

Alfalfa House

COMMUNITY FOOD COOPERATIVE LIMITED NEWSLETTER

Annual General Meeting

6.30PM FOR 7PM Tuesday October 26, 2004

MEETING ROOM 4, SECOND FLOOR

Sydney University Village

90 Carillon Avenue, Newtown

Turn into Missenden Road from King Street, then right at the lights into Carillon Ave.

Look for the sign in the foyer to the building.

AGENDA

1. Attendance roll and apologies
2. Appointment of facilitator, minute taker
3. Coordinators' reports — Stock, Admin, Fruit+Veg
4. Directors' report
5. Finance report
6. Other reports
7. Election of Returning Officer
8. Call for nominations for the seven-member Management Committee
9. Confirmation of the Auditor
10. General business

All members welcome.

■ New products, cutting packaging waste PAGE 3

■ A year of change in the co-op PAGE 6

■ **W4TD.** We've just finished our fourth retail Work-for-the-Dole project. While these projects have been worthwhile – participants have gone on to get paid employment, some with the co-op, or training credits – there are changes afoot. The federal government has altered the rules and we're not sure, going to press, what impact they'll have on our continuing to run these projects. We may be able to run much smaller projects. And with a federal election in the wings, either party in government may change the rules even further.



(unless they aren't in season, or our suppliers are out, which is often the case these days). We're also looking to see what extra information we can get from the POS data to improve ordering.

On a related matter, Alfalfa House is now registered with Centrelink so that people on NEWSTART can work their volunteer hours at the co-op if they so choose and the co-op agrees on a case-by-case basis.

■ **Membership.** Since we replaced the monthly Intro Tours with an info sheet, which prospective new members read and then apply to join, membership has increased from 15-20 a month to around 50-60 a month. It seems to be working quite smoothly. On weekdays, new members can generally be signed up on the spot; it only takes a few minutes.

■ **Sales.** There's more information on the co-op's finances on page 5. Meantime here are our growth in sales percentages over the past four months:

May 2004	Up 50% on May 2003
June 2004	Up 51% on June 2003
July 2004	Up 54% on July 2003
August 2004	Up 41% on Aug 2003

These figures are pretty impressive. One of the challenges is managing that growth. We are currently assessing better ordering procedures to match those improved sales to make sure the products shoppers expect to be there will be there

■ **POS.** From July 1, the co-op installed an updated version of the Point-of-Sale (POS) computerised system. It's much improved, faster, and more stable than the earlier one. However, it hasn't been without some problems, especially in mid-August when a power blackout threw things into the Dark Ages. For a few days, it was back to writing prices and products on paper and then joining queues that stretched to the office. Shop Coordinators would then use calculators to work out the price of each item and then tally them on sheets of paper. Which interestingly enough, was more or less how we processed transactions prior to July 2000. Fortunately, we now have a backup power supply in the event of short power failures and we're drafting up emergency procedures to get things up and running fairly quickly if it happens again.

On a positive note, the new POS system has made updating membership (such as joining new members, making changes to members' records) so much easier and a lot faster. For example, updating work credits, which is now done twice a week and takes no more than five minutes, used to take more than an hour and a half every two weeks and was never completely up-to-date. Simplifying membership has also made an enormous difference.

■ **Almond butter making machine.** We're almost half-way there. So far, we have \$900 in loans and donations. If you'd like to contribute a loan or donation, see Ian or me Monday to Friday or call the co-op (9519 3374). By the way, the almond butter will be made from dry roasted almonds.

**Moved house?
or changed
phone
numbers?
Let the co-op
know as soon
as you do.**

You can't put it back

The co-op tries to keep the stock as uncontaminated as possible. As such if you put food from the bins or jars into your own bags and you change your mind, you can't put all or even some of that food back into the bins or jars. It's yours to buy. The same goes for the unpackaged bread – use the tongs provided. If you touch the bread with your hands, it's yours to buy.

**Don't forget to
show your
membership card
when you shop. It
avoids confusion
and helps make life
easier for the
person at the till.**

Hi there. For those of you who haven't been introduced, I'm Gavin and part of my job is to keep you posted on the products we stock. If you want to know where a product comes from, what else is available, why something isn't available, come and introduce yourself and maybe I'll know. I'm in Tuesdays, Wednesdays and Fridays. For now here's a quick rundown on what's been happening in product ordering over the past six months.



■ **New products.** There are a significant number of new products you will have noticed appearing on the shelves over the past few months. Obviously it's easy to get swayed by the huge variety out there in the fast-growing world of wholesale organics, but at Alfalfa House we assess new items on the basis of

- organic and biodynamic production conditions;
- ethical production;
- zero/biodegradable/durable/reusable/recyclable or minimal packaging;
- ethical production including animal farming ethics; and
- demand from members.

New products that have proven clear winners under these criteria include the

- **Sonoma** bread range - all sourdough, unpackaged breads made with simple organic ingredients (fresh on Fridays and Sundays).
- **Rapunzel** bulk organic chocolate has also been well appreciated and has quickly become one of the co-op's most purchased items.
- **smoked tofu**
- **ginger lemon wort drink** (like ginger beer)
- **organic hommus, babaganouj and pesto**
- **chocolate-coated organic almonds and ginger.**
- We've also been able to get a regular supply of organic dairy products - **biodynamic and organic milks, cheeses, and yoghurts** from a variety of suppliers.
- Other 'new' products include those replacing products that were previously not available as organic. For example, **organic basmati and jasmine rice, peanut butter, lentils, hazelnuts, cashews, carob and cocoa powder.**

I'm still on the lookout for organic sources of red kidney beans, lima beans, pinto beans, pumpkin seeds, poppy seeds and various nuts.

Other refinements to product lines occur when we get recommendations on superior products,

for example **Simmons Paw Paw Salve** - much cheaper than Lucas Paw Paw Ointment, free of petroleum products and a higher pawpaw content. Also Moon Pads menstrual pads, which were recommended as more durable than our previous supplier. So remember to give your feedback via the SUGGESTIONS BOX near the bread stand, or pass your thoughts on to the staff.

If you have product suggestions please try to supply me with a packet or contact number of the supplier or Sydney distributor as this will shorten the time it takes me to track them down.

■ **Bulk ordering.** Remember you can place bulk orders with me in the bulk order book - this gives an extra 5% discount on top of your existing discount and means you'll always have your favourite product and the shop won't run out of it because you go in and buy it all from the bin!

■ **Product origins.** As well as continuing to source organic replacements for the few remaining products that aren't organic yet, I plan to seek more local sources of products that are currently only available from overseas. I am continually surprised that so few of the organic nuts, lentils and oils our wholesalers stock are grown and/or processed locally.

Reducing the need for global trade and the attendant environmental cost of transport *and* supporting local ethical producers fits in well with the philosophy of Alfalfa House as a local community co-op. You will start to see product labels displaying country of origin in the hope that more consumer awareness and choice about food sources and origins will expand the demand for Australian ethically-produced foods.

■ **Waste minimisation.** Part of my work is to maintain a hard line on packaged products. This is sometimes a difficult path to tread

because shoppers regard some packaged products as “essential” and because health regulations force us to minimise the risk of contamination that can occur with the dispensing of bulk goods. Organic agriculture also has a less-than-wholistic regard for the environment when it comes to its use of plastic and polystyrene packaging of bulk vegetables.

When ordering stock we maintain a fixed minimum percentage of prepackaged products, and prefer reusable containers (jars) within this percentage. In choosing suppliers we continue to seek ways to minimise our waste on a number of different levels.

Avoid waste in packaging. Firstly, we aim to choose suppliers and products with no packaging or long-term reusable packaging. Some examples are Sonoma and La Tartine which deliver their bread fresh and unpackaged; Forest Orchard, one of our apple suppliers, which supplies hardy, reusable crates with a \$10 deposit on the container; Organic Trader which accepts the return and refill of shampoo, conditioner and cleaning liquid containers; and Natures Fare which accepts return and refill of honey buckets.

Reuse packaging. Secondly, we return packaging to suppliers for short-term reuse. Current suppliers we are returning packaging to include:

- Back to Eden – unbroken polystyrene boxes (whilst working on alternatives to polystyrene altogether);
- Nutrisoy – unbroken polystyrene boxes;
- Sydney City Organics – cardboard boxes;
- Country Style Eggs – cardboard boxes.

Recycle appropriately. Thirdly, we recycle and compost the waste we generate.

Even with these efforts, we still accumulate waste that is in need of reuse solutions. Much of this is sent to reuse centre Reverse Garbage (e.g., oil drums, some liquid containers, flour sacks), the local Marrickville Community Food Forest (buckets and flour sacks) and other community organisations. Some we still need to work on: especially large plastic bags that line vegetable boxes and 20L metal oil drums.

If you could use any of these materials please don't hesitate to speak to an office coordinator.

That's plenty from me, except to say that this year has been a huge year for the co-op in terms of organisational changes and improvements. The changes, designed to get the co-op to be accessible and appealing to as many people in the local area as possible, means the co-op is growing and getting more organic ethically-produced food out there to more of our community. Thanks for your continuing support.

See you in the shop.

Better health, naturally.

Fully qualified in Naturopathy,
Remedial Massage,
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To join, visit www.newtowncarshare.info or call Nic or Bruce on 9519 4929 (press 0 to speak to us).

Members of Alfalfa House get an extra month's membership free if they join before Nov. 15, 2004. (New Carshare members only)

This last financial year has brought many challenges, in particular making sure all our staff were paid at the correct State Award rates and that all our suppliers were paid on time.

I say 'challenge' because as a not-for-profit the co-op doesn't have any 'financial fat' in reserve. While we've had the benefit of Work-for-the-Dole money, we reduced this reliance by more than 50% from the previous year. In 2002-03 we received close to \$50,000 while in 2003-04 we received slightly more than \$20,000.

Work-for-the-Dole has been a financial godsend for the co-op, but it is widely recognised that we need to slowly ween ourselves off this lifeline. It's important we learn to stand on our own two feet. Besides, the federal government is changing the way Work-for-the-Dole operates and so there's no guarantee we'll receive any more projects after the current one ends on September 20.

Fortunately, we're ready for the new financial challenges this will bring.

Gavin and Elise, our Stock Coordinators, continue to run a tight ship when it comes to ordering, and refining and concentrating on the top to medium sellers. And we are currently introducing a new staffing structure. In the past we've relied on casual till staff but as sales have grown dramatically of late, we've decided to introduce permanent part time positions. This will bring stability for till staff and co-op alike.

The Profit+Loss Statement (at right) shows a profit of \$7,929 for 2003-04. Last year we ran a loss of \$5,571 – a turn around of \$13,500. If you take out Work-for-the-Dole money for both years, then 2002-03 would have been a loss of nearly \$50,000 and 2003-04 would have been a loss of \$13,000. Overall a turn around of nearly \$37,000.

In 2003-04, our counter sales grew 40.5%, the fruit+veg delivery service increased 3.4%, stock purchases were up 19%, general+admin costs grew 46.9%, operating expenses were down 36% and employment expenses were up 47.3%.

The Balance Sheet (at right) shows our Total Equity slightly reduced on the previous year. This is due to an accounting adjustment required from the 2002-03 year – see Historical Balancing. The most important item to note though is the Property, Plant+Equipment, an increase of 490%. The office and shop have been equipped with new computers, a new server, a new printer and fax.

As the old saying goes "To make money you have to spend money." We're still to buy a sales docket printer for the counter and a second sales till, which should see us through the next few years. Now, it's on with continuing to improve our productivity to at least break even without relying on outside funding.

Profit & Loss Statement
as at June 30

	2004	2003
INCOME		
Counter Sales	\$410,237	\$291,969
F+V Delivery Sales	\$45,881	\$44,381
TOTAL INCOME	\$456,118	\$336,350
COST OF SALES		
Purchases	\$309,407	\$260,005
NET PROFIT	\$146,711	\$76,345
OTHER INCOME		
	\$19,359	\$30,985
GROSS PROFIT	\$166,070	\$107,330
EXPENSES		
General & Admin	\$14,085	\$9,587
Advertising	\$274	\$22
Operating	\$38,432	\$52,223
Employment	\$136,210	\$92,470
TOTAL EXPENSES	\$189,002	\$154,301
OPERATING PROFIT	-\$22,931	-\$46,970
ABNORMAL INCOME		
Work for Dole	\$30,861	\$41,399
NET PROFIT/LOSS	<u>\$7,929</u>	<u>-\$5,571</u>

Balance Sheet
as at June 30

	2004	2003
ASSETS		
Current Assets	\$41,175	\$49,157
Property Plant & Equipment	\$17,158	\$3,474
Total Assets	<u>\$58,333</u>	<u>\$52,631</u>
LIABILITIES		
Current Liabilities	\$36,567	\$30,655
Total Liabilities	<u>\$36,567</u>	<u>\$30,655</u>
NET ASSETS	<u>\$21,766</u>	<u>\$21,976</u>
EQUITY		
Retained Earnings		\$27,548
Current Year Earnings	\$32,084	-\$5,572
Historical Balancing	-\$10,318	
TOTAL EQUITY	<u>\$21,766</u>	<u>\$21,976</u>

2003-2004 A year of change

September 2003

- 15 new members
- Overhaul of administration, including manuals, procedures, office layout, shop signage
- Art display cabinet installed in front window
- Extra shelving added to storeroom

October 2003

- 8 new members

November 2003

- 15 new members

December 2003

- 16 new members

January 2004

- 24 new members
- Cleaning schedule reorganised

February 2004

- 14 new members
- Computerised till system collapsed irrevocably on Thursday Feb. 19. New system written and up and running by the Sunday
- New computer for POS installed

March 2004

- 20 new members
- New server installed, all PCs and Mac networked to server
- Stock ordering split into Groceries and Fruit+Veg, two Stock Coordinators employed
- AH begins lobbying suppliers to take back packaging for re-use and/or to change their packaging to returnable and/or recyclable materials thanks to a grant from Australian Ethical Investments

April 2004

- 15 new members
- Intro Tours (a requirement for membership)

are replaced with a small booklet on the co-op that prospective new members read then join

- Management Committee liaison people appointed for all staff. Liaisons meet regularly with staff to hear how they are going in their work and how things might be improved
- Loan appeal for almond butter making machine launched
- Perspex unwrapped bread box installed

May 2004

- 39 new members
- Simpler membership system established; dramatic increase in number of new members

June 2004

- 45 new members
- Admin Coordinator and Finance Coordinator delegated day-to-day powers to manage co-op

July 2004

- 70 new members
- Updated POS system installed; daily discrepancies reduced
- Changes to Fruit+Veg Delivery Service, mostly with the payment system and staffing
- AH joins Australian Business Ltd
- New plastic bags policy adopted (all donations of pre-loved plastic bags banned; except for limited number to be used only as carry bags available at the till. Shoppers encouraged to use cardboard boxes available.)
- Strategic Planning Day held on July 25

August 2004

- 53 new members
- POS problems on 6 days initially after power outage (problem now solved)
- Plan to restructure till staff positions favouring permanent part-time over casual employment approved

The Management Committee: who, what, when, where and how

The seven-member Management Committee (MC) is Lisa Jackson-Pulver (chair), Ken Wilson (secretary), Bruce Diekman, Louise Larcombe, Ken Guntar (treasurer), Atalanta Lloyd-Haynes and Theresa Clancy. All positions are declared vacant at the AGM in October and any member is entitled to stand for the committee. The MC meets on the first Tuesday of the month at the co-op starting at 6.30pm. Meetings determine co-op policy between AGMs, including finances, employment policy and future directions. All members are welcome to attend, speak, ask questions and to raise proposals, although only the committee can vote on proposals.

There may be other meetings, for example, Special General Meetings if an issue can't be resolved at a MC meeting or the matter needs wide consultation. There are also Strategic Planning Days. The last one was in July, where we brainstormed the co-op's strengths, weaknesses, opportunities and threats, from which we drew up a number strategies, some of which have already been acted upon.

The minutes of all past MC meetings are kept in the office. Any member is welcome to read them. They make interesting and at times entertaining reading and show how the co-op has changed and evolved over time.

Organics are better, uni study shows

Although it's a few years' old, the study is a timely reminder of the difference between organics and conventionally-grown food

Is organic food better? Conventional food producers often argue there's no difference. But a university study shows otherwise.

Before this study the idea that organics were nutritionally superior to conventionally-grown food was widely accepted on faith alone. People hoped the effects of organic cultivation were better for their health and for the earth.

Researchers at Rutgers University, intrigued by the emphatic claim that "organic is better," decided to determine the truth of the matter. They went to a supermarket and purchased a selection of produce which they analysed for

mineral content. They then went to a health food store and purchased the same products but grown organically and carried out the same tests.

The researchers expected the organic produce to be slightly superior in this comparison. However, the results were astonishing. For example, notice the level of iron in the organic tomatoes and spinach compared to their non-organic cousins. There's a huge difference. Many other essential trace elements are completely absent in the non-organic foods whereas they occur in abundance in the organics.

Table. Mineral content of organic food compared with conventionally-grown food Rutgers University, (University of the State of New Jersey), USA.

Percentage of dry weight		Quantities per 100gm dry weight				Trace elements: parts per million dry matter					
Mineral Ash	Phosphorus	Calcium	Magnesium	Potassium	Sodium	Boron	Manganese	Iron	Copper	Cobalt	
Snap Beans											
Organic	10.45	0.36	40.5	60.0	99.7	8.6	73	60	227	69.0	0.26
Non-organic	4.04	0.22	15.5	14.8	29.1	0.9	10	2	10	3.0	0
Cabbage											
Organic	10.38	0.38	60.0	43.6	148.3	20.4	42	13	94	48.0	0.15
Non-organic	6.12	0.18	17.5	13.6	33.7	0.8	7	2	20	0.4	0
Lettuce											
Organic	24.48	0.43	71.0	49.3	176.5	12.2	37	169	516	60.0	0.19
Non-organic	7.01	0.22	16.0	13.1	53.7	0	6	1	9	3.0	0
Tomatoes											
Organic	14.2	0.35	23.0	59.2	148.3	6.5	36	68	1938	53.0	0.63
Non-organic	6.07	0.16	4.5	4.5	58.8	0	3	1	1	0	0
Spinach											
Organic	28.56	0.52	96.0	203.9	237.0	69.5	88	117	1584	32.0	0.25
Non-organic	12.38	0.27	47.5	46.9	84.6	0	12	1	49	0.3	0.20

Source: <http://www.organicnutrition.co.uk/whyorganic>

Wanted 20 people with \$100 each.

The co-op wants to buy a nut-butter making machine to make fresh roasted almond butter. We have \$900 so far. Our target is \$2000. If you'd like to help, talk to Ian or Stevie in the office or call 9519 3374.

Alfalfa House 

If undeliverable please return to
113 Enmore Rd ENMORE NSW 2042

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8

ALFALFA HOUSE'S *organic* **FRUIT+VEG DELIVERY SERVICE**

Alfalfa House runs an organic fruit+veg delivery service each Monday evening. Boxes are packed to your specification, although availability depends on what's in season. To find out if you're in the delivery area or to get more info, call 9519 3374 on Mondays. Also, ask about our list of basic groceries such as milk (dairy and soy etc), eggs, yogurts, tofu, tomato paste, tinned tomatoes, rice cakes and bread that you can add to your order.