

FLATBUSH FOOD CO-OP 2017

ANNUAL REPORT



A MESSAGE FROM YOUR BOARD



FLATBUSH FOOD CO-OP MISSION

Flatbush Food Co-op exists so that people in our community have a thriving cooperatively owned retail business providing:

- Products and services that promote personal and environmental well being
 - Organic and natural
 - Produced using sustainable agricultural practices
 - Produced in ways that treat workers fairly and ethically
- Opportunities for varying levels of participation by our members
- A work environment that involves and empowers employees
- A positive, respectful shopping environment that is accessible to all
- Education about cooperation, health, nutrition and environmental issues

Your board of directors would like to thank you, our member-owners, for your support and for putting your trust in our organization. The Flatbush Food Co-op exists to serve our community, and we have succeeded and grown for over 40 years because of you and your support. Not only do you support us by your continued loyalty to our store, you inspire us to do better by participating in our Annual Meeting today and sharing your ideas throughout the year so that together we can continually improve our co-op.

Our business has once again had a profitable year, and we want to express our deep appreciation to our management and other employees who work day in and day out on our behalf. This year, the board decided to return a portion of our profit to our member-owners in the form of a patronage dividend. We have retained the remainder of our profits as an investment in the future health and growth of our community-owned business. In addition to sharing in the profits, our member-owners should be proud to know that we have collectively supported close to 70 employees (primarily from this neighborhood) with good jobs with benefits, and we have donated to many other organizations that are also working to make our community a great place to live and work.

Along with being a successful business, Flatbush Food Co-op is a wonderful association of people. The board enjoys any opportunity to talk directly with our member-owners, and, this year, we especially enjoyed the Bar Chord gathering and the brunch for new members. We invite all of you to join us at future gatherings in the upcoming year. In the meantime, please take a moment to read through the rest of this annual report so you can learn about some of our co-op's accomplishments this year. Thank you again for your contributions to our success.



A THRIVING COOPERATIVELY OWNED RETAIL BUSINESS

16th Street Cooperative Corporation Summary Statement

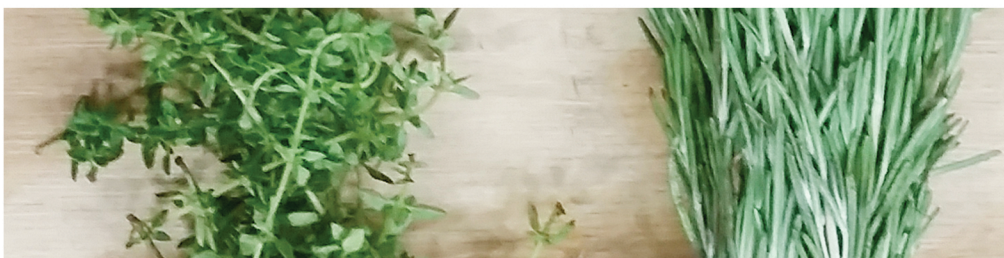
Statement of Operations	July 4, 2016 - July 2, 2017	June 29, 2015 July 3, 2016	June 30, 2014 - June 28, 2015
Net Sales	\$ 17,194,790	\$ 16,322,152	\$ 14,910,143
Less: Cost of Goods Sold	(10,875,946)	(10,174,184)	(9,321,727)
Gross Profit	6,318,844	6,147,968	5,588,416
Less: Operating Expenses	(5,148,747)	(4,914,642)	(4,450,394)
Income From Operations	1,170,097	1,233,326	1,138,022
Add: Other Income and Expense	97,211	93,553	104,602
Income before taxes - see note 1	1,267,308	1,326,879	1,242,624
Less: Provision for taxes	(374,975)	(342,876)	(220,367)
Net Income	\$ 892,333	\$ 984,003	\$ 1,022,257
Balance Sheet			
Total Current Assets	\$ 6,105,215	\$ 5,150,604	\$ 4,296,612
Fixed Assets, net	1,704,199	1,841,341	1,818,107
Total Other Assets	276,326	244,099	203,474
Total Assets	\$ 8,085,740	\$ 7,236,044	\$ 6,318,193
Total Current Liabilities	\$ 1,192,389	\$ 1,085,676	\$ 1,015,102
Total Member Equity	6,893,351	6,150,368	5,303,091
Liabilities and Member Equity	\$ 8,085,740	\$ 7,236,044	\$ 6,318,193

Note 1: Income before taxes is the basis for the patronage calculation

annual sales
in millions



17.2 Million in sales
778 new members
\$227,000+ distributed
patronage dividends
3,200+ member-owners
received dividends
\$87 average dividend



PRODUCTS AND SERVICES THAT PROMOTE PERSONAL AND ENVIRONMENTAL WELL BEING

- ORGANIC AND NATURAL
- PRODUCED USING SUSTAINABLE AGRICULTURAL PRACTICES
- PRODUCED IN WAYS THAT TREAT WORKERS FAIRLY AND ETHICALLY

We supported over **390** local producers including members of Lancaster Farm Fresh Cooperative



Fair Trade Product Sales

\$546,000+

Local Product Sales

Over \$1.4 M*

Organic Product Sales

Over \$5 M



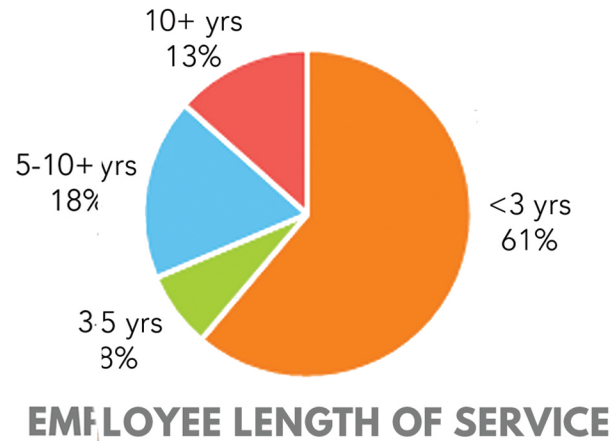
Over **3 tons** of electronics were collected for sustainable recycling at our two E-Waste Collections

*packaged goods only. We are currently working to track local produce sales.

OPPORTUNITIES FOR VARYING LEVELS OF PARTICIPATION BY OUR MEMBERS



A WORK ENVIRONMENT THAT INVOLVES AND EMPOWERS EMPLOYEES



EMPLOYEE BENEFITS INCLUDE:

- Employee Discount
- Paid Sick Time
- Vacation & Holiday Time for Full Time Employees
- Medical, Dental, Vision, & Transit benefits for Full Time Employees
- 401(k) Plan with company matching



16 staff members attended cooperative conferences or visited producers



A POSITIVE, RESPECTFUL SHOPPING ENVIRONMENT THAT IS ACCESSIBLE TO ALL

EDUCATION ABOUT COOPERATION, HEALTH, NUTRITION AND ENVIRONMENTAL ISSUES

"They have great community events and store sales."

"Great variety of organic foods and produce."

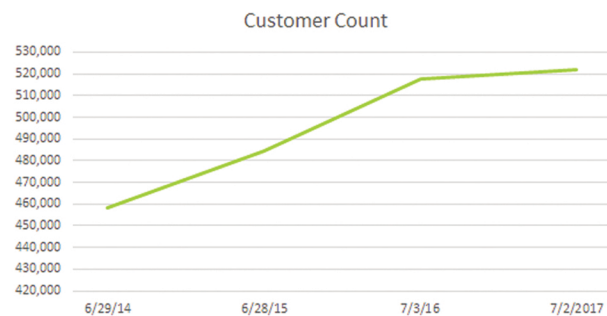
Keep it up!
Yum!
You go guys
Nice
Woohoo!
This is sweet
Cool!
so cute!
Love the green!
I love your picture
Beautiful
Great idea!
Amazing!
Love this!
Instagram Comments

"My favorite store in Brooklyn. Excellent produce and packaged products, plus it's owned by the community!"

"Best organic store in Brooklyn."

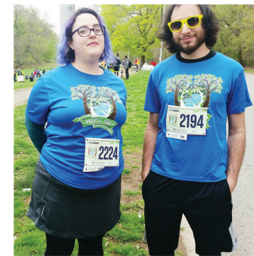
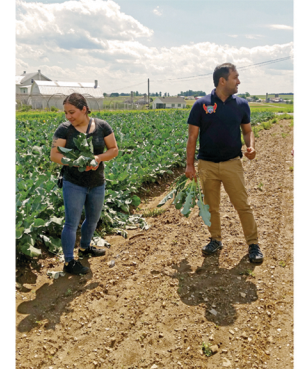
"Awesome health & grocery store with very helpful staff."

Google Reviews



Rated accessible by the Brooklyn Center for Independence of the Disabled

ENABLE BROOKLYN



63
events, tours,
& tastings held

Clockwise from top left:
visit from National Cooperative Union of India delegates, Back to School Apple Giveaway, Lancaster Farm Fresh Co-op Tour, American Littoral Society presentation, Flatbush Frolic, meditation workshop at Co-op Community Day, tour for Boys Hope Girls Hope of New York, Spring Plant Swap, Neighborhood Beautification Day, CAMBA 5K



CHARITABLE GIVING

In 2017 we donated over **\$26,000** in monetary and in-kind donations to



We also gave away **4,000** co-op tote bags to customers in February

American Red Cross
Brooklyn for Peace
CAMBA
CarribBEING
Church Avenue BID Street Fair
Community Board 14 Youth Conference
Cortelyou Road Merchants Association
Cooperative Development Foundation
Disaster Recovery Fund
Cooperative Economics Alliance of New York City
Dreamstreet Theater Co.
Fiske Terrace Neighborhood Association
Flatbush Artists
Flatbush Development Corp
Flatbush Fest
Flatbush Tenant Coalition
Flatbush-Tompkins Congregational Church
Food Co-op Initiative
Friends of Cortelyou Library
Grace Chorale of Brooklyn
H+ The Hip-Hop Dance Conservatory
Kingsborough Community College Foundation
Maa Sa Akhi Performing Arts Academy
Maple Street School
Neville Dance Theater
Northeast Organic Farming Association of New York
PS 139
PS 217
Prospect Park Alliance
Shir Chadash
Temple Beth Emeth
Trinidad and Tobago Alliance
Turkey Drives sponsored by State Senator Jesse Hamilton & City Council Member Mathieu Eugene

COOPERATION AMONG COOPERATIVES

The 7 Cooperative Principles



Voluntary & Open Membership



Democratic Member Control



Member Economic Participation



Autonomy & Independence



Education, Training & Information



Cooperation Among Cooperatives



Concern for Community

Flatbush Food Co-op is a member of the Mid-Atlantic Food Cooperative Alliance, National Co-op Grocers (NCG), the National Co-op Business Association, Frontier Natural Products Co-op, and the Shared Capital Cooperative. We also use cooperatively run services, such as CDS Consulting Co-op, and sell products from producer co-ops.

National Co-op Grocers does advocacy work on topics we support such as "a sustainable food system, fair treatment of people and a healthy environment." NCG is currently a member of The Climate Collaborative, the Domestic Fair Trade Association, the International Co-operative Alliance, Just Label It! (a coalition dedicated to requiring federally enforced labelling of genetically modified foods), the National Organic Coalition, and the Organic Trade Association. NCG has also donated to the Fair Food Network, The Carbon Underground (which seeks to combat climate change with regenerative agriculture), the Future Organic Farmer Grant Fund, the Midwest Organic and Sustainable Education Service, and Seed Matters (which advocates to protect crop genetic diversity).

As part of their carbon offset program, Co+op Forest, NCG also partners with the Acopagro fair trade farmer cooperative to plant and maintain trees in a formerly deforested region of the Peruvian Amazon.

\$1.3 M co-op produced products sold in 2017