your committee members submit the financial accounts of the Lyttleton Stores Co-Operative Ltd for the financial year ended 30 June 2021.

Committee Members

The names of committee members at the date of this report are:

Aaron Brocken
Kimberley Virgona
Steve Garthwin
Cesidio Parissi
Jacinta Carmichael-Parissi

Principal Activities

The principal activities of the association during the financial year were: sale of produce and similar items through retail.

Significant Changes

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

Operating Result

The deficit from ordinary activities after providing for income tax amounted to

Year ended	Year ended
30 June 2021	30 June 2020
\$	\$
(106,251.93)	(47,487.95)

Signed in accordance with a resolution of the Members of the Committee on:

Aaron Brocken

Kimberley Virgona

These financial statements are unaudited. They must be read in conjunction with the attached Accountant's Compilation Report and Notes which form part of these financial statements.

Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214

Trading Account

For the year ended 30 June 2021

	2021	2020
	\$	\$
<hr/>		
Trading Income		
Sales	884,606.89	644,351.60
Total Trading Income	<u>884,606.89</u>	<u>644,351.60</u>
Cost of Sales		
Add:		
Opening finished goods	75,000.00	
Purchases	560,323.64	493,885.45
Discounts given	73,916.13	49,817.84
	<u>709,239.77</u>	<u>543,703.29</u>
Less:		
Closing finished goods	27,771.01	75,000.00
	<u>27,771.01</u>	<u>75,000.00</u>
Cost of Sales	681,468.76	468,703.29
Gross Profit from Trading	<u><u>203,138.13</u></u>	<u><u>175,648.31</u></u>

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Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214**Income and Expenditure Statement****For the year ended 30 June 2021**

	2021	2020
	\$	\$
Income		
Trading profit	203,138.13	175,648.31
Catering income	23,717.78	17,495.75
Venue/exhibition income	2,234.08	3,147.71
Membership income	20,384.11	14,859.08
Grant income	4,461.00	
Interest received	16.49	2.22
Reimbursements - Gardens	36,634.02	35,485.60
Other income	1,300.76	115.07
Cash Flow Boost	12,026.00	12,026.00
Total income	<u>303,912.37</u>	<u>258,779.74</u>
Expenses		
Accountancy	1,500.00	
Advertising & promotion	124.35	670.63
Bank fees & charges	8,123.90	5,864.63
Consultants fees	1,635.78	1,682.40
Depreciation - Other	6,199.00	8,674.00
Electricity	7,238.16	5,815.66
Equipment	7,418.14	
Insurance	928.25	4,190.73
Interest - Australia	3.28	0.47
Postage	16.82	31.77
Printing & stationery	1,089.30	1,500.50
Rates & land taxes	701.40	673.00
Rent on land & buildings	42,500.01	42,650.00
Repairs & maintenance	1,836.65	1,909.61
Staff amenities		15.00
Staff training	786.91	
Subscriptions	6,956.85	4,596.17
Superannuation	26,220.80	18,367.62
Telephone	1,900.91	1,843.73
Travel, accommodation & conference		48.20
Wages	290,051.42	201,500.19
Worker's compensation	4,932.37	6,233.38
Total expenses	<u>410,164.30</u>	<u>306,267.69</u>

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Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214

Income and Expenditure Statement

For the year ended 30 June 2021

	2021 \$	2020 \$
Net profit (loss) attributable to the association	<u>(106,251.93)</u>	<u>(47,487.95)</u>
Total changes in equity of the association	<u><u>(106,251.93)</u></u>	<u><u>(47,487.95)</u></u>
Net profit (loss) attributable to the association	<u>(106,251.93)</u>	<u>(47,487.95)</u>
Closing retained profits	<u><u>(106,251.93)</u></u>	<u><u>(47,487.95)</u></u>

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Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214
Detailed Balance Sheet as at 30 June 2021

	Note	2021	2020
		\$	\$
Current Assets			
Cash Assets			
Main account		3,385.34	1,998.12
Business account		25.52	340.52
Savings account		6,758.00	12,517.00
Cash on hand		826.95	200.00
		10,995.81	15,055.64
Receivables			
Trade debtors		524.21	(44.20)
		524.21	(44.20)
Inventories			
Finished goods (cost)		27,771.01	75,000.00
		27,771.01	75,000.00
Other			
Prepayments		2,723.03	
		2,723.03	
Total Current Assets		42,014.06	90,011.44

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Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214
Detailed Balance Sheet as at 30 June 2021

	Note	2021 \$	2020 \$
Non-Current Assets			
Receivables			
Loan - Partnership		15,125.50	15,125.50
		15,125.50	15,125.50
Property, Plant and Equipment			
Furniture & fixtures		68,000.00	68,000.00
Less: Accumulated depreciation		(14,490.00)	(8,491.00)
Office equipment		2,000.00	2,000.00
Less: Accumulated amortisation		(383.00)	(183.00)
		55,127.00	61,326.00
Intangible Assets			
Goodwill		5,000.00	5,000.00
		5,000.00	5,000.00
Total Non-Current Assets		60,127.00	81,451.50
Total Assets		102,141.06	171,462.94

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Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214
Detailed Balance Sheet as at 30 June 2021

	Note	2021 \$	2020 \$
Current Liabilities			
Payables			
Trade creditors		34,968.60	15,842.03
Gift cards & store credits		6,032.52	685.63
		41,001.12	16,527.66
Current Tax Liabilities			
Input tax credit control account		(555.34)	(554.67)
BAS payable		18,350.50	20,426.00
BAS payable adjustment		6,310.43	5,719.60
		24,105.59	25,590.93
Provisions			
Employee entitlements			(753.57)
			(753.57)
Total Current Liabilities		65,106.71	41,365.02
Non-Current Liabilities			
Financial Liabilities			
Vendor loan		150,000.00	150,000.00
Loan - Lyttleton Gardens			85.87
Loan - Carmichael-Parissi		40,774.23	27,500.00
		190,774.23	177,585.87
Total Non-Current Liabilities		190,774.23	177,585.87
Total Liabilities		255,880.94	218,950.89
Net Assets (Liabilities)		(153,739.88)	(47,487.95)

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Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214
Detailed Balance Sheet as at 30 June 2021

	Note	2021 \$	2020 \$
<hr/>			
Members' Funds			
Accumulated surplus (deficit)		<u>(153,739.88)</u>	<u>(47,487.95)</u>
Total Members' Funds		<u><u>(153,739.88)</u></u>	<u><u>(47,487.95)</u></u>

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Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214
Depreciation Schedule for the year ended 30 June, 2021

		Total	Priv	OWDV	DISPOSAL		ADDITION		DEPRECIATION			Priv	CWDV	PROFIT			LOSS	
					Date	Consid	Date	Cost	Value	T	Rate			Deprec	Upto	+	Above	Total
Office Equipment																		
Office equipment from business purchase	2,000.00 01/08/19	2,000	0.00	1,817		0		0	1,817	P	10.00	200	0	1,617	0	0	0	0
		<u>2,000</u>		<u>1,817</u>		<u>0</u>		<u>0</u>	<u>1,817</u>			<u>200</u>	<u>0</u>	<u>1,617</u>				
									Deduct Private Portion			<u>0</u>						
									Net Depreciation			<u>200</u>						

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Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214
Depreciation Schedule for the year ended 30 June, 2021

				DISPOSAL		ADDITION		DEPRECIATION					PROFIT			LOSS			
				Total	Priv	OWDV	Date	Consid	Date	Cost	Value	T	Rate	Deprec	Priv	CWDV	Upto	+	Above
Furniture & Fixtures																			
Kitchen equipment	30,000.00	01/08/19	30,000	0.00	27,713		0	0	27,713	P	8.33	2,499	0	25,214	0	0	0	0	0
Workshop furniture	20,000.00	01/08/19	20,000	0.00	18,169		0	0	18,169	P	10.00	2,000	0	16,169	0	0	0	0	0
Pantree fridges & freezers	8,000.00	01/08/19	8,000	0.00	7,268		0	0	7,268	P	10.00	800	0	6,468	0	0	0	0	0
Pantree displays & shelving	5,000.00	01/08/19	5,000	0.00	4,542		0	0	4,542	P	10.00	500	0	4,042	0	0	0	0	0
Atelier displays & furniture	2,000.00	01/08/19	2,000	0.00	1,817		0	0	1,817	P	10.00	200	0	1,617	0	0	0	0	0
POS software	3,000.00	01/08/19	3,000	0.00	0		0	0	0	W	0.00	0	0	0	0	0	0	0	0
			68,000		59,509		0	0	59,509			5,999	0	53,510					
												0							
												5,999							
												5,999							

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Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214

Notes to the Financial Statements

For the year ended 30 June 2021

Note 1: Summary of Significant Accounting Policies

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Associations Incorporations Act . The committee has determined that the association is not a reporting entity.

The financial report has been prepared on an accrual basis and is based on historical costs and does not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

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

(a) Receivables

Accounts receivable and other debtors include amounts due from members as well as amounts receivable from donors. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

(b) Property, Plant and Equipment (PPE)

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

The depreciable amount of all PPE is 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.

(c) Impairment of Assets

At the end of each reporting period, the entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214

Notes to the Financial Statements

For the year ended 30 June 2021

(d) Intangibles

Goodwill

Goodwill is recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities acquired at date of acquisition.

Goodwill is subsequently measured at cost less any impairment losses.

Goodwill is subject to impairment testing when the directors consider that there is objective evidence the business has been impaired. Impairment losses are calculated based on the directors' assessment of the business's recoverable amount. Recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amount.

Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold.

(e) Employee Benefits

Provision is made for the association'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.

(f) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(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.

Grant and donation income is recognised when the entity obtains control over the funds, which is generally at the time of receipt.

All revenue is stated net of the amount of goods and services tax (GST).

(h) Leases

Leases of PPE, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association, are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for that period.

Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214

Notes to the Financial Statements

For the year ended 30 June 2021

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the period in which they are incurred.

(i) 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 an item of the expense. Receivables and payables in the assets and liabilities statement are shown inclusive of GST.

(j) Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214
Certificate by Member of the Committee
For the year ended 30 June 2021

I, Aaron Brocken, and I, Kimberley Virgona certify that:

- a. We attended the annual general meeting of the association held on .
- b. The financial statements for the year ended 30 June 2021 were submitted to the members of the association at its annual general meeting.

Dated

Aaron Brocken
Chair

Kimberley Virgona
Treasurer

Lyttleton Stores Co-Operative Ltd ABN 42 270 518 214
Statement by Members of the Committee
For the year ended 30 June 2021

The Committee has determined that the association 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 Committee the Income and Expenditure Statement, Statement of Financial Position, and Notes to the Financial Statements:

1. Presents fairly the financial position of Lyttleton Stores Co-Operative Ltd as at 30 June 2021 and its performance for the year ended on that date.
2. At the date of this statement, there are reasonable grounds to believe that the association will be able to pay its debts as and when they fall due.

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

Aaron Brocken
Chair

Kimberley Virgona
Treasurer

Lyttleton Stores Cooperative Ltd Annual General Meeting 20/11/2020, at the Mechanics Institute, Lawson.

	Attendees: Board: Steve Garthwin, Sid Parissi, Manu Prigioni, Aaron Brocken. Members present in person: Eloise Crossman, Nicky Leap, Christy Anestouois, John Holik, Brent Hoare, Lisa Clement, David Bradley, Aaron Brocken, Jerilee Murphy, Cindy Babbage, Emma Klymenko, Jacinta Carmichael-Parissi, Erst Carmichael. Members present on Zoom: Anne O'Brien, Kimberley Virgona, Miriam, and Brooke.		Minutes taken by Sid Parissi, Secretary. Meeting opened 7.10pm
	Items	Comments on Items	Resolutions and notes.
	Apologies	Cathy Dobbie and Pat Brody sent their apologies.	
1.	Acknowledgement of country		Acknowledgement given by Steve Garthwin.
2.	Confirmation of the minutes of the last AGM.		Motion: that the Minutes of the last AGM be accepted. Moved: Manu. Seconded Steve. Adopted by acclamation.
3.	Chairperson's report (Manu)	Manu gave her report.	The report was adopted by acclamation. Manu provided a copy of her report with these Minutes.
4.	Financial report (Aaron)	Aaron conveyed the importance of the COVID situation and that the assets of the Co-op are greater than the current deficit, however that the Co-op is solvent. Lyttleton's physical and social capital is significant. Vendor loan – family lent co-op money with no interest loan of \$150,000. Need to look at new income streams and tightening systems.	Financial report is available to members at Lyttleton. Motion: that the report be received. Moved: Manu; Seconded: Sid. Motion accepted by acclamation. Motion: "That the Board considers the Co-op as being solvent and presented a plan to the AGM, namely, in order to overcome the deficit in the report, consideration be given at meetings of the Coordinators and the Board of the Co-op to jointly consider such matters as, but not limited to, (i) increase the use of Preserve, (ii) increase promotion of Lyttleton; (iii) reduce where discounts are given; (iv) decrease energy bills by increasing PV use; (v) increase volunteering to decreasing the use of paid staff. Further, that the Board will approach the Coordinators to have a joint Strategic Planning Meeting at 6.30pm on Monday, 11 th January at Lyttleton". Moved: Manu, Seconded: Steve. Motion was adopted by acclamation.
7.	Election of Director.	Eloise Crossman, the Returning Officer, conducted the election	The Returning Officer announced that Kimberley Virgona was elected as

		by secret ballot, in person and via Zoom. All nominations were valid, paid membership, submitted on time, and with relevant background.	Director on the Lyttleton Co-op Board. Documentation to be sent to Fair Trading by the Secretary.
10	Ad hoc report given by John Holik.	John gave an overview of the much appreciated increase in volunteer numbers, particularly during the COVID-19 difficult time, and the support of Emma To in the social media side of communication with volunteers. Now volunteers need to do 4 shifts in Pantree before helping in other areas of the Co-op to gain a better understanding of how the Co-op works.	The report was received by acclamation.
11	Ad hoc report given by Jerilee Murphy.	Jeri spoke of the increase of workload in the Kitchen that has led to the need to employ another Kitchen co-ordinator. 3 days does not cover what is needed to be done, especially with the possibility of workshops and events re-emerging, albeit under current COVID restrictions.	The report was received by acclamation.
12	Date of next AGM.	7pm, 19 th November, 2021	
	Meeting closed 8.08pm		

Chairperson's report – see attached.

Treasurer's Financial report – see attached.

Comment from Jacinta Carmichael-Parissi, a founding member of Lyttleton – November, 2019.

When dreaming up this project the vision was to collaborate, to share, to create opportunities yet to be imagined with people yet to be met. Co-ops are inspiring; they empower people to have an equal contribution to a project, and also to share the responsibilities that come with creating a life within a community. Co-ops value autonomy *and* collaboration, independence *and* support. We have chosen a horizontal management structure to emphasise these points, meaning we are non-hierarchical. We are also non-distributive, meaning not-for-profit. If/when we have surplus funds beyond the running and slow expansion of the business within its current framework, the profit doesn't go into anyone's pocket. Instead, together we will decide where our community needs it most. Our intention is not to make profits for a wealthy few by exploiting our people and our earth, but to create opportunities for our community to thrive and not just survive. We exist to help grow healthy, sustainable and regenerative local communities in which customers, makers, growers and workers are connected. We do this by harnessing a human quality more powerful than greed, more long lasting than competition and more satisfying than material wealth. Love; generosity, compassion, collaboration – co-operation! We have a vision of an abundant and resilient future, and we are working toward it right now, here in this room. By setting up systems that will continue to prosper beyond the current destructive mess of capitalism and consumerism we are engaging in the revolution. It is not enough to fight for a world we can live in – we have to build a future worthy of the win. I see co-operatives as a strong and healthy alternative to destructive profit driven business models.

The reason why this is so important is because we are living at a time when the huge problem of climate change is facing our world. It's distressing to hearing about the serious impacts on people, precious animals and plants who have not contributed to this mess while our politicians are seemingly unable to grasp the truth because they are too wedded

to moneymaking. This is what triggered the ideas leading to the initial establishment of Lyttleton Stores Co-operative. It offered direct action that could create a community building process of sharing and learning in how to live in a regenerative way, rather than a destructive way. Taking some of the most important aspects of life into our own hands.

This has meant seriously questioning the way in which we run the business and how we engage people in that learning process. Most of us did not grow up without giving away our own power to hierarchy and authority. Leadership is important, but power can lead to corruption, greed and blind destruction. We operate a collective form of management, five co-ordinators of the departments of the co-op – Pantree organic grocery, Atelier artisan wares & exhibitions, Preserve workshops, Garden, and Kitchen. The co-ordinators aim to meet weekly to discuss issues and finances. We have autonomous opportunities and responsibilities within the agreed existing framework of our departments. We then have the support and shared responsibilities of managing the running of the co-op together as a collective within that existing framework. We are supported and held accountable by the Board of Directors who have separate opportunities and responsibilities to the collective.

This has been a steep learning curve for all and challenging, but is in keeping with our principles of holistic management, sharing decision-making, and a philosophically revolutionary approach.