



YOUR COOPERATIVE'S NAME

2020 ANNUAL REPORT



Address
Phone Number
Website

USING THIS ANNUAL REPORT TEMPLATE



Communicating with and educating the general membership is a critical responsibility of any board of directors. Without an engaged and informed membership, a co-op may suffer from a lack of participation and patronage. Members can't feel a sense of ownership over a business that they don't know much about.

Your co-op's annual report doesn't have to be a dry document that no one actually reads. That's why we've created this annual report template. The easiest way to use this template is with a free [Canva](#) account through the [link to this design template](#). You may also use this template simply as an example, to create your own report in the word processing or design software of your choice.

This annual report style may be better suited to consumer cooperatives with a larger membership; however it can easily be modified to suit a co-op of any size or ownership-type. This template was developed based on examples available from [Moscow Food Co-op](#) and [Middlebury Natural Food Co-op](#). Take a look at their archive of annual reports or the others listed below to get some other great ideas for your own annual report:

- [South Plains Electric Cooperative](#)
- [Aurora Cooperative](#)
- [Shared Capital Cooperative](#)

ANNUAL REPORT TIPS

Preparing an annual report goes beyond just writing it up and emailing it out. Follow these tips to get the maximum impact out of your co-op's annual report:

- When appropriate to your industry, post an archive of your annual report on your co-op's website to increase the transparency of the business. For your "old-school" members, printed copies can be provided at member meetings or in your store or offices. Cooperatives with fewer members might consider mailing annual reports to each member.
- Prepare and share your annual report in advance of your annual meeting and spend time reviewing the report and giving time for members to ask questions.
- Offer a promotion connected to the annual report so that members who read the report are rewarded with a small discount or swag, such as a co-op sticker.
- Use your annual report as an educational tool, helping members understand the cooperative business model and governance structure. Provide contact information for the board and key staff members.



GET FREE COOPERATIVE ASSISTANCE

This guide is designed to help your cooperative create an annual report that works best for your specific co-op. Modifications will be required depending on the size and sector of your co-op. This guide is intended to be used along with cooperative development counseling from Mission West Cooperative Development staff to help you create the most effective report possible. You can use this in conjunction with a number of other free cooperative document templates on [our website](#).

[Mission West Community Development Partners](#) offers a variety of cooperative and business development services, free of charge, to co-ops in Montana. We can also provide financial support to cooperatives seeking professional, business consultation that cannot be provided by our staff, and we offer the only Cooperative Revolving Loan Fund in the state of Montana to help your cooperative business grow.

Get in touch:

Kaylee Thornley

Cooperative Development Center Director

kaylee.thornley@missionwestcdp.org, 406-676-5919





HELLO TO OUR CO-OP COMMUNITY!

Thank you for another wonderful year of cooperation! Over the past year, our enthusiastic members and our dedicated staff have helped us continue to make our cooperative a success.

In 2020 we ...

(Update the letter with changes or accomplishments that were achieved during the fiscal year. Consider adding details about new products or lines of business, new facilities or equipment and new staff members. You should address challenges that the cooperative has overcome, while keeping a positive tone. You may want to discuss ways in which the board, committees, and staff have recommitted to the mission of the cooperative. If you've adopted a new sustainability policy or held community events, share an anecdote about those programs here. The purpose of this letter is to share your successes with your membership.)

None of these amazing accomplishments could have been achieved without collaboration among our co-op staff, local partners, and engaged members. Thanks for a great 2020!

In cooperation,


**SARA
SHAREHOLDER**

Board President

**MARGE
MANAGER**

General Manager

Use these boxes to add quick facts, stats, or anecdotes about the past year.



Our cooperative gave \$X to local charities.

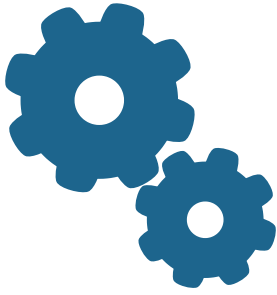


In the last five years, we've increased our purchases of local ingredients by X%.



Our staff completed X hours of training in 2020 to improve operations.





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7 COOPERATIVE PRINCIPLES

Name of Your Cooperative, like all cooperatives, operates under 7 guiding principles. Here's some of our cooperative goals we've accomplished related to these principles.

Voluntary and Open Membership

The very first principle: cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination. Our co-op is owned collectively by # members who are dedicated to our community.

In 2020, X new owners invested in our co-op...

Democratic Member Control

Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Those serving as elected representatives are accountable to the membership.

At last year's annual meeting, # coop owners voted to elect Monty McBanker and Bob Brewer to the co-op's Board of Directors...

Member Economic Participation

Cooperative principle number three spells out the responsibilities of members to their cooperatives, and how money is to be treated in the cooperative business: all our

members democratically control the capital of our cooperative business.

Your \$250 member share is an investment in the co-op and it's future. In 2020 nearly ___% of our sales were to members. We raised X in preferred shares from our members...

Autonomy and Independence

The 4th principle states: "Co-ops are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy." So what does that mean? Our co-op exists to serve the needs of owners, period.

Founded in 20XX, Name of Cooperative has had many community partners along the way, but we remain an independent member-owned and controlled business...

Education, Training, and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of the co-op. They inform the general public about the nature and

benefits of cooperation.

In 2020, we held X number of workshops or classes, sent X newsletters to help our farmers stay up to date, we share information through social media, we participated in X community activity...

Cooperation Among Cooperatives

We have many opportunities to work with and support co-ops regionally and across the country.

We source products from X co-op, we have a loan from Shared Capital Cooperative, we worked with X coop on a shared event.

We share our documents and resources online so they are available to other cooperatives...

Concern for Community

While focusing on member needs, cooperatives work for the sustainable development of their communities through policies approved by their members. We started to support the community in the X region, and we are still dedicated to our community today.

In 2020 we started a new community program for low-income members. We provide the community with a place to gather. We contributed \$ to X community organization. Members volunteer through this program...

THE BOARD OF DIRECTORS



Sara Shareholder,
President



Melanie Memberson,
Vice-President



Monty McBanker,
Treasurer



Minnie Minutes,
Secretary



Owen Ownerski



Connie Cooperativa



Pat Patronage



Eli Equity



Dana Directorsmith

The Cooperative is governed by a 9-member board of directors that is democratically elected by the member-owners. The board is directly accountable to member-owners.

The Coop Board is responsible for:

- Developing, monitoring and revising policies that guide the co-op to achieve outcomes that are consistent with the members' values and vision
- Ensuring (through consistent monitoring) that management achieves goals set by the Board and that the Board operates according to its established processes
- Acting as a representative for all of the co-op's member owners

Board members hold their positions for three-year terms and elections are held each winter.

How do I bring an issue before the board? We encourage members to be active in their participation.

Contact the board: board@yourcooperative.coop

TREASURER'S REPORT

Hello from your Board Treasurer!

Use this letter to give a summary of the financial position of your co-op members. Not all members will be able to easily understand the financial statement provided on the next page, so you should try to make this letter as straightforward as possible. Get specific, but avoid using too much jargon or making assumptions that your members understand the industry your coop operates in.

Most cooperatives will share their sales growth over last year. For most sectors, aiming for a 3% growth over the previous year allows the business to keep up with increased costs for wages, insurance, cost of goods, and other expenses.

You can also discuss operational efficiencies your cooperative may have gained or ways your staff has lowered costs.

Maybe your cooperative board has engaged in training to better manage financial oversight of the cooperative. Maybe your GM wrote and received a large grant. Maybe you started the process of planning for a new building. Discuss the work you've done here.

If your cooperative faced major unexpected financial hurdles (such as a global pandemic) this is the place to honestly and transparently share how your cooperative has fared. Describe any major expenses the cooperative incurred, such as purchasing a new truck or piece of equipment, leasing a new facility, hiring a new but necessary staff member.

If you are a new cooperative, your members will likely be interested in understanding how the business is doing as a start up compared to projections.

In cooperation,

**MONTY
MCBANKER**

Board Treasurer



4%

sales growth over 2019

\$50K

Rural Business
Development Grant
received in 2020

2020 FINANCIAL REPORT

Assets	
Checkings/Savings	\$50,000
Accounts Receivable	\$10,000
Prepaid Expenses	\$30,000
Deposits and Other	\$5,000
Inventory	\$5,000
Other Assets	
Equipment and Improvements	\$1,000,000
Accumulated Depreciation	\$(500,000)
Refundable Security Deposit	\$10,000
Patronage Equity in Other Co-ops	\$10,000
TOTAL ASSETS	\$620,000
Liabilities & Equity	
Accounts Payable	\$30,000
Gift Cards	\$10,000
Sales Tax Payable	\$70,000
Current Portion LT Debt	\$10,000
Accrued Payable PTO	\$10,000
Payroll Liabilities	\$30,000
Income Tax Liabilities	\$10,000
LT Loans Payable	\$50,000
TOTAL LIABILITIES	\$220,000
Paid-in Owner Equity	\$260,000
Retained Patronage	\$20,000
Retained Earnings	\$100,000
2019 Net Income	\$20,000
TOTAL EQUITY	\$400,000
TOTAL LIABILITIES + EQUITY:	\$620,000

Financial Results		
	2020	2019
Net Sales	\$X	\$X
Cost of Goods	\$X	\$X
Other Income	\$X	\$X
GROSS PROFIT	\$X	\$X
Personnel	\$X	\$X
Occupancy	\$X	\$X
Administration	\$X	\$X
Marketing and Outreach	\$X	\$X
Store Operations	\$X	\$X
Governance	\$X	\$X
Other Expenses	\$X	\$X
TOTAL EXPENSES	\$X	\$X
NET PROFIT	\$X	\$X

CO-OP BINGO

We're so happy to highlight the co-op model and what makes it special.

Complete 5 boxes in a row and receive (something worth \$5 or less).

Complete all 25 boxes and be entered to win a \$50 gift card (or whatever makes sense for your co-op.)

Buy a new product.	Check out the co-op's website.	Follow the co-op on Instagram.	Concern for community: participate in a community event or donate locally.	Invite someone you know to join the cooperative.
Snap of picture of yourself at the co-op or enjoying a co-op product. Share it on social media.	Buy some merch so that you can rep our cooperative.	Cooperation among co-ops: visit or buy from another co-op in our region.	Watch this video about our cooperative story. (provide a link)	Attend a co-op event.
Another item that makes sense to your cooperative.	Send an email to the board of directors to share feedback.		Read about the 7 Cooperative Principles.	Sign up or read the co-op email newsletter.
Attend the Annual Member Meeting.	Attend a co-op board of directors meeting.	Share a Facebook post about the cooperative.	Write a positive review of our co-op on Yelp, Google, or Trip Advisor.	Sign up or read the co-op email newsletter.
Read this article written about our cooperative.	Say hello to one of our wonderful staff members.	Take a co-op/business workshop from Mission West Community Development .	Follow our co-op on Facebook.	Give a co-op gift card to a friend.