

PSFC Financial Statements Highlights for the 8-Week period ending: 03/28/2021

(statements attached-12 additional pages following this highlight page)

Please feel free to ask any questions related to the information on this page or the attached 12 other pages of financial statements.

- On March 17th we received our second draw PPP loan of \$1,677,345 from the Small Business Administration that we applied for through the National Cooperative Bank in January.
- We are planning to take at least 3 Employee Retention Credits (ERCs). These credits should amount to hundreds of thousands of dollars.
- **The 4% mark-up increase:** It may be with us for quite a while. The effect during these past 8 weeks has been to increase our gross margin^{1,3,4} by more than 3.4 percentage points compared to last year bringing in more than \$200,000 extra during these 8 weeks.

Other notes:

1. Page 1 of 12: Our Expenses as a percent of sales for the 8 weeks ending 03/28/21 weeks are 29.64%, an increase of 12.54 as a percent of sales over last year's 17.10% at the 8 week mark. See Schedule of Operating Expenses on the attached financial statements for details.
2. Estimate of our current actual mark-up is 26.7%.²
3. Page 1 of 12: Estimated shrink³ is 0.63%, calculated as follows: 21.07% (perfect gross margin)³ minus actual gross margin of 20.44%.
4. Page 4 of 12: In December 2020 the Coop created an accounts payable of \$201,733 to recognize the portion of required contributions to the Pension Plan for year ending 12/31/2020 that were as yet unpaid by the Coop. The Coop is allowed to pay the pension plan this money as late as September 2021. To calculate the amount of money we owe to our operational vendors/suppliers subtract \$201,733 from the accounts payable amount on the balance sheet-see page 4.
5. Page 3 of 12: Sales change from last year: The average sales per week decreased by 30.58%

Footnotes:

¹ Gross Margin = Net Sales (money generated by members when we shop) – Cost of the Goods Sold. The Gross Margin dollars divided by Net Sales dollars yields the gross margin percentage. The gross margin dollars are used to pay the expenses of running of the Coop.

² The Coop marks up all items received for resale to try to generate enough money to cover the expenses of operating the Coop. As of 10/13/2020 **products are marked-up 25% for most members (temporarily up from 21%) above the delivered cost.** The exceptions: vitamins and supplements are marked-up an additional 10% above that; cheese, an additional 3%; bulk items, an additional 7%; organic produce, an additional \$1.10 per case to the delivered case cost; conventionally grown produce, an additional \$.50 per case; organic bananas, an extra \$2.50 per case in addition to the \$1.10; and conventional papayas, an extra \$1.00 in addition to the \$.50. There are other minor add-ons that also are part of the mark-up. **The result is an estimated overall current markup of 26.7%.**

³ Shrink and perfect gross margin have been part of our financial analysis since the Coop started in 1973. Perfect gross margin is reached when there is no spoilage, no theft, etc.; by the way, it is never reached. Because the Coop is usually run at about breakeven we pay attention to how far from perfect we are in order to remain financially sustainable and to be alerted to problems that have a financial impact and therefore need to be solved or improved upon. **The goal is to keep our low-price structure by solving problems instead of raising prices.** Shrink is the amount of imperfection. It is calculated by comparing the actual gross margin to the perfect gross margin. Our perfect gross margin is calculated by dividing .267 (the mark-up) by 1.267 which =21.07%. We estimate that a typical natural foods supermarket uses a markup of about 56% to yield a gross margin of about 34%.

INCOME STATEMENT

	8 weeks to	3/28/21 Per Cent of Sales	8 weeks to	3/29/20 Per Cent of Sales
Net Sales	<u>6,484,625</u>	<u>100.00%</u>	<u>9,340,505</u>	<u>100.00%</u>
Cost of Goods Sold				
Inventory At Beginning	780,404		712,728	
Net Purchases	<u>5,220,374</u>		<u>8,005,451</u>	
Total Available for Sale	<u>6,000,778</u>		<u>8,718,179</u>	
Less: Inventory At End	<u>841,570</u>		<u>967,892</u>	
Cost of Goods Sold	<u>5,159,208</u>	<u>79.56%</u>	<u>7,750,287</u>	<u>82.98%</u>
Gross Margin	1,325,417	20.44%	1,590,218	17.02%
Expenses				
Expenses Except Depreciation	1,881,262	29.01%	1,556,159	16.66%
Depreciation	<u>40,713</u>	<u>.63%</u>	<u>40,996</u>	<u>.44%</u>
Total Expenses (Schedule)	<u>1,921,976</u>	<u>29.64%</u>	<u>1,597,156</u>	<u>17.10%</u>
Operating Income (Loss)	(596,559)	(9.20%)	(6,938)	(.07%)
Other Income				
Membership Fees	805	.01%	6,575	.07%
Events & Gifts	0	.00%	945	.01%
Cash Discounts & Rebates	5,350	.08%	0	.00%
Other Discounts	0	.00%	0	.00%
Patronage Refund Income	13,294	.21%	6,421	.07%
Income Tax Refund	0	.00%	0	.00%
Other Income	<u>572</u>	<u>.01%</u>	<u>2,558</u>	<u>.03%</u>
Total Other Income	<u>20,021</u>	<u>.31%</u>	<u>16,499</u>	<u>.15%</u>
Income Before Interest & Taxes	(576,538)	(8.89%)	9,562	.10%
Interest Expense-Loans	0	.00%	0	.00%
Interest Expense-Other	0	.00%	0	.00%
Interest Income	<u>4,998</u>	<u>.08%</u>	<u>3,118</u>	<u>.03%</u>
Net interest	<u>4,998</u>	<u>.08%</u>	<u>3,118</u>	<u>.05%</u>
Income (Loss) Before Income Taxes	(571,540)	(8.81%)	12,680	.14%
Provision for Taxes	<u>TBD</u>		<u>TBD</u>	
Net Income (Loss)	<u>TBD</u>		<u>TBD</u>	
Other Comprehensive Income-pension Plan Related	<u>TBD</u>		<u>TBD</u>	
Total Comprehensive Income (Loss)	<u>TBD</u>		<u>TBD</u>	

SCHEDULES OF OPERATING EXPENSES

	8 weeks to	3/28/21	8 weeks to	3/29/20
		Per Cent of Sales		Per Cent of Sales
Personnel				
Salary-General Coordinating	89,951	1.39%	87,940	.94%
Salary/Wages-IT	73,731	1.14%	73,571	.79%
Wages-Hourly Coordinating	901,581	13.90%	650,265	6.96%
Total Payroll	1,065,263	16.43%	811,776	8.69%
Employee Health Benefits	350,703	5.41%	294,894	3.16%
Employee Pension Benefits	92,000	1.42%	90,000	.96%
Employee Benefits-Other	24,302	.37%	1,196	.01%
Vacation, Health & Personal Days Accrued	0	.00%	0	.00%
Total Compensation Package	1,532,268	23.63%	1,197,866	12.82%
Payroll Taxes	100,673	1.55%	67,353	.72%
Workers Comp. Insurance Expense-Staff	31,909	.49%	9,385	.10%
EAP and/or Training Fees	14,659	.23%	8,500	.09%
Payroll Preparation Expense	11,176	.17%	7,599	.08%
Pension/401k Administration Expense	2,516	.04%	0	.00%
Consultant Fees	0	.00%	7,098	.08%
Total Personnel	1,693,201	26.11%	1,297,801	13.89%
Occupancy				
Electric	21,901	.34%	24,014	.26%
Gas	5,846	.09%	6,324	.07%
Insurance	43,988	.68%	40,610	.43%
Taxes - Real Estate	26,675	.41%	24,479	.26%
Taxes - Water & Sewer	1,479	.02%	1,550	.02%
Exterminator	245	.00%	533	.01%
Subtotal	100,135	1.54%	97,512	1.04%
Deprec. - Building	27,502	.42%	27,544	.29%
Total - Occupancy	127,636	1.97%	125,055	1.34%
Store				
Store Supplies	9,015	.14%	13,484	.14%
Recycling and Garbage Removal	2,512	.04%	5,618	.06%
Cash Short or (Over)	212	.00%	(551)	(.01%)
Svc Cntrct Exp. & Rpr.-Stre Equip.	22,776	.35%	14,856	.16%
Subtotal	34,515	.53%	33,407	.36%
Depreciation - Fixtures & Equip.	9,193	.14%	8,950	.10%
Total Store	43,708	.67%	42,357	.45%
Office				
Printing & Copying	5,571	.09%	16,456	.18%
Office Supplies	8,362	.13%	9,318	.10%
Telecommunications	4,482	.07%	5,858	.06%
Postage	9,027	.14%	1,332	.01%
Professional Fees	0	.00%	0	.00%
Svc Cntrct Exp. & Rpr.-Ofc. Equip.	14,187	.22%	18,434	.20%
Subtotal	41,630	.64%	51,398	.55%
Depreciation - Furn. & Equip.	4,019	.06%	4,503	.05%
Total Office	45,649	.70%	55,901	.60%

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SCHEDULES OF OPERATING EXPENSES (cont'd)	8 weeks to		3/28/21		8 weeks to		3/29/20	
			Per Cent of Sales				Per Cent of Sales	
Other								
Repairs, Tools, Maintenance		4,603		.07%		15,088		.16%
Advertising and Promotion Expense		0		.00%		947		.01%
Meeting Room Expense		0		.00%		0		.00%
Miscellaneous Expense		2,690		.04%		1,990		.02%
Gazette Ad Income	0				(540)			
Less: Printing & Delivery	<u>0</u>	0		.00%	<u>2,235</u>	1,695		.02%
National Co-op Grocers Member Fees		0		.00%		0		.00%
Childcare Expense		0		.00%		241		.00%
Audit Expense/Tax Preparation		0		.00%		0		.00%
Bank Charges		1,085		.02%		1,626		.02%
Electronic Payment Service Charges		16,386		.25%		36,836		.39%
Workers Compensation Insurance-Members		(15,892)		(.25%)		15,999		.17%
Legal Fees		2,910		.04%		1,620		.02%
Total Other		<u>11,781</u>		.18%		<u>76,041</u>		.81%
Total Expenses		<u>1,921,976</u>		29.64%		<u>1,597,156</u>		17.10%

SALES AND MEMBERSHIP AVERAGES

Sales Per Week:	8 weeks to		3/28/21		8 weeks to		3/29/20	
Average		\$810,578				\$1,167,563		
Increase or (Decrease) in Sales Per Week		(\$356,985)		-30.58%		\$26,422		2.32%

Due to changes in Coop operations since March 23, 2020, we will not provide numbers and statistics in this section until such time that we can ascertain the accuracy of the number of members.

	8 weeks to 3/28/21			8 weeks to 3/29/20		
BALANCE SHEETS						
ASSETS						
Current Assets						
Cash (Schedule)			3,612,360			3,446,418
Inventory			841,570			967,892
Prepaid Expenses (Schedule)			223,763			240,822
Other Current Assets			66,012	4,743,705		56,553
						4,711,684
Fixed Assets						
	Gross	Accum. Deprec.	Net	Gross	Accum. Deprec.	Net
Land	165,000		165,000	165,000		165,000
Building	6,046,605	2,903,677	3,142,928	6,053,505	2,724,693	3,328,812
Office Equipment	459,889	413,138	46,751	459,889	389,035	70,854
Store Equipment	2,110,319	2,057,517	52,802	2,103,293	1,998,012	105,280
Leased Equipment	30,150	2,799	27,352	23,700	1,974	21,726
Deposit on purch of FA	0		0	0		0
	8,811,963	5,377,130	3,434,833	8,805,387	5,113,714	3,691,672
Other Assets						
Invest. in Other Cooperative Associations (Sched.)			396,032			383,326
Security Deposit (NCG Joint Liability)			166,413			85,496
Deferred Income Tax Asset			531,849	1,094,294		531,849
						1,000,671
Total Assets			9,272,832			9,404,028
LIABILITIES & MEMBERS EQUITY						
Current Liabilities						
Accounts Payable			1,651,295			1,922,323
Accrued Vacation, Health & Personal Days			498,539			408,985
Accrued Miscellaneous Expense			173,635			180,261
Donations Payable: Fair Food Program			3,264			1,521
Taxes Payable			8,204			6,202
Net Income Tax Liabilities			(228,223)			90,516
Current Obligations Payable Under Capital Leases			4,007	2,110,721		3,340
						2,613,149
Long Term Liabilities						
Non-Current Oblig. Payable Under Capital Leases			24,407			17,623
Bank Loans Payable			1,677,345			0
Pension Plan Liability			2,038,823	3,740,575		1,695,169
						1,712,791
Total Liabilities			5,851,296			4,325,941
Members' Investment & Members' Equity						
Members' Investment			3,984,442			3,173,492
Paid-in Capital			10,566			10,566
Additional Paid-in Capital			44,753			40,263
Accumulated other comprehensive income			(209,579)			(209,579)
Retained Earnings			(408,646)	3,421,536		2,063,346
						5,078,087
Total Liabilities & Members Equity			9,272,832			9,404,028
Cash			\$3,612,360			\$3,446,418
Less: Accounts Payable (money owed to suppliers)			1,651,295			1,922,323
			\$1,961,064			\$1,524,094

BALANCE SHEET SCHEDULES

8 weeks to 3/28/21

8 weeks to 3/29/20

Cash

Citibank Checking	0	21,602
Sterling Checking	141,190	872,061
Sterling Money Market Accounts	146,696	826,592
Sterling FSA	38,654	27,024
National Cooperative Savings Bank CDs/Money Market	2,748,840	1,175,808
Spring Bank Money Market/Savings	278,897	272,374
Peoples Alliance Federal Credit Union CD	258,083	250,956
	<u>3,612,360</u>	<u>3,446,418</u>

Prepaid Expenses

Miscellaneous	0	2,403
Service Contract-Office Equipment	37,684	48,719
Service Contract-Store Equipment	26,664	25,185
Workers Compensation Insurance	54,737	66,912
Childcare Insurance	0	1,794
Fire and Liability Insurance	49,168	45,059
Fidelity Bond-Pension/401k	275	629
Directors and Officers Liability Insurance	10,458	9,467
Meeting Room Expense	0	0
CBD Products Insurance	0	0
Real Estate Taxes	44,776	40,653
Net Tax Asset	0	0
	<u>223,763</u>	<u>240,822</u>

Investment in Cooperative Suppliers

Patronage Dividends-National Co+op Grocers	225,340	225,340
Patronage Refund-Frontier	80,581	71,276
Patronage Refund-Fedco Seeds	611	611
Equity-Frontier Cooperative Herbs	3,734	3,734
Equity-National Coop. Bank-Class C Stock	28,412	28,412
Equity-National Co+op Grocers (Member Equity)	56,855	53,454
Equity-National Co+op Grocers (Voting Stock)	500	500
	<u>396,032</u>	<u>383,326</u>

8 weeks to 3/28/21

8 weeks to 3/29/20

Inventory Turnover

41 x

60 x

STATEMENT OF CASH FLOWS

8 weeks to 3/28/21

8 weeks to 3/29/20

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, FISCAL YEAR TO DATE:

Cash flows from operating activities:

Net income (loss) before income taxes	(571,540)	12,680
Adjustments to reconcile results of operations to net cash effect of operating activities:		
Depreciation	40,713	40,996
Deferred income taxes	0	
Excess of pension expense over cash contributions	92,000	90,000
Net change in asset and liability accounts:		
Inventories	(61,166)	(255,164)
Prepaid Expenses	7,660	(55,727)
Other current assets	(61,690)	471
Accounts payable	107,855	(311,477)
Other current liabilities	(671)	(21,131)
Total adjustments	124,701	(512,032)
Net cash provided by (used for) operating activities	(446,839)	(499,352)

Cash flows from investing activities:

Acquisition of property and equipment, net	0	(6,822)
Investment in other cooperative associations	(9,306)	(4,495)
Security Deposit	(31,260)	0
Net cash provided by (used for) investing activities	(40,566)	(11,317)

Cash flows from financing activities:

Repayment of capital lease obligations		
Bank Loans Payable	1,677,345	
Net proceeds from member investments	(2,415)	12,968
Capital contributions	1,770	825
Net cash provided by (used for) financing activities	1,676,700	13,793

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,189,295	(496,876)
Cash and cash equivalents - beginning of year	2,423,064	3,943,293
Cash and cash equivalents - end of period	3,612,360	3,446,418

INCOME STATEMENT

	8 weeks to	3/28/21 Per Cent of Sales	4 weeks to	2/28/21 Per Cent of Sales
Net Sales	<u>6,484,625</u>	100.00%	<u>3,135,254</u>	100.00%
Cost of Goods Sold				
Inventory At Beginning	780,404		<u>780,404</u>	
Net Purchases	<u>5,220,374</u>		<u>2,519,853</u>	
Total Available for Sale	<u>6,000,778</u>		<u>3,300,257</u>	
Less: Inventory At End	<u>841,570</u>		<u>805,511</u>	
Cost of Goods Sold	<u>5,159,208</u>	79.56%	<u>2,494,746</u>	79.57%
Gross Margin	1,325,417	20.44%	640,508	20.43%
Expenses				
Expenses Except Depreciation	1,881,262	29.01%	934,402	29.80%
Depreciation	<u>40,713</u>	.63%	<u>20,357</u>	.65%
Total Expenses (Schedule)	<u>1,921,976</u>	29.64%	<u>954,758</u>	30.45%
Operating Income (Loss)	(596,559)	(9.20%)	(314,250)	(10.02%)
Other Income				
Membership Fees	805	.01%	380	.01%
Events & Gifts	0	.00%	0	.00%
Cash Discounts & Rebates	5,350	.08%	5,350	.17%
Other Discounts	0	.00%	0	.00%
Patronage Refund Income	13,294	.21%	0	.00%
Income Tax Refund	0	.00%	0	.00%
Other Income (incl SBA PPP Loan Forgiveness)	<u>572</u>	.01%	<u>571</u>	.02%
Total Other Income	<u>20,021</u>	.31%	<u>6,301</u>	.20%
Income Before Interest & Taxes	(576,538)	(8.89%)	(307,949)	(9.82%)
Interest Expense-Loans	0	.00%	0	.00%
Interest Expense-Other	0	.00%	0	.00%
Interest Income	<u>4,998</u>	.08%	<u>4,443</u>	.14%
Net interest	<u>4,998</u>	.08%	<u>4,443</u>	.14%
Income (Loss) Before Income Taxes	(571,540)	(8.81%)	(303,506)	(9.68%)
Provision for Taxes	<u>TBD</u>		<u>TBD</u>	
Net Income (Loss)	<u>TBD</u>		<u>TBD</u>	
Other Comprehensive Income-pension Plan Related	<u>TBD</u>		<u>TBD</u>	
Total Comprehensive Income (Loss)	<u>TBD</u>		<u>TBD</u>	

SCHEDULES OF OPERATING EXPENSES

	8 weeks to	3/28/21	4 weeks to	2/28/21
		Per Cent of Sales		Per Cent of Sales
Personnel				
Salary-General Coordinating	89,951	1.39%	44,975	1.43%
Salary/Wages-IT	73,731	1.14%	36,865	1.18%
Wages-Hourly Coordinating	901,581	13.90%	454,046	14.48%
Total Payroll	1,065,263	16.43%	535,887	17.09%
Employee Health Benefits	350,703	5.41%	196,318	6.26%
Employee Pension Benefits	92,000	1.42%	46,000	1.47%
Employee Benefits-Other	24,302	.37%	7,143	.23%
Vacation, Health & Personal Days Accrued	0	.00%	0	.00%
Total Compensation Package	1,532,268	23.63%	785,347	25.05%
Payroll Taxes	100,673	1.55%	34,767	1.11%
Workers Comp. Insurance Expense-Staff	31,909	.49%	23,902	.76%
EAP and/or Training Fees	14,659	.23%	6,159	.20%
Payroll Preparation Expense	11,176	.17%	7,097	.23%
Pension/401k Administration Expense	2,516	.04%	991	.03%
Consultant Fees	0	.00%	0	.00%
Total Personnel	1,693,201	26.11%	858,264	27.37%
Occupancy				
Electric	21,901	.34%	10,578	.34%
Gas	5,846	.09%	2,823	.09%
Insurance	43,988	.68%	21,994	.70%
Taxes - Real Estate	26,675	.41%	13,338	.43%
Taxes - Water & Sewer	1,479	.02%	779	.02%
Exterminator	245	.00%	245	.01%
Subtotal	100,135	1.54%	49,757	1.59%
Deprec. - Building	27,502	.42%	13,751	.44%
Total - Occupancy	127,636	1.97%	63,507	2.03%
Store				
Store Supplies	9,015	.14%	4,265	.14%
Recycling and Garbage Removal	2,512	.04%	2,888	.09%
Cash Short or (Over)	212	.00%	111	.00%
Svc Cntrct Exp. & Rpr.-Stre Equip.	22,776	.35%	9,392	.30%
Subtotal	34,515	.53%	16,656	.53%
Depreciation - Fixtures & Equip.	9,193	.14%	4,597	.15%
Total Store	43,708	.67%	21,253	.68%
Office				
Printing & Copying	5,571	.09%	533	.02%
Office Supplies	8,362	.13%	2,483	.08%
Telecommunications	4,482	.07%	2,745	.09%
Postage	9,027	.14%	(4)	(.00%)
Professional Fees	0	.00%	0	.00%
Svc Cntrct Exp. & Rpr.-Ofc. Equip.	14,187	.22%	8,043	.26%
Subtotal	41,630	.64%	13,798	.44%
Depreciation - Furn. & Equip.	4,019	.06%	2,009	.06%
Total Office	45,649	.70%	15,808	.50%

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SCHEDULES OF OPERATING EXPENSES (cont'd)	8 weeks to	3/28/21	4 weeks to	2/28/21
		Per Cent of Sales		Per Cent of Sales
Other				
Repairs, Tools, Maintenance	4,603	.07%	2,436	.08%
Advertising and Promotion Expense	0	.00%	0	.00%
Meeting Room Expense	0	.00%	0	.00%
Miscellaneous Expense	2,690	.04%	746	.02%
Gazette Ad Income	0		0	
Less: Printing & Delivery	0	.00%	0	.00%
National Co-op Grocers Member Fees	0	.00%	0	.00%
Childcare Expense	0	.00%	0	
Audit Expense/Tax Preparation	0	.00%	0	.00%
Bank Charges	1,085	.02%	375	.01%
Electronic Payment Service Charges	16,386	.25%	8,862	.28%
Workers Compensation Insurance-Members	(15,892)	(.25%)	(16,644)	(.53%)
Legal Fees	2,910	.04%	150	.00%
Total Other	11,781	.18%	(4,074)	(.13%)
Total Expenses	1,921,976	29.64%	954,758	30.45%

SALES AND MEMBERSHIP AVERAGES

Sales Per Week:	8 weeks to	3/28/21	4 weeks to	2/28/21
Average	\$810,578		\$783,814	
Increase or (Decrease) in Sales Per Week	(\$356,985)	-30.58%	(\$394,101)	-33.46%

Due to changes in Coop operations since March 23, 2020, we will not provide numbers and statistics in this section until such time that we can ascertain the accuracy of the number of members.

	8 weeks to 3/28/21			4 weeks to 2/28/21		
BALANCE SHEETS						
ASSETS						
Current Assets						
Cash (Schedule)			3,612,360			2,176,028
Inventory			841,570			805,511
Prepaid Expenses (Schedule)			223,763			303,969
Other Current Assets			66,012	4,743,705		3,221
						3,288,730
Fixed Assets						
	Gross	Accum. Deprec.	Net	Gross	Accum. Deprec.	Net
Land	165,000		165,000	165,000		165,000
Building	6,046,605	2,903,677	3,142,928	6,046,605	2,889,926	3,156,679
Office Equipment	459,889	413,138	46,751	459,889	411,571	48,318
Store Equipment	2,110,319	2,057,517	52,802	2,110,319	2,052,920	57,399
Leased Equipment	30,150	2,799	27,352	30,150	2,357	27,793
Deposit on purch of FA	0		0	0		0
	8,811,963	5,377,130	3,434,833	8,811,963	5,356,774	3,455,190
Other Assets						
Invest. in Other Cooperative Associations (Sched.)			396,032			386,727
Security Deposit (NCG Joint Liability)			166,413			150,783
Deferred Income Tax Asset			531,849	1,094,294		531,849
Total Assets			<u>9,272,832</u>			<u>7,813,278</u>
LIABILITIES & MEMBERS EQUITY						
Current Liabilities						
Accounts Payable			1,651,295			1,646,623
Accrued Vacation, Health & Personal Days			498,539			498,539
Accrued Miscellaneous Expense			173,635			170,812
Donations Payable: Fair Food Program			3,264			2,629
Taxes Payable			8,204			7,903
Net Income Tax Liabilities			(228,223)			-228,223
Current Obligations Payable Under Capital Leases			4,007	2,110,721		4,302
						2,102,586
Long Term Liabilities						
Non-Current Oblig. Payable Under Capital Leases			24,407			24,407
Bank Loans Payable			1,677,345			0
Pension Plan Liability			2,038,823	3,740,575		1,992,823
Total Liabilities			<u>5,851,296</u>			<u>4,119,816</u>
Members' Investment & Members' Equity						
Members' Investment			3,984,442			3,988,443
Paid-in Capital			10,566			10,566
Additional Paid-in Capital			44,753			43,323
Accumulated other comprehensive income			(209,579)			(209,579)
Retained Earnings			(408,646)	3,421,536		(139,290)
Total Liabilities & Members Equity			<u>9,272,832</u>			<u>7,813,278</u>
Cash			\$3,612,360			\$2,176,028
Less: Accounts Payable (money owed to suppliers)			1,651,295			1,646,623
			<u>\$1,961,064</u>			<u>\$529,405</u>

BALANCE SHEET SCHEDULES

8 weeks to 3/28/21

4 weeks to 2/28/21

Cash

Citibank Checking	0	0
Sterling Checking	141,190	264,711
Sterling Money Market Accounts	146,696	61,499
Sterling FSA	38,654	41,897
National Cooperative Savings Bank CDs/Money Market	2,748,840	1,271,495
Spring Bank Money Market/Savings	278,897	278,897
Peoples Alliance Federal Credit Union CD	258,083	257,528
	<u>3,612,360</u>	<u>2,176,028</u>

Prepaid Expenses

Miscellaneous	0	0
Service Contract-Office Equipment	37,684	42,702
Service Contract-Store Equipment	26,664	31,010
Workers Compensation Insurance	54,737	113,000
Childcare Insurance	0	0
Fire and Liability Insurance	49,168	47,433
Fidelity Bond-Pension/401k	275	302
Directors and Officers Liability Insurance	10,458	11,409
Meeting Room Expense	0	0
CBD Products Insurance	0	0
Real Estate Taxes	44,776	58,114
Net Tax Asset	0	0
	<u>223,763</u>	<u>303,969</u>

Investment in Cooperative Suppliers

Patronage Dividends-National Co-op Grocers	225,340	225,340
Patronage Refund-Frontier	80,581	71,276
Patronage Refund-Fedco Seeds	611	611
Equity-Frontier Cooperative Herbs	3,734	3,734
Equity-National Coop. Bank-Class C Stock	28,412	28,412
Equity-National Co-op Grocers (Member Equity)	56,855	56,855
Equity-National Co-op Grocers (Voting Stock)	500	500
	<u>396,032</u>	<u>386,727</u>

8 weeks to 3/28/21

4 weeks to 2/28/21

Inventory Turnover

41 x

41 x

STATEMENT OF CASH FLOWS

8 weeks to 3/28/21

4 weeks to 2/28/21

INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, FISCAL YEAR TO DATE:

Cash flows from operating activities:

Net income (loss) before income taxes	(571,540)	(303,506)
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Adjustments to reconcile results of operations to net cash effect of operating activities:

Depreciation	40,713	20,357
Deferred income taxes	0	0
Excess of pension expense over cash contributions	92,000	46,000
Net change in asset and liability accounts:		
Inventories	(61,166)	(25,107)
Prepaid Expenses	7,660	(72,546)
Other current assets	(61,690)	1,100
Accounts payable	107,855	104,504
Other current liabilities	(671)	(4,134)

Total adjustments	124,701	70,174
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Net cash provided by (used for) operating activities	(446,839)	(233,332)
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Cash flows from investing activities:

Acquisition of property and equipment, net	0	0
Investment in other cooperative associations	(9,306)	0
Security Deposit	(31,260)	(15,630)

Net cash provided by (used for) investing activities	(40,566)	(15,630)
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Cash flows from financing activities:

Repayment of capital lease obligations		
Bank Loans Payable	1,677,345	0
Net proceeds from member investments	(2,415)	1,586
Capital contributions	1,770	340

Net cash provided by (used for) financing activities	1,676,700	1,926
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NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,189,295	(247,036)
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Cash and cash equivalents - beginning of year	2,423,064	2,423,064
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Cash and cash equivalents - end of period	3,612,360	2,176,028
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