



2022

**Littleton Food Cooperative
Annual Report**

A Note From Our General Manager



Ed King, General Manager

Littleton Food Co-op, by most measures, has had another successful year in 2022. Our sales were more than \$17.2 million, a new record for your Co-op. That is a 3.8% increase over the previous year, but slightly below our projections. Before Christmas week the Co-op had its first \$500k sales week, beating our old record by more than \$60k. We purchased local products from more than 180 farmers and producers, for a total of over \$3.5 million. Keeping your food dollars local has always been a priority of ours. We've also welcomed more than 600 new Members to the Co-op, an astounding number for our 13th year of operations.

But not everything was rosy, and we had our share of challenges. Inflation has remained a problem for food markets across the country, resulting in spiraling costs for our customers. Operational costs showed dramatic increases as well. Energy, transportation, employee wages, and benefits have all grown faster than our sales growth. Competition for new employees has resulted in higher turnover than we're accustomed to. All these growing expenses have put downward pressure on our net income for the year. The result was an \$18k net loss for the fiscal year 2022. Unfortunately, with no net income for the year, the Co-op will not be paying a patronage refund to our Members this year.

Despite these challenges, the Co-op's financial position remains healthy, and we have solid cash reserves. Each of our employees receives a living wage, along with some very generous benefits. We've also been able to keep Member discount programs in place, and our shoppers have continued to take full advantage of these opportunities during these tough economic times. Member and Senior discounts have been at historical highs in recent months.

Your Co-op also continues to give back to the Community. Thanks to the generosity of our shoppers, the Partner of the Month program paid out more than \$70k to local non-profit organizations. Our Healthy Food Access and Market Match programs help families purchase fresh, healthy foods despite economic barriers. The Co-op also continues to work with local pantries and community dinners, providing donations and reduced-cost food for those in need. This is all part of our commitment to Diversity, Equity, and Inclusion. Staying true to our Mission is important to us.

What does the future hold for our Co-op? Well, we have five great candidates running for three open seats on our Board this Spring, so the governance of our Co-op appears to be in strong hands for the foreseeable future. The Management Team and Staff at the Co-op are among the best I have ever worked with, and their commitment to customer service is exceptional. Our shoppers consistently give us high marks on our satisfaction surveys, and sales this year have started strong. Our efforts to control expenses include new plans to add to our solar array over the next few years, thereby saving our energy costs. We continue to work with our fellow food Co-ops - startups, and established stores alike - to support a Cooperative economy in our region.

Our successes wouldn't be possible without the efforts of our Membership, Board of Directors, and Staff here at the Littleton Food Co-op. It remains a pleasure for me to work for such a fine community-based organization!



Our Mission

To provide a community-owned marketplace that supports local and promotes healthy choices for people and planet.

Our Vision

Our Co-op is a catalyst for cultivating a vibrant community and regional economy.

Questions or Feedback?

info@littletoncoop.org

Contact Us

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603.444.2800
www.littletoncoop.com

2022-2023

Board of Directors

Deb Rosetti-Sullivan,
President
Timothy Healey,
Vice President
Vanessa Robbins, Secretary
Jim Moore, Treasurer
Danielle Shaw, Director
Matthew Whiton, Director
Kirsten Scobie, Director
Sam Brown, Director

The Cooperative Principles

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training, and Information
6. Cooperation Among Cooperatives
7. Concern for Community



Local As Heck!

The local food movement has taken root nationwide. Where other trends have come and gone, the local foods movement is stronger than ever, fueled by a growing desire for transparency in food production practices, knowing where our food dollars are going, and the sheer delight of eating a freshly picked tomato. It's a movement which we are deeply committed to and have long supported.

So, how exactly is local food defined? That depends. Here at Littleton Food Co-op, we include farmers and producers within a 100 mile radius, as well as all of New Hampshire and Vermont.

**Number of Local
Vendors We Carry**

184



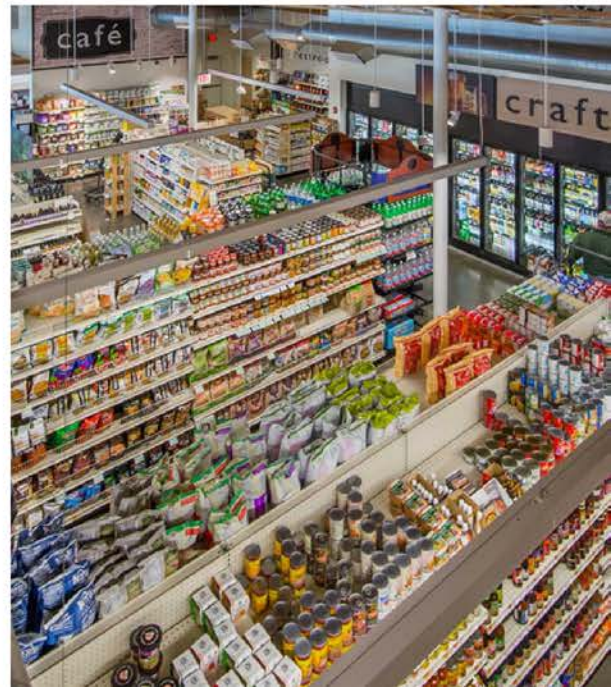
**Total Dollar
Amount Invested
in Local Products**

\$3,533,613

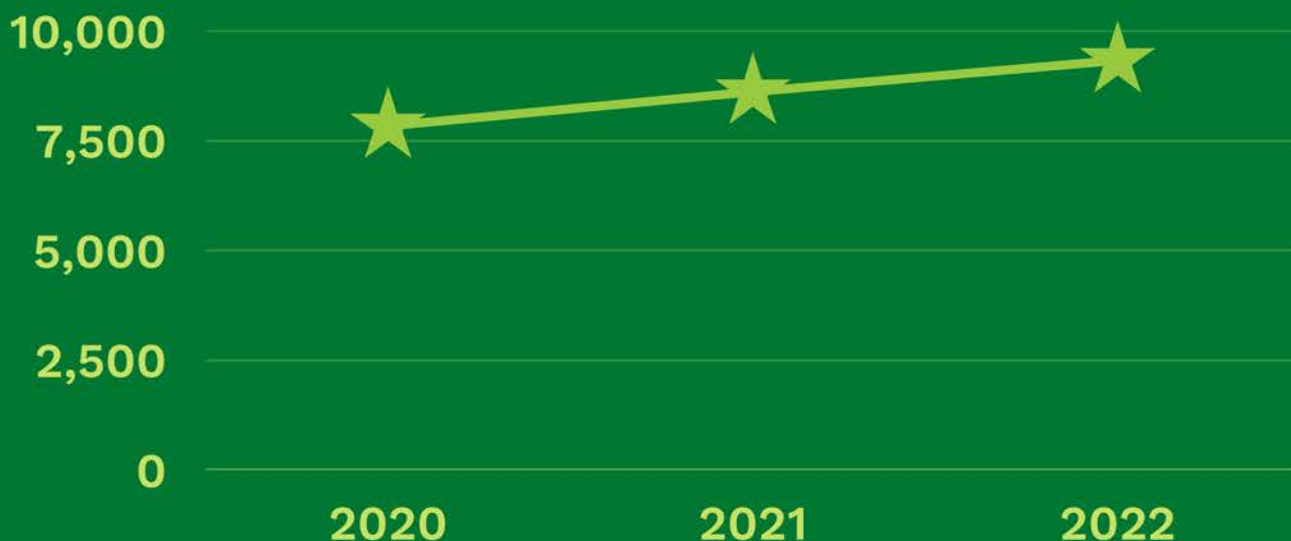


**Percentage of Total
Purchases That Are
Local Products**

30%



Member Growth



Member Benefits

Total Number of Members (As of 3/15/23): 9,332

Number of New Members in 2022	656
Number of New Members who purchased 4+ shares	318
Percentage of New Members who purchased 4+ shares	48%
Total \$ saved by Members on Member Discount days	\$61,833
Total \$ saved by Members on senior discounts	\$27,716
Total \$ saved by Members on birthday discounts	\$938
Total \$ saved by Members on business discounts	\$2,345

HFA & Market Match

Current Number of Healthy Food Access Members (As of 3/15/23): 144

Number of first-time HFA Members in 2022	37
Total dollar amount saved by HFA Members	\$39,096
Total dollar amount saved via Granite State Market Match	\$52,039

Patronage Refund

The Co-op issues a Patronage Refund to Members in profitable years; the full amount is determined by the Board and is calculated as a percentage of Member sales.

Unfortunately due to rapidly growing expenses last year, including inflation, rising wages, transportation costs, and cost of energy, we ended up with an \$18k net loss for the 2022 fiscal year. Because there was zero net income for the year, the Co-op will not be issuing a patronage refund to our Members in 2023.

We know this is a disappointment for many of our Members who frequently shop here at the Co-op, and we appreciate your ongoing loyalty and support.

Micro-Loan Fund

We are committed to fund a \$250,000 micro-loan fund through Grafton Regional Economic Development (our GM, Ed King, is a Board Member). This loan offers \$5k-\$50k loans for food system-related businesses in Grafton County. The Co-op will contribute \$15k per year until it is completely funded.





North Country
Beekeepers Association



Mt. Eustis Ski Hill



NH Farm to School
& WREN



Littleton Area
Senior Center



Adaptive Sports Partners
of the North Country



Second Chance
Animal Rescue

2022 Partners of the Month

Through our Partner of the Month Program, the Co-op sponsors a different local non-profit each month of the year. Partners are chosen by our Members via popular vote, and our customers and Members "Round Up" to make small change donations at the register and raise funds for that Month's Partner.

Total Raised in 2022: \$73,075.52



Boys & Girls Club
of the North Country



Above the Notch
Humane Society



The Colonial Theatre



Littleton Food Co-op
Community Fund
DATE: October 2022
PAY TO THE ORDER OF: Littleton Food Co-op Community Fund \$5,711.93
Five Thousand Seven Hundred Eleven + 93/100 DOLLARS
Littleton Food Co-op
member farmers and customers



DONATIONS
Local Food Pantries



The Bancroft House

Total funds donated to local organizations: \$2,850



Total funds donated as sponsorships: \$5,333



Total value of in-kind donations: \$5,098



Total value of discounts to local organizations: \$2,926



Littleton Food Co-op Community Fund

A Cooperative Community Fund (CCF) is an endowment fund established for each participating co-ops, wherein the interest earned each year is donated to nonprofits and cooperatives in their respective communities. Our fund is administered by the Twin Pines Cooperative Foundation, which is a non-profit 501c3 organization. This community fund allows our Members and customers to contribute to an endowment that donates to local non-profit organizations.

Littleton co-op earns interest from this fund each year, which is then donated to a local organization working on issues related to sustainable agriculture and organic food; hunger and social issues; environmental protection, and cooperatives.

Total Raised for the Community Fund:

\$5,711.93



Economic Member Participation

The third Cooperative Principle is Member Economic Participation, which is a crucial part of the foundation of every Co-op, including ours. But what does it really mean to “participate economically”?

When you purchase shares at Littleton Food Co-op, you are making a financial investment that comes with rewards and responsibilities. If you're a Full Member and own four or more shares, you are in possession of the highest level of equity as an owner of the Co-op, which gives you the right to participate in our democratic process and vote for your representatives on the Board of Directors. Full Members may also invest their time by becoming a candidate and running for a seat on the Board, and, if elected, take part in making the decisions that will steer our future. This is why we urge all of our Members to purchase enough shares to become Full Members so that you are a wholly invested participant in this process. This is your co-op, and we want you to have every opportunity to make your voice heard.

But Economic Member Participation isn't over once you purchase a few shares and vote in an election. We also ask our Members to shop here as often as possible, since this bolsters the Co-op's impact and helps us to grow and succeed. It seems like a simple thing, but your weekly grocery trip does a great deal to not only build financial strength, but also allows us to purchase more local items, offer our Members regular discounts and benefits,

pay our employees a fair wage, make improvements and repairs, and partner with non-profit organizations in our community. In years when the Co-op is especially profitable, the Board - yes, those folks you elected - will decide whether to issue a Patronage Refund to our Members, which is based directly on how often you shopped and how much you spent at your co-op. This doesn't always happen every year, but we do our best to plan and spend wisely, and listen to your feedback. A lot of businesses talk about customer loyalty, but it's a little different here - loyalty to your Co-op really is loyalty to yourself, and to your cooperative community.

So what happens if something isn't quite right, and you have a question or concern? Or perhaps you have a great idea you'd love to share? Again, this is your cooperative, and by being a Member, owning shares, and shopping here often, your Economic Member Participation means you have a say here at the Co-op. There are so many ways to participate, too: come to a Board Meeting, get to know the Board Directors, attend our Annual Meeting, vote in elections, come to events, tours, and tastings, or talk to our staff the next time you're in the store. You can also send us an email, or leave a message at the Service Desk. We're happy to answer your questions and hear your ideas, and we appreciate you being a Member of Littleton Food Co-op.



Three-Year Financial Highlights

	2020	2021	2022
Net Sales	16,873,312.00	16,580,855.00	17,205,346.00
Cost of Goods Sold	11,120,811.00	10,984,592.00	11,265,935.00
Gross Profit	5,752,501.00	5,596,263.00	5,939,411.00
Ops, admin, occupancy exp.	4,951,357.00	5,279,702.00	5,806,228.00
Interest expense	415,475.00	395,157.00	384,943.00
Other (income)/expense	(211,873.00)	(751,247.00)	(221,774.00)
Patronage Rebate from Co-op	400,000.00	430,000.00	0.00
Prov for (benefit from) Income tax	39,584.00	(62,478.00)	(11,484.00)
Net Income	157,958.00	305,129.00	(18,502.00)
Current Assets	3,112,849.00	2,760,714.00	2,767,115.00
Prop, plant, & equipt. (less depreciation)	5,586,772.00	5,480,351.00	5,329,502.00
Other Assets	391,528.00	397,895.00	420,573.00
Total Assets	9,091,149.00	8,638,960.00	8,517,190.00
Current Liabilities	1,394,578.00	1,099,684.00	1,056,313.00
Long Term Debt	6,364,767.00	5,584,659.00	5,496,796.00
Deferred Income Taxes, net	98,700.00	28,600.00	19,200.00
Member Equity	1,233,104.00	1,926,017.00	1,944,881.00
Total liabilities & Equity	9,091,149.00	8,638,960.00	8,517,190.00
Membership contributed capital	698,490.00	1,089,915.00	1,130,465.00

The Littleton Coop is a Member-owned grocery store featuring local produce, hot prepared foods, deli, bulk foods, craft beer, wine and a quality grocery selection. We strive to serve the North Country of New Hampshire and Northeast Kingdom of Vermont by providing a broad range of high quality food products, offered at a fair price, with outstanding service.

The Co-op exists to serve its Members, not to make a profit for a large corporation. While Membership is not required to shop at our store, our Members help govern the Co-op by electing our Board of Directors annually and contributing in other ways – from suggesting items for the store to serving as volunteers on Co-op committees.

Our Members also help us maintain the Co-op's mission and vision of supporting local growers and producers, encouraging healthy life choices, and promoting environmental sustainability locally.

