

Analysis of key aspects of the PSFC Financial Statement for the 4 week period ending 01/02/2022 & the 48-Week period ending: 01/02/2022

page 1 of 2

After these two analysis pages please find 21 additional pages. The first 3 additional pages are the income statement for the most recent 4-week period juxtaposed with the income statement for the 48 weeks. Then come the 6 pages that compare the 48 pandemic weeks this year with the 48 pre-pandemic weeks ending on 01/05/2020. The second set of 6 pages compare 48 weeks this fiscal year with the 44 weeks this fiscal year. The third set of 6 pages compares 48 weeks this year with the 48 weeks last year that were only partially during the pandemic. This report will be discussed at the General Meeting on 01/25/2022.

- A) **Subsequent Event of Positive Significance: In the second week of January we received \$856,000 from the IRS.** \$851,000 for payment of our 2020 Employee Retention Credits (ERCs) that we were owed and \$5,000 in interest due to us. Had this money arrived by January 02 our balance sheet on these statements being presented tonight would have shown 3.9 million in cash and about 1.5 million in other current assets. The 1.5 million in other currents asset is primarily what the IRS still owes us for 2 ERCs from 2021-see footnotes.
- B) **The forgiveness application in regard to our second Paycheck Protection Program (PPP) loan is in the pipeline.** The loan is for \$1,677,000. Once it is forgiven it will add to our income and subtract from our debt. As with the ERCs the effect is significant-look for the footnotes.
- C) **Analysis of the effect on cash due to the basic operations of the Coop in the last 4 weeks ending 01/02/2022.** We are finally coming close to break even when using this important measure of what happens to cash from our basic buying of groceries, selling of groceries and paying for expenses. This analysis ignores the effect on cash of changes in inventory and changes in how much we owe our vendors. This past 4-week period is good news, the best since the pandemic started. In the 4 weeks ending 01/02/2022 Operating Income was a loss of \$45,000. Add to that loss another \$36,000 for credits that we were owed to us but were paid to us during this period from May, June, July, August and September. That brings us to a subtotal of (\$81,000). Then subtract expenses that we did not pay money for: Depreciation of \$18,000 and Pension Expense \$59,000. **This leaves us with a grand total of an “adjusted operating cash loss” of only \$4,000 for the 4 weeks or \$1,000 a week. This is quite positive.**
- Please note:** The only pension money we were required to pay was paid earlier this year and was a leftover obligation from the previous year. Eventually we will no doubt see substantial required payments to our pension plan. In the long run pensions cost real dollars. As for depreciation expense, a healthy business should cover this expense so that money is available to buy needed replacement equipment.
- Please also note:** This weekly loss number of \$1,000 would be about \$25,000 higher if not for our base mark-up being at 25% rather than the usual 21%. (\$100,000 higher on a 4-week basis.)
- D) **Gross Margin still a problem:** Our gross margin at 20.07% for the 4-week period is really 19.07% when adjusted for the \$36,000 in credits we were owed from earlier in the year. This is an improvement compared to the prior 4 weeks of 18.76% but it is still not what we should be seeing. A target of 20.0% is more in line with historical norms for our shrink. (see note 3 on next page for shrink discussion)

Page 2 of 2 of **Analysis of key aspects of the PSFC Financial Statement**

Definitions and Calculations for understanding the following attached 48 week and 4 week financial statements:

- 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 additions 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%. **Our estimated shrink for the 48 week period ended 01/02/2022 is 1.17%** as a percent of sales. This is calculated from “perfect” gross margin of 21.07% minus gross margin from page 1 of 19.90%=1.17%.

Please see the attached 21 pages of financial statements

INCOME STATEMENT	48 weeks to	1/2/22 Per Cent of Sales	4 Week thru	1/2/22 of Sales
Net Sales	39,284,241	100.00%	3,439,650	100.00%
Cost of Goods Sold				
Inventory At Beginning	630,935		630,935	
Net Purchases	31,587,960		2,713,313	
Total Available for Sale	32,218,895		3,344,248	
Less: Inventory At End	751,460		(36,040)	
Cost of Goods Sold	31,467,435	80.10%	2,749,353	79.93%
Gross Margin	7,816,806	19.90%	690,297	20.07%
Expenses				
Expenses Except Depreciation	10,131,578	25.79%	717,040	20.85%
Depreciation	233,724	.59%	17,855	.52%
Total Expenses (Schedule)	10,365,303	26.39%	734,896	21.37%
Operating Income (Loss)	(2,548,497)	(6.49%)	(44,598)	(1.30%)
Other Income				
Membership Fees	13,060	.03%	4,980	.14%
Events & Gifts	90	.00%	90	.00%
Cash Discounts & Rebates	11,229	.03%	0	.00%
Other Discounts	0	.00%	0	.00%
Patronage Refund Income	13,294	.03%	0	.00%
Income Tax Refund	0	.00%	0	.00%
Other Income (2021 PPP Loan Forgiveness)	2,202,432	5.61%	(4)	(.00%)
Total Other Income	2,240,105	5.70%	5,066	.15%
Income Before Interest & Taxes	(308,392)	(.79%)	(39,532)	(1.15%)
Interest Expense-Loans	0	.00%	0	.00%
Interest Expense-Other	0	.00%	0	.00%
Interest Income	14,002	.04%	701	.02%
Net interest	14,002	.04%	701	.02%
Income (Loss) Before Income Taxes	(294,390)	(.75%)	(38,831)	(1.13%)
Provision for Taxes	TBD		TBD	
Net Income (Loss)	TBD		TBD	
Other Comprehensive Income-pension Plan Related	TBD		TBD	
Total Comprehensive Income (Loss)	TBD		TBD	

Footnote A) This line is mainly comprised of Employee Retention Credits (ERCs) for calendar quarters 1,2, and 3 of 2021. We recognize the income even if the money is still owed to us. For the amount owed to us see the balance sheet.

Footnote B) This bottom-line loss of (294,000 dollars) would be more than \$3,000,000 worse if not for the approximately extra \$25,000 we receive weekly through temporary higher prices as well as the ERCs pointed out in Footnote A.

SCHEDULES OF OPERATING EXPENSES

	48 weeks to	1/2/22	4 Week thru	1/2/22
		Per Cent of Sales		Per Cent of Sales
Personnel				
Salary-General Coordinating	480,816	1.22%	37,762	1.10%
Salary/Wages-IT	446,335	1.14%	37,754	1.10%
Wages-Hourly Coordinating	4,625,710	11.77%	332,585	9.67%
Total Payroll	5,552,860	14.14%	408,101	11.86%
Employee Health Benefits	1,871,155	4.76%	93,686	2.72%
Employee Pension Benefits	713,215	1.82%	59,435	1.73%
Employee Benefits-Other	89,594	.23%	6,132	.18%
Vacation, Health & Personal Days Accrued	0	.00%	0	.00%
Total Compensation Package	8,226,824	20.94%	567,354	16.49%
Payroll Taxes	450,764	1.15%	36,195	1.05%
Workers Comp. Insurance Expense-Staff	27,539	.07%	5,516	.16%
EAP and/or Training Fees	14,734	.04%	0	.00%
Payroll Preparation Expense	73,746	.19%	2,411	.07%
Pension/401k Administration Expense	14,327	.04%	1,056	.03%
Consultant Fees	3,161	.01%	0	.00%
Total Personnel	8,811,095	22.43%	612,532	17.81%
Occupancy				
Electric	139,241	.35%	11,196	.33%
Gas	33,619	.09%	3,191	.09%
Insurance	239,877	.61%	18,558	.54%
Taxes - Real Estate	141,393	.36%	10,539	.31%
Taxes - Water & Sewer	8,479	.02%	700	.02%
Exterminator	2,704	.01%	0	.00%
Subtotal	565,313	1.44%	44,184	1.28%
Deprec. - Building	165,404	.42%	13,781	.40%
Total - Occupancy	730,717	1.86%	57,965	1.69%
Store				
Store Supplies	49,285	.13%	3,602	.10%
Recycling and Garbage Removal	27,848	.07%	1,900	.06%
Cash Short or (Over)	605	.00%	212	.01%
Svc Cntrct Exp. & Rpr.-Stre Equip.	179,033	.46%	9,119	.27%
Subtotal	256,771	.65%	14,834	.43%
Depreciation - Fixtures & Equip.	47,103	.12%	2,591	.08%
Total Store	303,874	.77%	17,425	.51%
Office				
Printing & Copying	14,188	.04%	395	.01%
Office Supplies	56,762	.14%	7,935	.23%
Telecommunications	31,236	.08%	2,468	.07%
Postage	13,602	.03%	17	.00%
Professional Fees	0	.00%	0	.00%
Svc Cntrct Exp. & Rpr.-Ofc. Equip.	82,182	.21%	6,099	.18%
Subtotal	197,970	.50%	16,912	.49%
Depreciation - Furn. & Equip.	21,218	.05%	1,483	.04%
Total Office	219,188	.56%	18,395	.53%

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SCHEDULES OF OPERATING EXPENSES (cont'd)

	48 weeks to	1/2/22	4 Week thru	1/2/22
		Per Cent of Sales		Per Cent of Sales
Other				
Repairs, Tools, Maintenance	41,645	.11%	4,359	.13%
Advertising and Promotion Expense	200	.00%	0	.00%
Meeting Room Expense	4,272	.01%	290	.01%
Miscellaneous Expense	19,315	.05%	(360)	(.01%)
Gazette Ad Income	(5)		0	.00%
Less: Printing & Delivery	779		(5)	(.00%)
National Co-op Grocers Member Fees	22,500	.06%		.00%
Childcare Expense	0	.00%	0	.00%
Audit Expense/Tax Preparation	63,500	.16%	0	.00%
Bank Charges	6,718	.02%	518	.02%
Electronic Payment Service Charges	128,632	.33%	12,698	.37%
Workers Compensation Insurance-Members	(10,046)	(.03%)	2,766	.08%
Legal Fees	22,918	.06%	8,313	.24%
Total Other	300,429	.76%	28,578	.83%
Total Expenses	10,365,303	26.39%	734,896	21.37%

SALES AND MEMBERSHIP AVERAGES

Sales Per Week:	48 weeks to	1/2/22	4 Week thru	1/2/22
Average	\$818,422		3,772	
Increase or (Decrease) in Sales Per Week	(\$18,602)	-2.22%	7,055	.21%

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.

INCOME STATEMENT	48 weeks to	1/2/22 Per Cent of Sales	48 weeks to	1/5/20 Per Cent of Sales
Net Sales	39,284,241	100.00%	53,241,174	100.00%
Cost of Goods Sold				
Inventory At Beginning	630,935		698,341	
Net Purchases	31,587,960		43,976,489	
Total Available for Sale	32,218,895		44,674,830	
Less: Inventory At End	751,460		762,869	
Cost of Goods Sold	31,467,435	80.10%	43,911,961	82.48%
Gross Margin	7,816,806	19.90%	9,329,214	17.52%
Expenses				
Expenses Except Depreciation	10,131,578	25.79%	8,803,227	16.53%
Depreciation	233,724	.59%	219,442	.41%
Total Expenses (Schedule)	10,365,303	26.39%	9,022,669	16.95%
Operating Income (Loss)	(2,548,497)	(6.49%)	306,545	.58%
Other Income				
Membership Fees	13,060	.03%	45,770	.09%
Events & Gifts	90	.00%	1,518	.00%
Cash Discounts & Rebates	11,229	.03%	33,313	.06%
Other Discounts	0	.00%	13,080	.02%
Patronage Refund Income	13,294	.03%	55,993	.11%
Income Tax Refund	0	.00%	0	.00%
Other Income	2,202,432	5.61%	20,227	.04%
Total Other Income	2,240,105	5.70%	169,901	.32%
Income Before Interest & Taxes	(308,392)	(.79%)	476,445	.89%
Interest Expense-Loans	0	.00%		
Interest Expense-Other	0	.00%	(218)	(.00%)
Interest Income	14,002	.04%	56,163	.11%
Net interest	14,002	.04%	55,944	.11%
Income (Loss) Before Income Taxes	(294,390)	(.75%)	532,389	1.00%
Provision for Taxes	TBD		TBD	
Net Income (Loss)	TBD		TBD	
Other Comprehensive Income-pension Plan Related	TBD		TBD	
Total Comprehensive Income (Loss)	TBD		TBD	

Footnote A) This line is mainly comprised of Employee Retention Credits (ERCs) for calendar quarters 1,2, and 3 of 2021. We recognize the income even if the money is still owed to us. For the amount owed to us see the balance sheet.

Footnote B) This bottom-line loss of (294,000 dollars) would be more than \$3,000,000 worse if not for the approximately extra \$25,000 we receive weekly through temporary higher prices as well as the ERCs pointed out in Footnote A.

SCHEDULES OF OPERATING EXPENSES

	48 weeks to	1/2/22	48 weeks to	1/5/20
		Per Cent of Sales		Per Cent of Sales
Personnel				
Salary-General Coordinating	480,816	1.22%	515,277	.97%
Salary/Wages-IT	446,335	1.14%	436,247	.82%
Wages-Hourly Coordinating	4,625,710	11.77%	3,624,573	6.81%
Total Payroll	5,552,860	14.14%	4,576,096	8.60%
Employee Health Benefits	1,871,155	4.76%	1,382,003	2.60%
Employee Pension Benefits	713,215	1.82%	583,544	1.10%
Employee Benefits-Other	89,594	.23%	55,931	.11%
Vacation, Health & Personal Days Accrued	0	.00%	0	.00%
Total Compensation Package	8,226,824	20.94%	6,597,575	12.39%
Payroll Taxes	450,764	1.15%	368,679	.69%
Workers Comp. Insurance Expense-Staff	27,539	.07%	41,017	.08%
EAP and/or Training Fees	14,734	.04%	14,361	.03%
Payroll Preparation Expense	73,746	.19%	25,464	.05%
Pension/401k Administration Expense	14,327	.04%	8,074	.02%
Consultant Fees	3,161	.01%	18,725	.04%
Total Personnel	8,811,095	22.43%	7,073,895	13.29%
Occupancy				
Electric	139,241	.35%	144,664	.27%
Gas	33,619	.09%	31,501	.06%
Insurance	239,877	.61%	220,723	.41%
Taxes - Real Estate	141,393	.36%	136,719	.26%
Taxes - Water & Sewer	8,479	.02%	8,480	.02%
Exterminator	2,704	.01%	6,987	.01%
Subtotal	565,313	1.44%	549,074	1.03%
Deprec. - Building	165,404	.42%	141,308	.27%
Total - Occupancy	730,717	1.86%	690,382	1.30%
Store				
Store Supplies	49,285	.13%	92,302	.17%
Recycling and Garbage Removal	27,848	.07%	37,246	.07%
Cash Short or (Over)	605	.00%	817	.00%
Svc Cntrct Exp. & Rpr.-Stre Equip.	179,033	.46%	184,809	.35%
Subtotal	256,771	.65%	315,174	.59%
Depreciation - Fixtures & Equip.	47,103	.12%	66,103	.12%
Total Store	303,874	.77%	381,277	.72%
Office				
Printing & Copying	14,188	.04%	20,365	.04%
Office Supplies	56,762	.14%	57,178	.11%
Telecommunications	31,236	.08%	46,884	.09%
Postage	13,602	.03%	26,735	.05%
Professional Fees	0	.00%	0	.00%
Svc Cntrct Exp. & Rpr.-Ofc. Equip.	82,182	.21%	95,606	.18%
Subtotal	197,970	.50%	246,768	.46%
Depreciation - Furn. & Equip.	21,218	.05%	12,031	.02%
Total Office	219,188	.56%	258,798	.49%

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SCHEDULES OF OPERATING EXPENSES (cont'd)

	48 weeks to	1/2/22	48 weeks to	1/5/20
		Per Cent of Sales		Per Cent of Sales
Other				
Repairs, Tools, Maintenance	41,645	.11%	66,197	.12%
Advertising and Promotion Expense	200	.00%	7,084	.01%
Meeting Room Expense	4,272	.01%	6,302	.01%
Miscellaneous Expense	19,315	.05%	32,641	.06%
Gazette Ad Income	(5)		(3,320)	
Less: Printing & Delivery	779		19,895	
National Co-op Grocers Member Fees	22,500	.06%	22,500	.04%
Childcare Expense	0	.00%	2,155	.00%
Audit Expense/Tax Preparation	63,500	.16%	50,000	.09%
Bank Charges	6,718	.02%	9,931	.02%
Electronic Payment Service Charges	128,632	.33%	256,545	.48%
Workers Compensation Insurance-Members	(10,046)	(.03%)	99,216	.19%
Legal Fees	22,918	.06%	49,173	.09%
Total Other	300,429	.76%	618,318	1.16%
Total Expenses	10,365,303	26.39%	9,022,669	16.95%

SALES AND MEMBERSHIP AVERAGES

Sales Per Week:	48 weeks to	1/2/22	48 weeks to	1/5/20
Average	\$818,422		\$1,109,191	
Increase or (Decrease) in Sales Per Week	(\$18,602)	-2.22%	\$16,074	1.47%

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.

	48 weeks to 1/2/22			48 weeks to 1/5/20		
BALANCE SHEETS						
ASSETS						
Current Assets						
Cash (Schedule)			C 3,051,272			3,340,854
Inventory			751,460			762,869
Prepaid Expenses (Schedule)			238,469			348,788
Other Current Assets			D 2,405,896	6,447,097		2,038
						4,454,550
Fixed Assets						
	Gross	Accum. Deprec.	Net	Gross	Accum. Deprec.	Net
Land	165,000		165,000	165,000		165,000
Building	6,079,884	3,041,579	3,038,305	5,111,788	2,684,320	2,427,468
Office Equipment	459,889	425,919	33,970	395,676	382,156	13,520
Store Equipment	2,128,895	2,099,142	29,754	2,103,293	1,983,766	119,527
Leased Equipment	30,150	7,217	22,933	15,988	889	15,099
Deposit on purch of FA	0		0	958,212		958,212
	8,863,818	5,573,857		8,749,956	5,051,130	
			3,289,961			3,698,826
Other Assets						
Invest. in Other Cooperative Associations (Sched.)			481,310			304,750
Security Deposit (NCG Joint Liability)			227,866			85,496
Deferred Income Tax Asset			1,534,507			578,842
Total Assets			11,980,742			9,122,465
LIABILITIES & MEMBERS EQUITY						
Current Liabilities						
Accounts Payable			1,757,216			1,769,436
Accrued Vacation, Health & Personal Days			498,539			426,417
Accrued Miscellaneous Expense			236,092			250,779
Donations Payable: Fair Food Program			1,031			1,407
Taxes Payable			13,033			24,482
Net Income Tax Liabilities			(216,723)			0
Current Obligations Payable Under Capital Leases			1,471	2,290,660		1,275
						2,473,796
Long Term Liabilities						
Non-Current Oblig. Payable Under Capital Leases			23,936			12,943
Bank Loans Payable			E 1,677,345			
Pension Plan Liability			3,064,424	4,765,705		1,649,698
Total Liabilities			7,056,365			4,136,436
Members' Investment & Members' Equity						
Members' Investment			3,853,652			3,150,577
Paid-in Capital			10,566			10,566
Additional Paid-in Capital			81,859			39,228
Accumulated other comprehensive income			(481,159)			(272,265)
Retained Earnings			1,459,459	4,924,376		2,057,923
Total Liabilities & Members Equity			11,980,742			9,122,465
Cash			\$3,051,272			\$3,340,854
Less: Accounts Payable (money owed to suppliers)			1,757,216			1,769,436
			\$1,294,056			\$1,571,418

Footnote C) In reality our cash is higher than this by more than \$850,000 due to the receipt of money from the IRS for our 2020 Employee Retention Credits (ERCs).

Footnote D) In reality our "other Current assets" are lower than this by more than \$850,000 due to the receipt of money from the IRS for our 2020 Employee Retention Credits (ERCs). The IRS still owes us about 1.5 million for 2021 Q1 and Q2 ERCs.

Footnote E) The "Bank Loans Payable" line is the second PPP loan that we received and that should be forgiven. Once it is forgiven this money we no longer be on the balance sheet as debt but instead will be on the income statement as "other income". It will inflate the bottom line.

BALANCE SHEET SCHEDULES

48 weeks to 1/2/22

48 weeks to 1/5/20

Cash

Citibank Checking	0	0
Sterling Checking	416,481	420,704
Sterling Money Market Accounts	463,764	1,182,699
Sterling FSA	51,614	40,602
National Cooperative Savings Bank CDs/Money Market	1,577,605	1,175,808
Spring Bank Money Market/Savings	280,050	271,237
Peoples Alliance Federal Credit Union CD	261,757	249,804
	<u>3,051,272</u>	<u>3,340,854</u>

Prepaid Expenses

Miscellaneous	0	160
Service Contract-Office Equipment	39,156	63,205
Service Contract-Store Equipment	36,979	32,631
Workers Compensation Insurance	72,384	10,484
Childcare Insurance	0	2,283
Fire and Liability Insurance	16,376	15,816
Fidelity Bond-Pension/401k	1,138	710
Directors and Officers Liability Insurance	951	748
Meeting Room Expense	3,073	0
CBD Products Insurance	0	462
Real Estate Taxes	68,412	77,706
Net Tax Asset	0	144,584
	<u>238,469</u>	<u>348,788</u>

Investment in Cooperative Suppliers

Patronage Dividends-National Co+op Grocers	317,506	151,259
Patronage Refund-Frontier	73,693	66,781
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>481,310</u>	<u>304,750</u>

48 weeks to 1/2/22

48 weeks to 1/5/20

Inventory Turnover

49 x

65 x

STATEMENT OF CASH FLOWS

	<u>48 weeks to 1/2/22</u>	<u>48 weeks to 1/5/20</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, FISCAL YEAR TO DATE:		
Cash flows from operating activities:		
Net income (loss) before income taxes	(294,390)	532,389
Adjustments to reconcile results of operations to net cash effect of operating activities:		
Depreciation	233,724	219,442
Deferred income taxes	0	0
Excess of pension expense over cash contributions	511,482	(24,456)
Net change in asset and liability accounts:		
Inventories	(120,525)	(64,528)
Prepaid Expenses	(64,148)	(84,906)
Other current assets	(1,311,115)	5,121
Accounts payable	415,509	(220,599)
Other current liabilities	(196,937)	26,897
Total adjustments	<u>(532,009)</u>	<u>(143,028)</u>
Net cash provided by (used for) operating activities	<u>(826,398)</u>	<u>389,361</u>
Cash flows from investing activities:		
Acquisition of property and equipment, net	(33,279)	(346,110)
Investment in other cooperative associations	(2,417)	(53,214)
Security Deposit	(92,713)	(975)
Net cash provided by (used for) investing activities	<u>(128,409)</u>	<u>(400,299)</u>
Cash flows from financing activities:		
Repayment of capital lease obligations		(1,482)
Bank Loans Payable	1,677,345	0
Net proceeds from member investments	(133,206)	38,973
Capital contributions	38,876	2,645
Net cash provided by (used for) financing activities	<u>1,583,015</u>	<u>40,137</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>628,208</u>	<u>29,198</u>
Cash and cash equivalents - beginning of year	<u>2,423,064</u>	<u>3,311,656</u>
Cash and cash equivalents - end of period	<u>3,051,272</u>	<u>3,340,854</u>

INCOME STATEMENT	48 weeks to	1/2/22 Per Cent of Sales	44 weeks to	12/5/21 Per Cent of Sales
Net Sales	<u>39,284,241</u>	100.00%	<u>35,844,591</u>	100.00%
Cost of Goods Sold				
Inventory At Beginning	630,935		630,935	
Net Purchases	<u>31,587,960</u>		<u>28,874,647</u>	
Total Available for Sale	<u>32,218,895</u>		<u>29,505,582</u>	
Less: Inventory At End	<u>751,460</u>		<u>787,500</u>	
Cost of Goods Sold	<u>31,467,435</u>	80.10%	<u>28,718,082</u>	80.12%
Gross Margin	7,816,806	19.90%	7,126,509	19.88%
Expenses				
Expenses Except Depreciation	10,131,578	25.79%	9,414,538	26.26%
Depreciation	<u>233,724</u>	.59%	<u>215,869</u>	.60%
Total Expenses (Schedule)	<u>10,365,303</u>	26.39%	<u>9,630,407</u>	26.87%
Operating Income (Loss)	(2,548,497)	(6.49%)	(2,503,899)	(6.99%)
Other Income				
Membership Fees	13,060	.03%	8,080	.02%
Events & Gifts	90	.00%	0	.00%
Cash Discounts & Rebates	11,229	.03%	11,229	.03%
Other Discounts	0	.00%	0	.00%
Patronage Refund Income	13,294	.03%	13,294	.04%
Income Tax Refund	0	.00%	0	.00%
Other Income	<u>2,202,432</u>	5.61%	<u>2,202,436</u>	6.14%
Total Other Income	<u>2,240,105</u>	5.70%	<u>2,235,039</u>	6.24%
Income Before Interest & Taxes	(308,392)	(.79%)	(268,859)	(.75%)
Interest Expense-Loans	0	.00%	0	.00%
Interest Expense-Other	0	.00%	0	.00%
Interest Income	<u>14,002</u>	.04%	<u>13,301</u>	.04%
Net interest	<u>14,002</u>	.04%	<u>13,301</u>	.04%
Income (Loss) Before Income Taxes	(294,390)	(.75%)	(255,559)	(.71%)
Provision for Taxes	TBD		TBD	
Net Income (Loss)	<u>TBD</u>		<u>TBD</u>	
Other Comprehensive Income-pension Plan Related	TBD		TBD	
Total Comprehensive Income (Loss)	<u>TBD</u>		<u>TBD</u>	

Footnote A) This line is mainly comprised of Employee Retention Credits (ERCs) for calendar quarters 1,2, and 3 of 2021. We recognize the income even if the money is still owed to us. For the amount owed to us see the balance sheet.

Footnote B) This bottom-line loss of (294,000 dollars) would be more than \$3,000,000 worse if not for the approximately extra \$25,000 we receive weekly through temporary higher prices as well as the ERCs pointed out in Footnote A.

SCHEDULES OF OPERATING EXPENSES

	48 weeks to	1/2/22	44 weeks to	12/5/21
		Per Cent of Sales		Per Cent of Sales
Personnel				
Salary-General Coordinating	480,816	1.22%	443,053	1.24%
Salary/Wages-IT	446,335	1.14%	408,580	1.14%
Wages-Hourly Coordinating	4,625,710	11.77%	4,293,125	11.98%
Total Payroll	5,552,860	14.14%	5,144,759	14.35%
Employee Health Benefits	1,871,155	4.76%	1,777,469	4.96%
Employee Pension Benefits	713,215	1.82%	653,781	1.82%
Employee Benefits-Other	89,594	.23%	83,463	.23%
Vacation, Health & Personal Days Accrued	0	.00%	0	.00%
Total Compensation Package	8,226,824	20.94%	7,659,471	21.37%
Payroll Taxes	450,764	1.15%	414,568	1.16%
Workers Comp. Insurance Expense-Staff	27,539	.07%	22,023	.06%
EAP and/or Training Fees	14,734	.04%	14,734	.04%
Payroll Preparation Expense	73,746	.19%	71,335	.20%
Pension/401k Administration Expense	14,327	.04%	13,271	.04%
Consultant Fees	3,161	.01%	3,161	.01%
Total Personnel	8,811,095	22.43%	8,198,563	22.87%
Occupancy				
Electric	139,241	.35%	128,045	.36%
Gas	33,619	.09%	30,428	.08%
Insurance	239,877	.61%	221,319	.62%
Taxes - Real Estate	141,393	.36%	130,853	.37%
Taxes - Water & Sewer	8,479	.02%	7,779	.02%
Exterminator	2,704	.01%	2,704	.01%
Subtotal	565,313	1.44%	521,129	1.45%
Deprec. - Building	165,404	.42%	151,623	.42%
Total - Occupancy	730,717	1.86%	672,752	1.88%
Store				
Store Supplies	49,285	.13%	45,683	.13%
Recycling and Garbage Removal	27,848	.07%	25,948	.07%
Cash Short or (Over)	605	.00%	393	.00%
Svc Cntrct Exp. & Rpr.-Stre Equip.	179,033	.46%	169,914	.47%
Subtotal	256,771	.65%	241,937	.67%
Depreciation - Fixtures & Equip.	47,103	.12%	44,512	.12%
Total Store	303,874	.77%	286,449	.80%
Office				
Printing & Copying	14,188	.04%	13,794	.04%
Office Supplies	56,762	.14%	48,828	.14%
Telecommunications	31,236	.08%	28,768	.08%
Postage	13,602	.03%	13,586	.04%
Professional Fees	0	.00%	0	.00%
Svc Cntrct Exp. & Rpr.-Ofc. Equip.	82,182	.21%	76,083	.21%
Subtotal	197,970	.50%	181,058	.51%
Depreciation - Furn. & Equip.	21,218	.05%	19,735	.06%
Total Office	219,188	.56%	200,793	.56%

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SCHEDULES OF OPERATING EXPENSES (cont'd)	48 weeks to	1/2/22	44 weeks to	12/5/21
		Per Cent of Sales		Per Cent of Sales
Other				
Repairs, Tools, Maintenance	41,645	.11%	37,287	.10%
Advertising and Promotion Expense	200	.00%	200	.00%
Meeting Room Expense	4,272	.01%	3,982	.01%
Miscellaneous Expense	19,315	.05%	19,675	.05%
Gazette Ad Income	(5)		0	
Less: Printing & Delivery	779		779	
National Co-op Grocers Member Fees	22,500	.06%	22,500	.06%
Childcare Expense	0	.00%	0	.00%
Audit Expense/Tax Preparation	63,500	.16%	63,500	.18%
Bank Charges	6,718	.02%	6,200	.02%
Electronic Payment Service Charges	128,632	.33%	115,935	.32%
Workers Compensation Insurance-Members	(10,046)	(.03%)	(12,812)	(.04%)
Legal Fees	22,918	.06%	14,605	.04%
Total Other	300,429	.76%	271,850	.76%
Total Expenses	10,365,303	26.39%	9,630,407	26.87%

SALES AND MEMBERSHIP AVERAGES

Sales Per Week:	48 weeks to	1/2/22	44 weeks to	12/5/21
Average	\$818,422		\$814,650	
Increase or (Decrease) in Sales Per Week	(\$18,602)	-2.22%	(\$25,657)	-3.05%

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.

	48 weeks to 1/2/22			44 weeks to 12/5/21		
BALANCE SHEETS						
ASSETS						
Current Assets						
Cash (Schedule)		C	3,051,272			3,134,405
Inventory			751,460			787,500
Prepaid Expenses (Schedule)			238,469			260,429
Other Current Assets		D	2,405,896	6,447,097		2,365,220
						6,547,555
Fixed Assets						
	Gross	Accum. Deprec.	Net	Gross	Accum. Deprec.	Net
Land	165,000		165,000	165,000		165,000
Building	6,079,884	3,041,579	3,038,305	6,079,884	3,027,798	3,052,085
Office Equipment	459,889	425,919	33,970	459,889	424,878	35,011
Store Equipment	2,128,895	2,099,142	29,754	2,128,895	2,096,550	32,345
Leased Equipment	30,150	7,217	22,933	30,150	6,775	23,375
Deposit on purch of FA	0		0	0		0
	8,863,818	5,573,857	3,289,961	8,863,818	5,556,002	3,307,817
Other Assets						
Invest. in Other Cooperative Associations (Sched.)			481,310			488,198
Security Deposit (NCG Joint Liability)			227,866			225,222
Deferred Income Tax Asset			1,534,507			1,534,507
Total Assets			11,980,742			12,103,298
LIABILITIES & MEMBERS EQUITY						
Current Liabilities						
Accounts Payable			1,757,216			1,897,791
Accrued Vacation, Health & Personal Days			498,539			498,539
Accrued Miscellaneous Expense			236,092			243,461
Donations Payable: Fair Food Program			1,031			692
Taxes Payable			13,033			18,369
Net Income Tax Liabilities			(216,723)			(216,723)
Current Obligations Payable Under Capital Leases			1,471	2,290,660		1,766
						2,443,895
Long Term Liabilities						
Non-Current Oblig. Payable Under Capital Leases			23,936			23,936
Bank Loans Payable		E	1,677,345			1,677,345
Pension Plan Liability			3,064,424	4,765,705		3,004,990
Total Liabilities			7,056,365			7,150,166
Members' Investment & Members' Equity						
Members' Investment			3,853,652			3,845,763
Paid-in Capital			10,566			10,566
Additional Paid-in Capital			81,859			79,672
Accumulated other comprehensive income			(481,159)			(481,159)
Retained Earnings			1,459,459	4,924,376		1,498,290
Total Liabilities & Members Equity			11,980,742			12,103,298
Cash			\$3,051,272			\$3,134,405
Less: Accounts Payable (money owed to suppliers)			1,757,216			1,897,791
			\$1,294,056			\$1,236,614

Footnote C) In reality our cash is higher than this by more than \$850,000 due to the receipt of money from the IRS for our 2020 Employee Retention Credits (ERCs).

Footnote D) In reality our "other Current assets" are lower than this by more than \$850,000 due to the receipt of money from the IRS for our 2020 Employee Retention Credits (ERCs). The IRS still owes us about 1.5 million for 2021 Q1 and Q2 ERCs.

Footnote E) The "Bank Loans Payable" line is the second PPP loan that we received and that should be forgiven. Once it is forgiven this money we no longer be on the balance sheet as debt but instead will be on the income statement as "other income". It will inflate the bottom line.

BALANCE SHEET SCHEDULES

48 weeks to 1/2/22

44 weeks to 12/5/21

Cash

Citibank Checking	0		0	
Sterling Checking	416,481		497,610	
Sterling Money Market Accounts	463,764		463,663	
Sterling FSA	51,614		54,416	
National Cooperative Savings Bank CDs/Money Market	1,577,605		1,577,217	
Spring Bank Money Market/Savings	280,050		279,934	
Peoples Alliance Federal Credit Union CD	261,757	3,051,272	261,564	3,134,405

Prepaid Expenses

Miscellaneous	0		504	
Service Contract-Office Equipment	39,156		43,718	
Service Contract-Store Equipment	36,979		17,302	
Workers Compensation Insurance	72,384		80,703	
Childcare Insurance	0		0	
Fire and Liability Insurance	16,376		33,956	
Fidelity Bond-Pension/401k	1,138		30	
Directors and Officers Liability Insurance	951		1,902	
Meeting Room Expense	3,073		3,363	
CBD Products Insurance	0		0	
Real Estate Taxes	68,412		78,952	
Net Tax Asset	0	238,469	0	260,429

Investment in Cooperative Suppliers

Patronage Dividends-National Co+op Grocers	317,506		317,506	
Patronage Refund-Frontier	73,693		80,581	
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	481,310	500	488,198

48 weeks to 1/2/22

44 weeks to 12/5/21

Inventory Turnover

49 x

48 x

STATEMENT OF CASH FLOWS

	<u>48 weeks to 1/2/22</u>	<u>44 weeks to 12/5/21</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS, FISCAL YEAR TO DATE:		
Cash flows from operating activities:		
Net income (loss) before income taxes	(294,390)	(255,559)
Adjustments to reconcile results of operations to net cash effect of operating activities:		
Depreciation	233,724	215,869
Deferred income taxes	0	0
Excess of pension expense over cash contributions	511,482	452,048
Net change in asset and liability accounts:		
Inventories	(120,525)	(156,565)
Prepaid Expenses	(64,148)	(86,107)
Other current assets	(1,311,115)	(1,270,439)
Accounts payable	415,509	556,084
Other current liabilities	(196,937)	(184,276)
Total adjustments	<u>(532,009)</u>	<u>(473,387)</u>
Net cash provided by (used for) operating activities	<u>(826,398)</u>	<u>(728,946)</u>
Cash flows from investing activities:		
Acquisition of property and equipment, net	(33,279)	(33,279)
Investment in other cooperative associations	(2,417)	(9,306)
Security Deposit	(92,713)	(90,069)
Net cash provided by (used for) investing activities	<u>(128,409)</u>	<u>(132,653)</u>
Cash flows from financing activities:		
Repayment of capital lease obligations		
Bank Loans Payable	1,677,345	1,677,345
Net proceeds from member investments	(133,206)	(141,095)
Capital contributions	38,876	36,690
Net cash provided by (used for) financing activities	<u>1,583,015</u>	<u>1,572,940</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	628,208	711,341
Cash and cash equivalents - beginning of year	<u>2,423,064</u>	<u>2,423,064</u>
Cash and cash equivalents - end of period	<u>3,051,272</u>	<u>3,134,405</u>

INCOME STATEMENT	48 weeks to	1/2/22	48 weeks to	1/3/21
		Per Cent of Sales		Per Cent of Sales
Net Sales	39,284,241	100.00%	40,177,139	100.00%
Cost of Goods Sold				
Inventory At Beginning	630,935		712,728	
Net Purchases	31,587,960		33,060,525	
Total Available for Sale	32,218,895		33,773,253	
Less: Inventory At End	751,460		864,205	
Cost of Goods Sold	31,467,435	80.10%	32,909,048	81.91%
Gross Margin	7,816,806	19.90%	7,268,092	18.09%
Expenses				
Expenses Except Depreciation	10,131,578	25.79%	10,012,349	24.92%
Depreciation	233,724	.59%	247,829	.62%
Total Expenses (Schedule)	10,365,303	26.39%	10,260,178	25.54%
Operating Income (Loss)	(2,548,497)	(6.49%)	(2,992,087)	(7.45%)
Other Income				
Membership Fees	13,060	.03%	7,445	.02%
Events & Gifts	90	.00%	3,413	.01%
Cash Discounts & Rebates	11,229	.03%	12,184	.03%
Other Discounts	0	.00%	0	.00%
Patronage Refund Income	13,294	.03%	6,421	.02%
Income Tax Refund	0	.00%	0	.00%
Other Income	2,202,432	5.61%	19,994	.05%
Total Other Income	2,240,105	5.70%	49,456	.12%
Income Before Interest & Taxes	(308,392)	(.79%)	(2,942,630)	(7.32%)
Interest Expense-Loans	0	.00%	0	.00%
Interest Expense-Other	0	.00%	0	.00%
Interest Income	14,002	.04%	56,664	.14%
Net interest	14,002	.04%	56,664	.14%
Income (Loss) Before Income Taxes	(294,390)	(.75%)	(2,885,967)	(7.18%)
Provision for Taxes	TBD		TBD	
Net Income (Loss)	TBD		TBD	
Other Comprehensive Income-pension Plan Related	TBD		TBD	
Total Comprehensive Income (Loss)	TBD		TBD	

Footnote A) This line is mainly comprised of Employee Retention Credits (ERCs) for calendar quarters 1,2, and 3 of 2021. We recognize the income even if the money is still owed to us. For the amount owed to us see the balance sheet.

Footnote B) This bottom-line loss of (294,000 dollars) would be more than \$3,000,000 worse if not for the approximately extra \$25,000 we receive weekly through temporary higher prices as well as the ERCs pointed out in Footnote A.

SCHEDULES OF OPERATING EXPENSES

	48 weeks to	1/2/22 Per Cent of Sales	48 weeks to	1/3/21 Per Cent of Sales
Personnel				
Salary-General Coordinating	480,816	1.22%	531,658	1.32%
Salary/Wages-IT	446,335	1.14%	441,020	1.10%
Wages-Hourly Coordinating	4,625,710	11.77%	4,837,591	12.04%
Total Payroll	5,552,860	14.14%	5,810,269	14.46%
Employee Health Benefits	1,871,155	4.76%	1,523,630	3.79%
Employee Pension Benefits	713,215	1.82%	612,357	1.52%
Employee Benefits-Other	89,594	.23%	137,325	.34%
Vacation, Health & Personal Days Accrued	0	.00%	0	.00%
Total Compensation Package	8,226,824	20.94%	8,083,582	20.12%
Payroll Taxes	450,764	1.15%	368,850	.92%
Workers Comp. Insurance Expense-Staff	27,539	.07%	75,788	.19%
EAP and/or Training Fees	14,734	.04%	20,500	.05%
Payroll Preparation Expense	73,746	.19%	64,828	.16%
Pension/401k Administration Expense	14,327	.04%	9,437	.02%
Consultant Fees	3,161	.01%	25,560	.06%
Total Personnel	8,811,095	22.43%	8,648,544	21.53%
Occupancy				
Electric	139,241	.35%	125,653	.31%
Gas	33,619	.09%	31,566	.08%
Insurance	239,877	.61%	243,490	.61%
Taxes - Real Estate	141,393	.36%	150,585	.37%
Taxes - Water & Sewer	8,479	.02%	8,550	.02%
Exterminator	2,704	.01%	4,339	.01%
Subtotal	565,313	1.44%	564,183	1.40%
Deprec. - Building	165,404	.42%	165,256	.41%
Total - Occupancy	730,717	1.86%	729,439	1.82%
Store				
Store Supplies	49,285	.13%	82,917	.21%
Recycling and Garbage Removal	27,848	.07%	34,391	.09%
Cash Short or (Over)	605	.00%	1,829	.00%
Svc Cntrct Exp. & Rpr.-Stre Equip.	179,033	.46%	140,785	.35%
Subtotal	256,771	.65%	259,922	.65%
Depreciation - Fixtures & Equip.	47,103	.12%	54,687	.14%
Total Store	303,874	.77%	314,609	.78%
Office				
Printing & Copying	14,188	.04%	20,747	.05%
Office Supplies	56,762	.14%	51,436	.13%
Telecommunications	31,236	.08%	32,173	.08%
Postage	13,602	.03%	14,841	.04%
Professional Fees	0	.00%	0	.00%
Svc Cntrct Exp. & Rpr.-Ofc. Equip.	82,182	.21%	100,797	.25%
Subtotal	197,970	.50%	219,993	.55%
Depreciation - Furn. & Equip.	21,218	.05%	27,886	.07%
Total Office	219,188	.56%	247,879	.62%

continued on page 3

SCHEDULES OF OPERATING EXPENSES (cont'd)	48 weeks to	1/2/22 Per Cent of Sales	48 weeks to	1/3/21 Per Cent of Sales
Other				
Repairs, Tools, Maintenance	41,645	.11%	79,697	.20%
Advertising and Promotion Expense	200	.00%	1,086	.00%
Meeting Room Expense	4,272	.01%	360	.00%
Miscellaneous Expense	19,315	.05%	19,008	.05%
Gazette Ad Income	(5)		(1,140)	
Less: Printing & Delivery	779	.00%	9,195	.02%
National Co-op Grocers Member Fees	22,500	.06%	22,500	.06%
Childcare Expense	0	.00%	241	.00%
Audit Expense/Tax Preparation	63,500	.16%	51,000	.13%
Bank Charges	6,718	.02%	9,782	.02%
Electronic Payment Service Charges	128,632	.33%	112,233	.28%
Workers Compensation Insurance-Members	(10,046)	(.03%)	(11,285)	(.03%)
Legal Fees	22,918	.06%	27,030	.07%
Total Other	300,429	.76%	319,707	.80%
Total Expenses	10,365,303	26.39%	10,260,178	25.54%

SALES AND MEMBERSHIP AVERAGES

Sales Per Week:	48 weeks to	1/2/22	48 weeks to	1/3/21
Average	\$818,422		\$837,024	
Increase or (Decrease) in Sales Per Week	(\$18,602)	-2.22%	(\$272,230)	-24.54%

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.

	48 weeks to 1/2/22			48 weeks to 1/3/21		
BALANCE SHEETS						
ASSETS						
Current Assets						
Cash (Schedule)			C 3,051,272			2,612,086
Inventory			751,460			864,205
Prepaid Expenses (Schedule)			238,469			273,795
Other Current Assets			D 2,405,896			4,279
			6,447,097			3,754,365
Fixed Assets						
	Gross	Accum. Deprec.	Net	Gross	Accum. Deprec.	Net
Land	165,000		165,000	165,000		165,000
Building	6,079,884	3,041,579	3,038,305	6,046,605	2,862,406	3,184,199
Office Equipment	459,889	425,919	33,970	459,889	408,185	51,704
Store Equipment	2,128,895	2,099,142	29,754	2,110,319	2,043,750	66,570
Leased Equipment	30,150	7,217	22,933	30,150	1,490	28,661
Deposit on purch of FA	0		0	0		0
	8,863,818	5,573,857	3,289,961	8,811,963	5,315,830	3,496,134
Other Assets						
Invest. in Other Cooperative Associations (Sched.)			481,310			386,727
Security Deposit (NCG Joint Liability)			227,866			119,523
Deferred Income Tax Asset			1,534,507			531,849
Total Assets			11,980,742			8,288,597
LIABILITIES & MEMBERS EQUITY						
Current Liabilities						
Accounts Payable			1,757,216			1,534,784
Accrued Vacation, Health & Personal Days			498,539			408,985
Accrued Miscellaneous Expense			236,092			181,757
Donations Payable: Fair Food Program			1,031			1,319
Taxes Payable			13,033			13,550
Net Income Tax Liabilities			(216,723)			(228,223)
Current Obligations Payable Under Capital Leases			1,471			4,597
			2,290,660			1,916,769
Long Term Liabilities						
Non-Current Oblig. Payable Under Capital Leases			23,936			24,407
Bank Loans Payable			E 1,677,345			1,454,763
Pension Plan Liability			3,064,424			1,895,793
Total Liabilities			7,056,365			5,291,732
Members' Investment & Members' Equity						
Members' Investment			3,853,652			3,988,196
Paid-in Capital			10,566			10,566
Additional Paid-in Capital			81,859			42,983
Accumulated other comprehensive income			(481,159)			(209,579)
Retained Earnings			1,459,459			(835,301)
Total Liabilities & Members Equity			11,980,742			8,288,597
Cash			\$3,051,272			\$2,612,086
Less: Accounts Payable (money owed to suppliers)			1,757,216			1,534,784
			\$1,294,056			\$1,077,301

Footnote C) In reality our cash is higher than this by more than \$850,000 due to the receipt of money from the IRS for our 2020 Employee Retention Credits (ERCs).

Footnote D) In reality our "other Current assets" are lower than this by more than \$850,000 due to the receipt of money from the IRS for our 2020 Employee Retention Credits (ERCs). The IRS still owes us about 1.5 million for 2021 Q1 and Q2 ERCs.

Footnote E) The "Bank Loans Payable" line is the second PPP loan that we received and that should be forgiven. Once it is forgiven this money we no longer be on the balance sheet as debt but instead will be on the income statement as "other income". It will inflate the bottom line.

BALANCE SHEET SCHEDULES

48 weeks to 1/2/22

48 weeks to 1/3/21

Cash

Citibank Checking	0		5,568	
Sterling Checking	416,481		45,716	
Sterling Money Market Accounts	463,764		384,520	
Sterling FSA	51,614		49,039	
National Cooperative Savings Bank CDs/Money Market	1,577,605		1,592,192	
Spring Bank Money Market/Savings	280,050		278,136	
Peoples Alliance Federal Credit Union CD	261,757	3,051,272	256,915	2,612,086

Prepaid Expenses

Miscellaneous	0		0	
Service Contract-Office Equipment	39,156		46,650	
Service Contract-Store Equipment	36,979		37,781	
Workers Compensation Insurance	72,384		80,802	
Childcare Insurance	0		163	
Fire and Liability Insurance	16,376		22,388	
Fidelity Bond-Pension/401k	1,138		357	
Directors and Officers Liability Insurance	951		865	
Meeting Room Expense	3,073		0	
CBD Products Insurance	0		0	
Real Estate Taxes	68,412		84,789	
Net Tax Asset	0	238,469	0	273,795

Investment in Cooperative Suppliers

Patronage Dividends-National Co+op Grocers	317,506		225,340	
Patronage Refund-Frontier	73,693		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	481,310	500	386,727

48 weeks to 1/2/22

48 weeks to 1/3/21

Inventory Turnover

49 x

45 x

STATEMENT OF CASH FLOWS

48 weeks to 1/2/22

48 weeks to 1/3/21

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

Cash flows from operating activities:

Net income (loss) before income taxes	(294,390)	(2,885,967)
Adjustments to reconcile results of operations to net cash effect of operating activities:		
Depreciation	233,724	247,829
Deferred income taxes	0	
Excess of pension expense over cash contributions	511,482	290,624
Net change in asset and liability accounts:		
Inventories	(120,525)	(151,477)
Prepaid Expenses	(64,148)	(316,923)
Other current assets	(1,311,115)	52,745
Accounts payable	415,509	(699,016)
Other current liabilities	(196,937)	(101,749)
Total adjustments	(532,009)	(677,968)
Net cash provided by (used for) operating activities	(826,398)	(3,563,935)

Cash flows from investing activities:

Acquisition of property and equipment, net	(33,279)	(13,398)
Investment in other cooperative associations	(2,417)	(7,895)
Security Deposit	(92,713)	(34,027)
Net cash provided by (used for) investing activities	(128,409)	(55,320)

Cash flows from financing activities:

Repayment of capital lease obligations		2,067
Bank Loans Payable	1,677,345	1,454,763
Net proceeds from member investments	(133,206)	827,673
Capital contributions	38,876	3,545
Net cash provided by (used for) financing activities	1,583,015	2,288,048

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	628,208	(1,331,207)
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Cash and cash equivalents - beginning of year	2,423,064	3,943,293
Cash and cash equivalents - end of period	3,051,272	2,612,086