



# **FIDDLEHEADS NATURAL FOODS COOPERATIVE**

## **BOARD OF DIRECTORS MEETING PACKET**

**Meeting date:  
May 17, 2016**

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# Agenda

**AGENDA**  
**FIDDLEHEADS BOARD OF DIRECTORS MEETING**  
**May 17, 2016**  
**6:30-8:30 PM**  
**105 Huntington Street, New London**

<b>Time</b>	<b>Topic</b>	<b>Resource</b>	<b>Action/Outcome</b>	<b>Leader</b>
6:30	<b>Meeting Preamble</b> <i>Each of us is a member of the coop community and has been elected to be a leader in serving our members. May we conduct this meeting by empowering each other, treating each other with kindness, and maintaining an atmosphere of mutual respect.</i> <b>Check-in</b>	Agenda	Convene/Focus	President
	<b>Agenda Review</b>	Agenda	Make any needed adjustments	President
	<b>Owner Comments</b>		Listen	President
6:35	<b>Approve Draft Minutes</b> <ul style="list-style-type: none"> <li>• April 19, 2016</li> </ul>	Packet	Approve	Secretary
6:40	<b>Consent Agenda</b> <ul style="list-style-type: none"> <li>•</li> </ul>		Approval	President GM
	<b>Discussion of Items removed from Consent Agenda</b>	See above	Discuss/Approve	TBD
6:45	<b>Discussion/Action Items:</b> <ul style="list-style-type: none"> <li>• Year End Review 2015 (Wegner Phone Conference)</li> </ul>	In Packet		Lexa/Wegner CPA
7:45	<b>GM Monitoring Report (B1 Financial Condition Q1)</b>	In Packet		GM
8:10	<b>Committee/Task Force</b> <ul style="list-style-type: none"> <li>• Nominations <ul style="list-style-type: none"> <li>--Accept Minutes</li> <li>--Other items requiring board approval</li> </ul> </li> <li>• Annual Meeting <ul style="list-style-type: none"> <li>--Accept Minutes</li> <li>--Other items requiring board approval</li> </ul> </li> </ul>			
8:20	<b>EXECUTIVE SESSION</b> <ul style="list-style-type: none"> <li>• To approve minutes of April 19, 2016, Executive Session</li> <li>• Personnel Matters (CISD Follow Up)</li> </ul>	Minutes to be provided		Secretary
8:30	<b>Member Comments</b>			
8:35	<b>Closings</b> <ul style="list-style-type: none"> <li>• SCHEDULE CDS CALL!</li> <li>• Review tasks for next meeting and other dates</li> <li>• Adjourn Meeting</li> </ul>			President

**BOARD PACKET CONTENTS (listed on next page)**

**BOARD PACKET CONTENTS:**

- Meeting Agenda (Elisa)
- Draft Minutes of April 19, 2016 Meeting (Danny & Elisa)
- Board Monitoring Reports D3 and D4 (Elisa)
- Committee Notes/Minutes and Ites Requiring Board Approval
  - Nominations (Mona/Helene)
  - Annual Meeting (Carolyn)
- Member Equity Refund Request (as needed) (Lexa)
- Executive Session Minutes of April 19, 2016 – (to be emailed confidentially by Danny or Sue)
- Wegner CPA Financial Review – (Lexa)
- GM Monitoring Report B1-Q1 (Lexa)
  
- Draft Agenda for June 21, 2016 meeting (Elisa)



# Meeting Minutes

## Minutes

April 19, 2016

# DRAFT

## FIDDLEHEADS BOARD OF DIRECTORS Minutes of Board Meeting of April 19, 2016 105 Huntington Street, New London

### I. CALL TO ORDER, ATTENDANCE, ANNOUNCEMENTS

#### A. Call to Order

Susan Phillips called to order a monthly meeting of the Fiddleheads Board of Directors at 6:38 p.m. on Tuesday, April 19, 2016 at 105 Huntington Street, New London, CT.

#### B. Attendance

##### The following Board members were present:

Susan Phillips, President  
Susan Zimmerman, Vice-President (via Skype)  
Helene Bardinnet, Treasurer (arrived at 6:42 p.m.)  
Danny Spurr, Secretary  
Carolyn Wilson  
Mona Harmon-Bowman  
Ellen Clinesmith  
Kelleen Giffin

##### The following additional persons were present:

Lexa Juhre, General Manager  
Elisa Giommi, Board Administrator  
Scott Damask, Owner  
Carol Connell, Owner

#### C. Check-in

Copies of Susan Zimmerman's list of Board accomplishments were passed out. Lexa passed out copies of the updated GM monitoring report.

#### D. Agenda Review

The Executive Session was moved to the end of the meeting.

#### E. Owner Comments

The two owners in attendance, who are prospective Board candidates, introduced themselves.

### II. MINUTES OF MARCH 15, 2016 BOARD OF DIRECTORS MEETING

#### **Motion to approve the minutes of the March 15, 2016 Board of Directors Meeting with edits noted:**

Motion: Carolyn Wilson  
Second: Ellen Clinesmith  
All in favor

### III. CONSENT AGENDA

All three items were pulled off the consent agenda.

#### A. Board Monitoring Report D2- GM Accountability

It was noted that we should include the Global statement in our monitoring questions.

# DRAFT

## FIDDLEHEADS BOARD OF DIRECTORS Minutes of Board Meeting of April 19, 2016 105 Huntington Street, New London

There was a question as to the “neutral” response to Q1: “The General Manager is the Board’s only link to operational achievement and conduct.” There was no clarification of this response.

There was a question as to how Q3: “The Board will not instruct or evaluate any employee other than the GM.” relates to the Board Administrator. It was suggested that this question be raised at the next Board support call.

It was expressed that the current Survey Monkey format could be improved, possibly having Board members give worded responses instead of 1 thru 5 rankings. This also was suggested as a topic for the next Board support call and will be put on a future agenda.

A question was asked about printing reports so that each question did not require a single page.

### **Motion to approve Board Monitoring Report D2- GM Accountability:**

Motion: Danny Spurr

Second: Ellen Clinesmith

All in favor

### **B. Owner Equity Refund Request**

Lexa stated that the store has the funds to approve the request.

### **Motion to approve Owner Equity Refund Request for Elenore Andrews (\$25):**

Motion: Ellen Clinesmith

Second: Mona Harmon-Bowman

All in favor

### **C. Electronic Communication Policy**

There were some corrections noted to the policy.

There was a question raised about the new Google Business email accounts issued to the Board and how much access the GM or network administrator has to these accounts. It was clarified that the administrator may create and delete accounts and may reset passwords, but would not be able to access email content without resetting the password.

It was suggested that the [board@fiddleheadsfood.coop](mailto:board@fiddleheadsfood.coop) email list should contain only board members to avoid confusion. Emails that need to be sent to the Board and to other parties (such as the GM or Board administrator or Board Consultant) may simply have the other parties addresses added to the recipient line.

### **Motion to approve Electronic Communications Policy with edits noted:**

Motion: Helene Bardinet

Second: Mona Harmon-Bowman

All in favor

## **IV. DISCUSSION/ACTION ITEMS**

### **A. Board Budget Actuals 2016**

# DRAFT

## FIDDLEHEADS BOARD OF DIRECTORS Minutes of Board Meeting of April 19, 2016 105 Huntington Street, New London

Helene met with Jessica (Co-op's bookkeeper) and Wynston to align the Board budget categories with the chart of accounts in Quickbooks. There are still some categories that may need to be shifted around, such as the different CBLD and CDS categories and travel expense categories.

There was a question raised about the amount budgeted to the GM Search Committee for 2016. The Search Committee came in under budget, but this is not reflected in the Board budget.

It was noted that we have already used 2/3 of our 15 annual CDS consultant hours in just the first quarter.

Helene, Susan Zimmerman, and Lexa will meet to discuss the Budget further.

Approval of the Board budget was tabled for further potential revision.

### **B. Annual Review Using CBLD questions**

Board members gave input on the four annual review questions posed by CBLD.

#### 1. What were the board's greatest accomplishments in 2015?

- Improved working together-note 2015 retreat feedback that this was the best our consultant had seen us work together
- Started formalized process to recruit board candidates
- Hired IGM and restarted GM search
- Introduced cooperative café concept for staff and member-owners
- Embraced policy governance

#### 2. What contributed to those successes?

- Effectively using our board consultant
- Better understanding of board process
- Leadership succession
- 21 meetings
- Board unity
- Hiring an IGM

#### 3. What are the board's biggest goals for 2016?

- Hiring a permanent GM- and providing GM support during the transition
- Understanding the finances
- Communicating with member-owners
- Finding good Board candidate
- Building our skills
- Having the best Annual Meeting (Party) ever!
- Strategic planning and examining our ends
- Exploring expansion and relocation possibilities

#### 4. What will help us achieve these?

- Continuing our CBLD contract
- Training opportunities
- Good agenda planning
- Robust discussion at board meetings



# DRAFT

## FIDDLEHEADS BOARD OF DIRECTORS Minutes of Board Meeting of April 19, 2016 105 Huntington Street, New London

- Examining ends

### **C. Guidelines for Electronic Communications**

Discussed in the Consent Agenda.

## **V. COMMITTEE/TASK FORCE**

### **A. Nominations Committee**

The Committee charter was revised to include “up to 3 owners” instead of “2-3 owners” and the Committee name was corrected from “Nominating” to “Nominations” Committee.

The Board felt that the Committee should keep a list of potential Board candidates and that they can provide this list to the GM should the GM be interested in owners for a GM task force or other volunteer opportunity.

It was noted that there are still term limit and other election/bylaw issues to resolve. It was determined that these issues did not need to be resolved prior to the upcoming election, but should be addressed in the upcoming year by a bylaw revision committee. It was suggested that this topic be discussed at the next Board support call.

It was also noted that there is no process for appointing Board Directors to fill vacancies. It was suggested that the Board ask Jade at the next support call if other co-ops create a formal interim appointment process.

### **Motion to approve the Nominations Committee minutes of May-April 2016 and the revisions to the Nominations Committee charter:**

Motion: Ellen Clinesmith

Second: Helene Bardinnet

All in favor

### **B. Annual Meeting Committee**

There was some discrepancy as to whether the date of the Annual Meeting Party was on May 21<sup>st</sup> or 22<sup>nd</sup>. The date of the Annual Meeting Party was confirmed as May 21<sup>st</sup> 2016.

There was a question about the estimated attendance figure for the Annual Meeting Party. The estimate was of total attendees not total households. There was also a question as to the number of Fiddleheads owners there are and when this number is used for the purpose of calculating a quorum. It was suggested that the number of owners at the time voting begins has been used in the past.

It was suggested that Board candidate speeches be eliminated from the meeting, as most owners will have already voted. Nominations Committee will look into potentially having a candidate meet and greet prior to the Annual Meeting.

It was noted that the Committee should clarify who will be recording the minutes for the Annual Meeting prior to the meeting date.

In discussing the Annual Meeting Committee charter, the committee determined that it is more appropriately a GM planning committee that includes Board members, as much of the committee

**FIDDLEHEADS BOARD OF DIRECTORS  
Minutes of Board Meeting of April 19, 2016  
105 Huntington Street, New London**

duties are operational in nature, though the bylaws prescribe certain duties to the Board.

**Motion to accept the Annual Meeting Committee minutes:**

Motion: Mona Harmon-Bowman

Second: Kelleen Giffin

All in favor

**C. GM Search Committee**

The Search Committee was congratulated for coming in under budget.

**Motion to approve GM Search Committee budget:**

Motion: Ellen Clinesmith

Second: Kelleen Giffin

All in favor

**VI. GM MONITORING REPORT**

The monitoring report in the Board packet was incomplete- an updated packet was passed out at the meeting.

Ends A2 – Thriving Local Economy- Fiddleheads exists to make Southeastern Connecticut a thriving, locally based economy

**Conclusion: Reasonable progress towards accomplishment.**

Ends A3 – Sense of Community- Fiddleheads exists so that shoppers and members have a strong sense of community

**Conclusion: Reasonable progress towards accomplishment.**

There are many co-op events in April for the Co-op community to participate in.

There was a question about how successful the events have been. Some events have been better attended than others, but the success of the events is hard to measure. The Veggie Passport program is planned for this year.

Executive Limitations B1 – Financial Condition and Activities

The GM shall not

1) Allow sales to decline or be stagnant.

**Conclusion for fiscal year 2015: Not in Compliance**

**Conclusion for fiscal 2016 1<sup>st</sup> quarter: In compliance.**

Sales were down in 2015, but sales are up in the 1<sup>st</sup> quarter of this year.

Event and thematic focused promotions are in place to grow sales. Price comparisons have been conducted to make sure the co-op is competitive based on price. Product and store appearance procedures continue to be improved

A question was asked about how employee sales fit into the sales figures. This will eventually show up as both a part of sales and an employee expense.

# DRAFT

## FIDDLEHEADS BOARD OF DIRECTORS Minutes of Board Meeting of April 19, 2016 105 Huntington Street, New London

2) Allow operations to generate an inadequate net income.

**Conclusion: In compliance**

Strong sales paired with managing expenses accounted for positive net income in March. Customer counts are also up compared to 1<sup>st</sup> quarter 2015.

3) Allow liquidity (the ability to meet cash needs in a timely and efficient fashion) to be insufficient.

**Conclusion: In compliance**

5) Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.

**Conclusion: In compliance**

There is a plan to borrow money from our CFNE account for a new produce compressor. Purchase of a produce misting system has been deferred.

7) Allow tax payments or other government ordered payments or filings to be overdue or inaccurately filed.

**Conclusion: In compliance**

8) Allow late payment of contracts, payroll, loans or other financial obligations.

**Conclusion: Not in compliance- plan in place**

Accounts Payable are close to being paid entirely within terms. Improved sales will help to become current and there is a goal to become current in the 2<sup>nd</sup> quarter of 2016.

The Co-op is working with owner lenders on loan repayment or renewal.

Executive Limitations B2 – Business Planning and Financial Budgeting

**Conclusion: In compliance**

A budget and year end financial review should be ready soon. Inventory for 1<sup>st</sup> quarter has been completed. The new discount program is being monitored.

Executive Limitations B3 – Asset Protection

**Conclusion: In compliance**

Fiddleheads is working with INET to upgrade Co-op security systems

Executive Limitations B4 – Membership Rights and Responsibilities

**Conclusion: In compliance**

There was a question as to how many owners Fiddleheads has currently. Lexa will find this figure for the Board.

Executive Limitations B7 – Communication to the Board

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**Conclusion: In compliance**

**Motion to accept the GM monitoring report of April 19, 2016 with acknowledgment of non-compliance in sections noted:**

Motion: Kelleen Giffin

Second: Carolyn Wilson

All in favor

**VI. EXECUTIVE SESSION**

The purpose of this executive session is to approve the minutes of the executive session of March 15, 2016 and discuss personnel matters.

**Motion to enter into Executive Session:**

Motion: Ellen Clinesmith

Second: Mona Harmon-Bowman

All in favor

Executive Session was entered into at 8:13 p.m. and exited at 8:48 p.m.

Confidential minutes were taken in executive session. **The minutes of the Executive Session of March 15, 2016 were approved. The CISD item was tabled.**

**VIII. CLOSINGS**

**A. Owner Comments** (prior to executive session)

The two owners in attendance, who are prospective Board candidates, were impressed with how the Board conducted itself.

**B. CDS call**

The CDS call will be scheduled online. Next Tuesday evening was suggested as a potential day.

**C. Financial Training**

The financial training scheduled for April 29<sup>th</sup> has been postponed. It will be rescheduled for some time after the new Board has been seated.

**D. Review decisions, tasks, and assignments**

Lexa will speak with Andrea about making the Board group email address contain only Board members.

Helene, Susan Zimmerman, and Lexa will meet to discuss the Board budget.

Nominations Committee will look into the possibility of a Board Candidate meet and greet.

Lexa, Sue Phillips, and an additional Board officer will meet for an informal check-in before assembling the agenda for the next Board meeting.

**DRAFT**

**FIDDLEHEADS BOARD OF DIRECTORS  
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105 Huntington Street, New London**

Sue Phillips will schedule a CDS call.

**E. Adjournment**

**Motion to adjourn:**

Motion: Mona Harmon-Bowman

Second: Kelleen Giffin

All in favor

Meeting adjourned at 8:51 p.m.

\* \* \* \* \*

Draft minutes prepared for submission to the board by Daniel Spurr/Elisa Giommi on April 24, 2016.

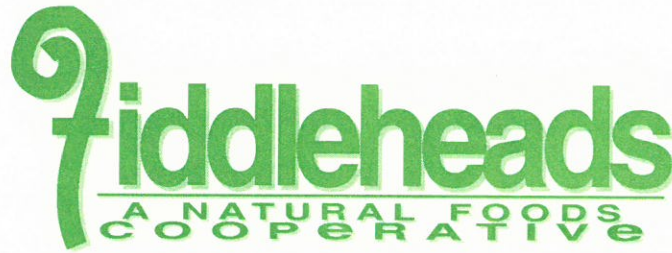
Minutes approved by vote of the Board on \_\_\_\_\_ and put into final form by Danny Spurr/Elisa Giommi on \_\_\_\_\_.

Confidential



## **Discussion/Action Items**

- **Year End Review (Wegner)**



13 Broad Street New London, CT 06320

To Wegner CPAs, LLP

We are providing this letter in connection with your review of the financial statements of Fiddleheads Natural Foods Cooperative, Inc., which comprise the balance sheets as of December 31, 2015, and the related statements of income, owners' equity, and cash flows for the years then ended, and the related notes to the financial statements, for the purpose of obtaining limited assurance as a basis for reporting whether you are aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person using the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of April 11, 2016, the following representations made to you during your review.

1. We have fulfilled our responsibility for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, as set out in the terms of the engagement.
2. We have made available to you all—
  - a. Financial records and related data.
  - b. Minutes of the meetings, or summaries of actions of recent meetings for which minutes have not yet been prepared, of stockholders, directors, and committees of directors (or other similar bodies, as applicable).
  - c. Additional information you have requested from us for the purpose of the review.
  - d. Unrestricted access to company personnel from whom you determined it necessary to obtain review evidence.
3. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
4. All material transactions have been recorded and have been properly reflected in the financial statements.
5. There are no uncorrected misstatements.
6. We acknowledge and have fulfilled our responsibility for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



7. We acknowledge our responsibility for designing, implementing, and maintaining internal control to prevent and detect fraud.
8. We have no knowledge of any fraud or suspected fraud affecting the company involving management, employees who have significant roles in internal control, or others where the fraud could have a material effect on the financial statements, including any communications received from employees, former employees, or others.
9. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
10. The following have been properly recorded or disclosed in the financial statements:
  - a. Related-party transactions and related accounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees.
  - b. Guarantees, whether written or oral, under which the company is contingently liable to a bank or other lending institutions.
  - c. Commitments to purchase or sell investments or agreements to repurchase assets previously sold.
  - d. Significant estimates and material concentrations known to management that are required to be disclosed in accordance with FASB ASC 275, *Risks and Uncertainties*.
11. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with FASB ASC 450, *Contingencies*, and we have not consulted a lawyer concerning litigation, claims, or assessments.
12. There are no—
  - a. Known or suspected instances of noncompliance with laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
  - b. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by FASB ASC 450, *Contingencies*.
13. The company has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged.
14. We have complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
15. We have identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions underlying those estimates, and we believe the estimates are reasonable in the circumstances.
16. We are in agreement with the adjusting journal entries, if any, you have recommended, and they have been posted to the company's accounts.
17. No events have occurred subsequent to the date of the company's financial statements and through the date of this letter that would require adjustments to, or disclosure in, the aforementioned financial statements.
18. We have responded fully and truthfully to all inquiries made to us by you during your review.

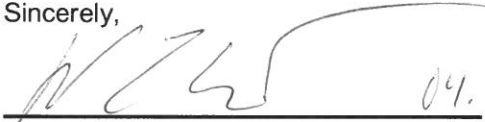


19. In regards to the financial statement preparation services performed by you, we have:

- Assumed all management responsibilities.
- Overseen the services by designating an individual who possesses suitable skill, knowledge, and/or experience.
- Evaluated the adequacy and results of the services performed.
- Accepted responsibility for the results of the services.

We have carefully read this letter before signing it and understand, while you have provided the language of this letter to us, we are making these representations to you. We understand our obligation to carefully consider the possibility that any of the representations are not accurate. We have inquired of other members of management or employees of Fiddleheads Natural Foods Cooperative, Inc. to the extent necessary to obtain a high degree of assurance that these representations are true. We know that you will be relying on them in the issuance of your report.

Sincerely,



04.11.2016

Wynston Estis  
Interim General Manager



WEGNER CPAS, LLP  
2110 LUANN LANE  
MADISON, WI 53713

FIDDLEHEADS NATURAL FOOD COOP  
13 BROAD STREET  
NEW LONDON, CT 06320



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CLIENT'S COPY

FIDDLEHEADS NATURAL FOOD COOP  
13 BROAD STREET  
NEW LONDON, CT 06320  
ATTENTION: ALEXANDRA JURE

DEAR: ALEXANDRA

WE HAVE PREPARED AND ENCLOSED YOUR 2015 FEDERAL COOPERATIVE ASSOCIATIONS AND STATE CORPORATION INCOME TAX RETURNS FOR THE YEAR ENDED DECEMBER 31, 2015. THE RETURNS SHOULD BE SIGNED AND DATED BY THE APPROPRIATE CORPORATE OFFICER(S) AND MAILED.

THE FEDERAL FORM 1120-C SHOULD BE MAILED AS SOON AS POSSIBLE TO:

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE CENTER  
OGDEN, UT 84201-0012

NO PAYMENT IS REQUIRED WITH THIS RETURN WHEN FILED.

THE CONNECTICUT FORM CT-1120 RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE CONNECTICUT DRS, PLEASE CONTACT OUR OFFICE. WE WILL THEN SUBMIT YOUR ELECTRONIC RETURN TO THE CONNECTICUT DRS. DO NOT MAIL THE PAPER COPY OF THE RETURN TO THE CONNECTICUT DRS.

YOUR PAYMENT SHOULD BE MADE AS INSTRUCTED BELOW BY MAY 20, 2016.

YOU HAVE A BALANCE DUE OF \$233.00.

REFER TO THE COMMISSIONER OF REVENUE SERVICES WEBSITE FOR PAYMENT INFORMATION.

[WWW.CT.GOV/DRS/TSC](http://WWW.CT.GOV/DRS/TSC)

COPIES OF THE RETURNS ARE ENCLOSED FOR YOUR FILES. WE  
SUGGEST THAT YOU RETAIN THESE COPIES INDEFINITELY.

SINCERELY,

BRUCE MAYER, CPA

**Application for Automatic Extension of Time To File  
Certain Business Income Tax, Information, and Other Returns**

▶ **File a separate application for each return.**

▶ **Information about Form 7004 and its separate instructions is at [www.irs.gov/form7004](http://www.irs.gov/form7004).**

<b>Print or Type</b>	Name <b>FIDDLEHEADS NATURAL FOOD COOP</b>	Identifying number <b>90-0170069</b>
	Number, street, and room or suite no. (If P.O. box, see instructions.) <b>13 BROAD STREET</b>	
	City, town, state, and ZIP code (If a foreign address, enter city, province or state, and country (follow the country's practice for entering postal code)). <b>NEW LONDON, CT 06320</b>	

**Note.** File request for extension by the due date of the return for which the extension is granted. See instructions before completing this form.

**Part I Automatic 5-Month Extension**

**1a** Enter the form code for the return that this application is for (see below) .....

Application Is For:	Form Code	Application Is For:	Form Code
Form 1065	<b>09</b>	Form 1041 (estate other than a bankruptcy estate)	<b>04</b>
Form 8804	<b>31</b>	Form 1041 (trust)	<b>05</b>

**Part II Automatic 6-Month Extension**

**b** Enter the form code for the return that this application is for (see below) ..... **12**

Application Is For:	Form Code	Application Is For:	Form Code
Form 706-GS(D)	<b>01</b>	Form 1120-ND (section 4951 taxes)	<b>20</b>
Form 706-GS(T)	<b>02</b>	Form 1120-PC	<b>21</b>
Form 1041 (bankruptcy estate only)	<b>03</b>	Form 1120-POL	<b>22</b>
Form 1041-N	<b>06</b>	Form 1120-REIT	<b>23</b>
Form 1041-QFT	<b>07</b>	Form 1120-RIC	<b>24</b>
Form 1042	<b>08</b>	Form 1120S	<b>25</b>
Form 1065-B	<b>10</b>	Form 1120-SF	<b>26</b>
Form 1066	<b>11</b>	Form 3520-A	<b>27</b>
Form 1120	<b>12</b>	Form 8612	<b>28</b>
Form 1120-C	<b>34</b>	Form 8613	<b>29</b>
Form 1120-F	<b>15</b>	Form 8725	<b>30</b>
Form 1120-FSC	<b>16</b>	Form 8831	<b>32</b>
Form 1120-H	<b>17</b>	Form 8876	<b>33</b>
Form 1120-L	<b>18</b>	Form 8924	<b>35</b>
Form 1120-ND	<b>19</b>	Form 8928	<b>36</b>

- 2** If the organization is a foreign corporation that does not have an office or place of business in the United States, check here .....
- 3** If the organization is a corporation and is the common parent of a group that intends to file a consolidated return, check here .....   
If checked, attach a statement, listing the name, address, and Employer Identification Number (EIN) for each member covered by this application.

**Part III All Filers Must Complete This Part**

**4** If the organization is a corporation or partnership that qualifies under Regulations section 1.6081-5, check here .....

**5a** The application is for calendar year 2015, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

**b Short tax year.** If this tax year is less than 12 months, check the reason:  Initial return  Final return  
 Change in accounting period  Consolidated return to be filed  Other (see instructions-attach explanation)

<b>6</b> Tentative total tax .....	<b>6</b>	<b>0.</b>
<b>7</b> Total payments and credits (see instructions) .....	<b>7</b>	<b>0.</b>
<b>8</b> Balance due. Subtract line 7 from line 6 (see instructions) .....	<b>8</b>	<b>0.</b>

LHA For Privacy Act and Paperwork Reduction Act Notice, see separate Instructions.

**U.S. Income Tax Return for Cooperative Associations**

For calendar year 2015 or tax year **EXTENSION GRANTED TO 09/15/15**

**2015**

beginning \_\_\_\_\_, ending \_\_\_\_\_

▶ Information about Form 1120-C and its separate instructions is at [www.irs.gov/form1120c](http://www.irs.gov/form1120c).

**A Check if:**

- 1 Consolidated return (attach Form 851)
- 2 Schedule M-3 (Form 1120) attached
- 3 Form 1120 filed in previous tax year

Please type or print.

Name  
**FIDDLEHEADS NATURAL FOOD COOP**

Number, street, and room or suite no. If a P.O. box, see instructions.  
**13 BROAD STREET**

City or town, state or province, country, and ZIP or foreign postal code  
**NEW LONDON, CT 06320**

**B Employer identification number**

**90-0170069**

**C Check if:**

- (1) Farmers' tax exempt cooperative
- (2) Nonexempt cooperative

**D Check if:** (1)  Initial return (2)  Final return (3)  Name change (4)  Address change (5)  Amended return

<b>Income</b>	<b>1</b>	Gross receipts or sales <b>3,332,797.</b>	<b>a</b>		<b>1c</b>	<b>3,332,797.</b>
	<b>2</b>	Cost of goods sold (see instructions - attach Form 1125-A)	<b>b</b>		<b>2</b>	<b>2,159,756.</b>
	<b>3</b>	Gross profit. Subtract line 2 from line 1c			<b>3</b>	<b>1,173,041.</b>
	<b>4</b>	Dividends (Schedule C, line 19)			<b>4</b>	
	<b>5</b>	Interest <b>STATEMENT 2</b>			<b>5</b>	<b>45.</b>
	<b>6</b>	Gross rents and royalties			<b>6</b>	
	<b>7</b>	Capital gain net income (attach Schedule D (Form 1120))			<b>7</b>	
	<b>8</b>	Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)			<b>8</b>	
	<b>9</b>	Other income (attach statement) <b>STATEMENT 3</b>			<b>9</b>	<b>1,452.</b>
	<b>10</b>	<b>Total income.</b> Add lines 3 through 9			<b>10</b>	<b>1,174,538.</b>
<b>Deductions</b>	<b>11</b>	Compensation of officers (attach Form 1125-E)			<b>11</b>	
	<b>12</b>	Salaries and wages (less employment credits)			<b>12</b>	<b>461,176.</b>
	<b>13</b>	Bad debts			<b>13</b>	
	<b>14</b>	Rents			<b>14</b>	<b>109,906.</b>
	<b>15</b>	Taxes and licenses <b>STATEMENT 4</b>			<b>15</b>	<b>146,848.</b>
	<b>16</b>	Interest			<b>16</b>	<b>11,277.</b>
	<b>17</b>	Charitable contributions			<b>17</b>	
	<b>18</b>	Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)			<b>18</b>	<b>53,821.</b>
	<b>19</b>	Advertising			<b>19</b>	<b>30,737.</b>
	<b>20</b>	Pension, profit-sharing, etc., plans			<b>20</b>	
	<b>21</b>	Employee benefit programs			<b>21</b>	
	<b>22</b>	Domestic production activities deduction (attach Form 8903)			<b>22</b>	
	<b>23</b>	Other deductions (attach statement) <b>STATEMENT 5</b>			<b>23</b>	<b>422,503.</b>
	<b>24</b>	<b>Total deductions.</b> Add lines 11 through 23			<b>24</b>	<b>1,236,268.</b>
<b>Tax, Refundable Credits, and Payments</b>	<b>25</b>	Taxable income before adjustments and special deductions. Subtract line 24 from line 10	<b>25a</b>	<b>-61,730.</b>		
		Deductions and adjustments from Schedule H, line 5	<b>25b</b>			
		Taxable income before net operating loss and special deductions. Subtract line 25b from line 25a	<b>25c</b>		<b>-61,730.</b>	
	<b>26</b>	<b>Less: a</b> Net operating loss deduction (see instructions) <b>STATEMENT 6</b>	<b>26a</b>	<b>0.</b>		
		<b>b</b> Special deductions (Schedule C, line 20)	<b>26b</b>		<b>26c</b>	
	<b>27</b>	<b>Taxable income.</b> Subtract line 26c from line 25c (see instructions) <b>SEE SCHEDULE G</b>			<b>27</b>	<b>0.</b>
<b>28</b>	<b>Total tax</b> (Schedule J, line 9)			<b>28</b>	<b>0.</b>	
<b>Sign Here</b>	<b>29a</b>	2014 overpayment credited to 2015				
	<b>29b</b>	2015 estimated tax payments				
	<b>29c</b>	2015 refund applied for on Form 4466				
	<b>29d</b>	<b>d Bal</b>				
	<b>29e</b>	Tax deposited with Form 7004				
	<b>29f</b>	<b>Credits:</b> (1) Form 2439 (2) Form 4136				
	<b>29g</b>	Refundable credits from Form 8827, line 8c				
	<b>29h</b>	Section 1383 adjustment (see instructions)				
	<b>29i</b>	Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>				
	<b>30</b>	<b>Amount owed.</b> If line 29i is smaller than the total of lines 28 and 30, enter amount owed			<b>30</b>	
<b>31</b>	<b>Overpayment.</b> If line 29i is larger than the total of lines 28 and 30, enter amount overpaid			<b>31</b>		
<b>32</b>	Enter amount of line 32 you want: <b>Credited to 2016 estimated tax</b> ▶ <b>Refunded</b> ▶			<b>32</b>		
<b>33</b>				<b>33</b>		

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: \_\_\_\_\_ Date: \_\_\_\_\_ Title: **GENERAL MANAGER**

May the IRS discuss this return with the preparer shown below?  Yes  No

**Paid** Print/Type preparer's name: **BRUCE MAYER, CPA** Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_ Check if self-employed  PTIN: **P00187180**

**Preparer Use Only** Firm's name: **WEGNER CPAS, LLP** Firm's EIN: **39-0974031**

Firm's address: **2110 LUANN LANE**  
**MADISON, WI 53713** Phone no: **608-274-4020**



<b>Schedule C</b> Dividends and Special Deductions (see instructions)	(a) Dividends received	(b) %	(c) Deduction ((a) x (b))
1 Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock) .....		70	
2 Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock) .....		80	
3 Dividends on debt-financed stock of domestic and foreign corporations .....		see instructions	
4 Dividends on certain preferred stock of less-than-20%-owned public utilities .....		42	
5 Dividends on certain preferred stock of 20%-or-more-owned public utilities .....		48	
6 Dividends from less-than-20%-owned foreign corporations and certain FSCs .....		70	
7 Dividends from 20%-or-more-owned foreign corporations and certain FSCs .....		80	
8 Dividends from wholly owned foreign subsidiaries .....		100	
9 <b>Total.</b> Add lines 1 through 8. See instructions for limitation .....			
10 Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958 .....		100	
11 Dividends from affiliated group members .....		100	
12 Dividends from certain FSCs .....		See instructions	
13 Dividends from foreign corporations not included on lines 3, 6, 7, 8, 11, or 12 .....			
14 Income from controlled foreign corporations under subpart F (attach Form(s) 5471) .....			
15 Foreign dividend gross-up .....			
16 IC -DISC and former DISC dividends not included on lines 1, 2, or 3 .....			
17 Other dividends .....			
18 Deduction for dividends paid on certain preferred stock of public utilities .....			
19 <b>Total dividends.</b> Add lines 1 through 17. Enter here and on page 1, line 4 .....			
20 <b>Total special deductions.</b> Add lines 9, 10, 11, 12, and 18. Enter here and on page 1, line 26b .....			

**Schedule G Allocation of Patronage and Nonpatronage Income and Deductions.** Before completing, see Schedule K, Question 14.

	(a) Patronage	(b) Nonpatronage
1 Gross receipts or sales	3,332,797.	
2 Cost of goods sold STATEMENT 8	2,159,756.	
3 Gross profit. Subtract line 2 from line 1	1,173,041.	
4 Other income STATEMENT 9	1,497.	
5 Total income. Add lines 3 and 4	1,174,538.	
6 a Domestic production activities deduction (attach Form 8903)		
b Other deductions STATEMENT 10	1,236,268.	
c Total deductions (add lines 6a and 6b)	1,236,268.	
7 Taxable income before section 1382, NOL, and special deductions. Subtract line 6c from line 5	-61,730.	
8 Deductions and adjustments under section 1382 from Schedule H, line 5 (see instructions)		
9 a Net operating loss deduction (attach statement) STMT 7		
b Special deductions (see instructions)		
10 Taxable income. Subtract the total of lines 8, 9a, and 9b from line 7	-61,730.	0.
11 Combined taxable income. Combine columns (a) and (b) of line 10 (see instructions)	-61,730.	
12 Unused patronage loss (see instructions)	61,730.	
13 Unused nonpatronage loss (see instructions)		

**Schedule H Deductions and Adjustments Under Section 1382** (see instructions)

1 Dividends paid on capital stock (section 521 cooperatives only)	1	
2 Nonpatronage income allocated to patrons (section 521 cooperatives only)	2	
3 Patronage dividends:		
a Money	3a	
b Qualified written notices of allocation	3b	
c Other property (except nonqualified written notices of allocation)	3c	
d Money or other property (except written notices of allocation) in redemption of nonqualified written notices of allocation	3d	
4 Domestic production activities deduction allocated to patrons	4	( )
5 Total. Combine lines 1 through 4. Enter here and on page 1, line 25b, and Schedule G, line 8.	5	

Schedule J Tax Computation (see instructions)			
1	Check if the cooperative is a member of a controlled group (attach Schedule O (Form 1120))	<input type="checkbox"/>	
2	Income tax (see instructions)		0.
3	Alternative minimum tax (attach Form 4626)		
4	Add lines 2 and 3		0.
5 a	Foreign tax credit (attach Form 1118)	5a	
b	Credit from Form 8834	5b	
c	General business credit (attach Form 3800)	5c	
d	Credit for prior year minimum tax (attach Form 8827)	5d	
e	Bond credits from Form 8912 (attach Form 8912)	5e	
6	<b>Total credits.</b> Add lines 5a through 5e	6	
7	Subtract line 6 from line 4	7	0.
8	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Other (attach statement)	8	
	<input type="checkbox"/> Form 8902		
9	<b>Total tax.</b> Add lines 7 and 8. Enter here and on page 1, line 28	9	0.

Schedule K Other Information (see instructions)		Yes	No		Yes	No
1	Check accounting method:			If "Yes," enter: (a) Percentage owned		
a	<input type="checkbox"/> Cash			and (b) Owner's country		
b	<input checked="" type="checkbox"/> Accrual					
c	<input type="checkbox"/> Other (specify)			c The cooperative may have to file Form 5472, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter number of Forms 5472 attached		
2	See the instructions and enter the:			9 Check this box if the cooperative issued publicly offered debt instruments with original issue discount		<input type="checkbox"/>
a	Business activity code no. <b>445110</b>			If checked, the cooperative may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.		
b	Business activity <b>SUPER MARKET COOP</b>			10 Enter the amount of tax-exempt income received or accrued during the tax year (for example, interest or extraterritorial income)		\$
c	Product or service <b>FOOD</b>			11a Enter the number of foreign patrons at the end of the tax year		
d	Date of incorporation <b>03/24/2004</b>		X	b Enter the total amount of patronage distributions described in (or deducted under) IRC 1382(b) paid or allocated to foreign patrons		
3	Check the accounting method used to compute distributable patronage:			12 If the cooperative has an NOL for the tax year and is electing to forego the carryback period, check here		<input checked="" type="checkbox"/>
a	<input type="checkbox"/> Book			If the cooperative is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.		
b	<input checked="" type="checkbox"/> Tax		X	13 Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on page 1, line 26a.) Patronage \$ <b>85,190.</b> Nonpatronage \$		
c	<input type="checkbox"/> Other (specify)			14 Are the cooperative's total receipts (page 1, line 1a plus lines 4 through 9) for the tax year and its total assets at the end of the tax year less than \$250,000?		X
4	At the end of the tax year, did the cooperative own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing: (a) name and employer identification number (EIN), (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.		X	If "Yes," the cooperative is not required to complete Schedules G, L, M-1, or M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year.		\$
5	Is the cooperative a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter name and EIN of the parent corporation		X	15 Enter the amount of outstanding nonqualified notices of allocation (attach statement)		
6	At the end of the tax year, did any individual, partnership, corporation, estate, or trust own, directly or indirectly, 50% or more of the cooperative's voting stock? (For rules of attribution, see section 267(c).) If "Yes," attach a statement showing name and identifying number. (Do not include any information already entered in 5 above.) Enter percentage owned		X			
7	Enter the cooperative's total assets (see instructions) \$ <b>633,605.</b>					
8	At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of (a) the total voting power of all classes of stock of the cooperative entitled to vote or (b) the total value of all classes of stock of the cooperative?		X			

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
<b>Assets</b>					
1	Cash		120,508.		47,436.
2a	Trade notes and accounts receivable	19,709.		39.	
b	Less allowance for bad debts	( )	19,709.	( )	39.
3	Inventories		188,221.		184,107.
4	Other current assets (attach statement)	STATEMENT 12			22,435.
5	Investments (see instructions)				
6	Loans to shareholders				
7	Mortgage and real estate loans				
8a	Buildings and other depreciable assets	473,117.		499,763.	
b	Less accumulated depreciation	( 91,173.)	381,944.	( 128,595.)	371,168.
9a	Depletable assets				
b	Less accumulated depletion	( )		( )	
10	Land (net of amortization)				
11a	Intangible assets (amortizable only)	10,600.		10,600.	
b	Less accumulated amortization	( 1,473.)	9,127.	( 2,180.)	8,420.
12	Other assets (attach statement)				
13	<b>Total assets</b>		719,509.		633,605.
<b>Liabilities and Capital</b>					
14	Accounts payable		110,574.		104,021.
15	Mortgages, notes, bonds payable in less than 1 year		24,257.		37,943.
16	Other current liabilities (attach statement)	STATEMENT 13	76,605.		57,925.
17	Loans from shareholders		37,500.		11,500.
18	Mortgages, notes, bonds payable in 1 year or more		173,894.		160,325.
19	Other liabilities (attach statement)	STATEMENT 14	5,209.		0.
20	Capital stock: a Preferred stock				
b	Common stock	53,675.	53,675.	57,450.	57,450.
21	Additional paid-in capital		156,701.		176,173.
22	Patronage dividends allocated in noncash form				
23	Per-unit retains allocated in noncash form				
24	Retained earnings-Appropriated (attach statement)				
25	Retained earnings-Unappropriated		81,094.		28,268.
26	Adjustments to shareholders' equity (attach statement)				
27	Less cost of treasury stock		( )		( )
28	<b>Total liabilities and capital</b>		719,509.		633,605.

**Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return**

Note: The cooperative may be required to file Schedule M-3 (see instructions).

1	Net income (loss) per books	-52,826.	7	Income recorded on books this year not included on this tax return (itemize):	
2	Federal income tax per books	-8,209.		Tax-exempt interest \$ _____	
3	Excess of capital losses over capital gains			_____	
4	Income subject to tax not recorded on books this year (itemize): _____		8	Deductions in this tax return not charged against book income this year (itemize):	
5	Expenses recorded on books this year not deducted on this return (itemize):		a	Depreciation \$ 53,820.	
a	Depreciation \$ 37,422.		b	Charitable contributions \$ _____	
b	Charitable contributions \$ _____			_____	53,820.
c	Travel and entertainment \$ _____		9	Add lines 7 and 8	53,820.
STATEMENT 15	15,703.	53,125.	10	Income (page 1, line 25a) - line 6 less line 9	-61,730.
6	Add lines 1 through 5	-7,910.			

**Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Schedule L, line 25)**

1	Balance at beginning of year	81,094.	5	Distributions: a Cash	
2	Net income (loss) per books	-52,826.		b Stock	
3	Other increases (itemize): _____			c Property	
	_____		6	Other decreases (itemize): _____	
	_____			_____	
4	Add lines 1, 2, and 3	28,268.	7	Add lines 5 and 6	
			8	Balance at end of year (line 4 less line 7)	28,268.

# Cost of Goods Sold

(Rev. December 2012)

▶ Attach to Form 1120, 1120-C, 1120-F, 1120S, 1065, or 1065-B.

OMB No. 1545-2225

Department of the Treasury  
Internal Revenue Service

▶ Information about Form 1125-A and its instructions is at [www.irs.gov/form1125a](http://www.irs.gov/form1125a).

Name <b>FIDDLEHEADS NATURAL FOOD COOP</b>	Employer identification number <b>90-0170069</b>
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1 Inventory at beginning of year .....	1	199,873.
2 Purchases .....	2	2,143,990.
3 Cost of labor .....	3	
4 Additional section 263A costs (attach schedule) .....	4	
5 Other costs (attach schedule) .....	5	
6 <b>Total.</b> Add lines 1 through 5 .....	6	2,343,863.
7 Inventory at end of year .....	7	184,107.
8 <b>Cost of goods sold.</b> Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return (see instructions) .....	8	2,159,756.

**9 a** Check all methods used for valuing closing inventory:

(i)  Cost

(ii)  Lower of cost or market

(iii)  Other (Specify method used and attach explanation) ▶ \_\_\_\_\_

**b** Check if there was a writedown of subnormal goods ..... ▶

**c** Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ..... ▶

**d** If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO ..... **9d** \_\_\_\_\_

**e** If property is produced or acquired for resale, do the rules of Section 263A apply to the corporation? .....  Yes  No

**f** Was there any change in determining quantities, cost, or valuations between opening and closing inventory? .....  Yes  No  
If "Yes," attach explanation.

Form **4562**

**Depreciation and Amortization**  
(Including Information on Listed Property) OTHER

OMB No. 1545-0172

**2015**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Information about Form 4562 and its separate instructions is at [www.irs.gov/form4562](http://www.irs.gov/form4562).

Attachment  
Sequence No. 179

Name(s) shown on return <b>FIDDLEHEADS NATURAL FOOD COOP</b>	Business or activity to which this form relates <b>OTHER DEPRECIATION</b>	Identifying number <b>90-0170069</b>
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**Part I Election To Expense Certain Property Under Section 179** Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	500,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	2,000,000.
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2014 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2016. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	13,322.
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	5,679.

**Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**

**Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2015	17	31,984.
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

**Section B - Assets Placed in Service During 2015 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property		1,274.	3 YRS	HY	200DB	424.
b 5-year property		12,051.	5 YRS	HY	200DB	2,412.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

**Section C - Assets Placed in Service During 2015 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	53,821.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use 25

26 Property used more than 50% in a qualified business use: Table with 9 columns for property details and percentages.

27 Property used 50% or less in a qualified business use: Table with 9 columns for property details and percentages.

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table for Section B with 6 main columns: (a) Vehicle, (b) Vehicle, (c) Vehicle, (d) Vehicle, (e) Vehicle, (f) Vehicle. Rows 30-36 include questions about miles driven and personal use.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

Table for Section C with 2 columns: Yes, No. Rows 37-41 include questions about written policies and requirements.

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

Table for Part VI with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year

42 Amortization of costs that begins during your 2015 tax year: Table with 6 columns for cost details.

43 Amortization of costs that began before your 2015 tax year 43 707.

44 Total. Add amounts in column (f). See the instructions for where to report 44 707.

Election to Waive the Net Operating Loss Carryback Period

Fiddleheads Natural Food Coop  
13 broad street  
new london, CT 06320

Employer Identification Number: 90-0170069

For the Year Ending December 31, 2015

Fiddleheads Natural Food Coop hereby elects, pursuant to Sec. 172(b)(3) of the Internal Revenue Code, to relinquish the entire carryback period with respect to the net operating loss incurred for the tax year ended December 31, 2015, and will have such loss available for carryforward only.



Section 1.263(a)-1(f) De Minimis Safe Harbor Election

Fiddleheads Natural Food Coop  
13 broad street  
new london, CT 06320

Employer Identification Number: 90-0170069

For the Year Ending December 31, 2015

Fiddleheads Natural Food Coop is making the de minimis safe harbor election under Reg. Sec. 1.263(a)-1(f).

FOOTNOTES

STATEMENT 1

TAXPAYER QUALIFIES AS A COOPERATIVE UNDER IRC 1381 AND IS ELIGIBLE TO FILE FORM 1120-C. SEE THE ATTACHED ARTICLES OF INCORPORATION DEMONSTRATING THAT THE TAXPAYER QUALIFIES AS A COOPERATIVE.

FORM 1120-C INTEREST INCOME STATEMENT 2

DESCRIPTION	US	OTHER
INTERST INCOME		45.
TOTAL TO FORM 1120-C, LINE 5		45.

FORM 1120-C OTHER INCOME STATEMENT 3

DESCRIPTION	AMOUNT
MISCELLANEOUS INCOME	1,452.
TOTAL TO FORM 1120-C, LINE 9	1,452.

FORM 1120-C TAXES AND LICENSES STATEMENT 4

DESCRIPTION	AMOUNT
PAYROLL TAXES	143,655.
TAXES & LICENSES	2,910.
CONNECTICUT TAXES - OTHER	283.
TOTAL TO FORM 1120-C, LINE 15	146,848.

FORM 1120-C	OTHER DEDUCTIONS	STATEMENT	5
DESCRIPTION		AMOUNT	
ACCOUNTING		33,805.	
AMORTIZATION		707.	
BANK CHARGES		5,282.	
DUES AND SUBSCRIPTIONS		5,085.	
EDUCATION & TRAINING		1,085.	
EMPLOYEE DISCOUNTS		37,176.	
GLOBAL CHARGES		39,887.	
INSURANCE		11,776.	
MEMBER DISCOUNTS		42,541.	
MISCELLANEOUS		126.	
OPERATING EXPENSES		20,729.	
POSTAGE		924.	
PROFESSIONAL SERVICES		124,362.	
SECURITY		2,470.	
TELEPHONE		4,287.	
TRAVEL		744.	
UTILITIES		62,237.	
REPAIRS AND MAINTENANCE		29,280.	
TOTAL TO FORM 1120-C, LINE 23		422,503.	

NET OPERATING LOSS DEDUCTION				STATEMENT	6
TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR	
12/31/13	22,525.		22,525.	22,525.	
12/31/14	62,665.		62,665.	62,665.	
NOL AVAILABLE THIS YEAR			85,190.	85,190.	

NET OPERATING LOSS DEDUCTION - PATRONAGE				STATEMENT	7
TAX YEAR	LOSS SUSTAINED	LOSS PREVIOUSLY APPLIED	LOSS REMAINING	AVAILABLE THIS YEAR	
12/31/13	22,525.	0.	22,525.	22,525.	
12/31/14	62,665.	0.	62,665.	62,665.	
NOL CARRYOVER AVAILABLE THIS YEAR			85,190.	85,190.	

FORM 1120-C	COST OF GOODS SOLD		STATEMENT	8
DESCRIPTION	(A) PATRONAGE	(B) NONPATRONAGE		
INVENTORY AT BEGINNING OF YEAR	199,873.			0.
PURCHASES	2,143,990.			0.
INVENTORY AT END OF YEAR	-184,107.			0.
TOTAL TO SCHEDULE G, LINE 2	2,159,756.			0.

FORM 1120-C	OTHER INCOME		STATEMENT	9
DESCRIPTION	(A) PATRONAGE	(B) NONPATRONAGE		
INTEREST INCOME - SEE STATEMENT	45.			0.
OTHER INCOME	1,452.			0.
TOTAL TO SCHEDULE G, LINE 4	1,497.			0.

FORM 1120-C	OTHER DEDUCTIONS		STATEMENT	10
DESCRIPTION	(A) PATRONAGE	(B) NONPATRONAGE		
DEPRECIATION	53,821.			0.
AMORTIZATION	707.			0.
BANK CHARGES	5,282.			0.
DUES AND SUBSCRIPTIONS	5,085.			0.
INSURANCE	11,776.			0.
MEMBER DISCOUNTS	42,541.			0.
POSTAGE	924.			0.
OPERATING EXPENSES	20,729.			0.
TELEPHONE	4,287.			0.
TRAVEL	744.			0.
UTILITIES	62,237.			0.
MISCELLANEOUS	126.			0.
GLOBAL CHARGES	39,887.			0.
SECURITY	2,470.			0.
PROFESSIONAL SERVICES	124,362.			0.
EDUCATION & TRAINING	1,085.			0.
EMPLOYEE DISCOUNTS	37,176.			0.
ACCOUNTING	33,805.			0.
SALARIES AND WAGES	461,176.			0.
REPAIRS AND MAINTENANCE	29,280.			0.
RENTS	109,906.			0.
TAXES & LICENSES	2,910.			0.
PAYROLL TAXES	143,655.			0.

STATE AND CITY TAXES	283.	0.
INTEREST	11,277.	0.
ADVERTISING	30,737.	0.
TOTAL TO SCHEDULE G, LINE 6B	1,236,268.	0.

FORM 1120-C	INTEREST INCOME		STATEMENT 11
DESCRIPTION	(A) PATRONAGE	(B) NONPATRONAGE	
INTERST INCOME	45.	0.	
TOTAL INCLUDED IN SCHEDULE G, LINE 4	45.	0.	

SCHEDULE L	OTHER CURRENT ASSETS		STATEMENT 12
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR	
NOTES RECEIVABLE		280.	
PREPAID EXPENSES		19,155.	
DEFERRED TAX ASSETS		3,000.	
TOTAL TO SCHEDULE L, LINE 4		22,435.	

SCHEDULE L	OTHER CURRENT LIABILITIES		STATEMENT 13
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR	
ACCRUED PAYROLL TAXES	0.	13,521.	
ACCRUED SALES TAX	3,747.	4,233.	
ACCRUED VACATIONS	28,843.	21,717.	
GIFT CERTIFICATES TO REDEEM	0.	6,216.	
ACCRUED EXPENSES	30,890.	11,988.	
ACCRUED RENT	13,100.	0.	
STATE ACCRUED TAXES	25.	250.	
TOTAL TO SCHEDULE L, LINE 16	76,605.	57,925.	

SCHEDULE L	OTHER LIABILITIES	STATEMENT	14
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR	
DEFERRED TAXES	5,209.	0.	
TOTAL TO SCHEDULE L, LINE 19	5,209.	0.	

SCHEDULE M-1	OTHER EXPENSES RECORDED ON BOOKS NOT DEDUCTED IN THIS RETURN	STATEMENT	15
DESCRIPTION		AMOUNT	
CY ACCRUED PTO		15,703.	
TOTAL TO SCHEDULE M-1, LINE 5		15,703.	

1120EXT0015V011019



# Form CT-1120 EXT

Application for Extension of Time to File  
Connecticut Corporation Tax Return

DRS Use ONLY ▶

M M D D Y Y Y Y

Other taxable year, beginning: ▶ and ending: ▶

**FIDDLEHEADS NATURAL FOOD COOP** ▶ **42436113000**

**13 BROAD STREET** ▶ **900170069**

**NEW LONDON CT 06320 -**

I request a six-month extension of time to October 1, 2016, to file my Connecticut corporation business tax return for calendar year 2015, or until (MMDDYYYY) for fiscal year ending (MMDDYYYY).

**Y** A federal extension has been requested on federal Form 7004, Application for Automatic Extension of Time to File Certain Business Income Tax, Information, and Other Returns, for calendar year 2015 or fiscal year beginning (MMDDYYYY) and ending (MMDDYYYY). If a federal extension has not been filed, explain why you are requesting the Connecticut extension:

	CT-1120CR	CT-1120U
1. Tentative amount of tax due for this income year; minimum tax \$250. See instructions.	1.	250
2. Surtax: See instructions.	2.	0
3. Total tax: Add Line 1 and Line 2. Include tax credit recapture, if applicable.	3.	250
4. Multiply Line 3 by 49.99% (0.4999)	4.	125
5. Multiply the number of companies included by \$250.	5.	250
6. Enter the greater of Line 4 or Line 5.	6.	250
7. Tax credit limitation: Subtract Line 6 from Line 3.	7.	0
8. Tax credits: Do not exceed amount on Line 7.	8.	0
9. Balance of tax payable: Subtract Line 8 from Line 3.	9.	250
10. Payment(s) of estimated tax	10.	250
11. Overpayment from prior year	11.	0
12. Total payments: Add Line 10 and Line 11.	12.	250
13. Amount due with this return: Subtract Line 12 from Line 9.	▶ 13.	0

Corporate officer's name (print)

Corporate officer's signature

Date

Title  
**GENERAL MANAGER**

Telephone number

May DRS contact the preparer shown below about this return? **Y**

Paid preparer's name (print)  
**BRUCE MAYER, CPA**

Paid preparer's signature

Date

Preparer's SSN or PTIN  
**P00187180**

Firm's name, address, and ZIP code  
**WEGNER CPAS LLP  
2110 LUANN LANE  
MADISON WI 53713**

Firm's FEIN  
**390974031**

Telephone number  
**6082744020**

1120EXT0015V011019

Sign Here  
Keep a copy for your records.

541831  
01-20-16

# Form CT-1120 EXT

**Do not send this sheet with your application.**

**Form CT-1120 EXT is required to be electronically filed.**

Only taxpayers that receive a waiver from electronic filing from DRS may file a paper version of this form. To request a waiver from the electronic filing requirement taxpayers must visit [www.ct.gov/drs/TSCfiling](http://www.ct.gov/drs/TSCfiling) and complete **Form DRS-EWVR**, *Electronic Filing and Payment Waiver Request*.

## **Checklist for filing your Connecticut application for extension of time to file connecticut income tax return for individuals:**

1. You **MUST** have applied for AND received a waiver from electronic filing from DRS.
2. Be sure that the application is not printed on the back of this sheet.
3. Verify that the address lines on the application are correct and proper abbreviations are used.
4. Do not attempt to remove or modify the solid boxes that print out on your application. Altering target marks may affect the processing of your application.
5. Do not send "Draft" or "Unapproved" versions of your application. This will delay or stop the processing of your application.
6. Do not make manual (hand written or typed) corrections to your application; this is a machine readable return. Changes may only be made by reentering information in your software and re-printing the application.
7. Do not use this application to change or amend previously filed returns.
8. Make check payable to: **Commissioner of Revenue Services**
9. To ensure proper posting, write your SSN(s) (optional) and **"2015 Form CT-1120 EXT"** on your check.
10. To mail your coupon, use the following addresses:  
Forms **with payment**, mail to:  
Department of Revenue Services  
PO Box 2974  
Hartford CT 06104-2974  
  
Forms **without payment**:  
Department of Revenue Services  
PO Box 150406  
Hartford CT 06115-0406
11. Verify that all fields print completely and legible before filing this return. If you find any errors, do not make manual changes. Re-enter information in your software and re-print the application.

**Do not send this sheet with your application.**





Enter Income Year Beginning **JAN 1**, 2015, and Ending **DEC 31 2015**

Total assets ▶ <b>633,605</b> 00	<b>FIDDLEHEADS NATURAL FOOD COOP</b> <b>13 BROAD STREET</b> <b>NEW LONDON, CT 06320</b>	Federal Employer ID Number (FEIN) ▶ <b>90-0170069</b>
Amount from federal Form 1120, Line 11: See Sch. C, Line 1b below. ▶ <b>1,174,538</b> 00		DRS use only ▶ <b>-</b> <b>- 20</b>
NAICS code: See instructions. ▶ <b>445110</b>		CT Tax Registration Number ▶ <b>42436113000</b>

Visit [www.ct.gov/TSC](http://www.ct.gov/TSC) [www.ct.gov/DRS](http://www.ct.gov/DRS)  
 to file and pay this  
 return electronically.  
**TSC**  
 Taxpayer Service Center

**Check and Complete All Applicable Boxes**

- Address change
- Return status:  Initial  Final  Short period
- If this is a final return, has the corporation: ▶  Dissolved ▶  Withdrawn  
 ▶  Merged/reorganized: Enter survivor's CT Tax Registration Number: \_\_\_\_\_
- Federal return was filed on: ▶  1120 ▶  1120-H ▶  1120-REIT ▶  1120-RIC ▶  Other: **1120-C**  
 ▶  Consolidated basis: Parent co. name ▶ \_\_\_\_\_ Parent co. FEIN ▶ \_\_\_\_\_
- Is this corporation exchanging R & D tax credits? ▶  Yes (Attach Form CT-1120 XCH.)  No
- Was this company included in a CT combined or unitary business tax return for the previous year? ▶  Yes ▶  No  
 If this is the first year electing or revoking combined or unitary status, file Form CT-1120CC or Form CT-1120CC-R.
- Is this company included in a CT combined or unitary business tax return for this year?  
 Yes (Attach Form CT-1120CR or Form CT-1120U.)  No
- Is the principal place of business located in CT? ▶  Yes ▶  No  
 If No, enter state where principal place of business is located \_\_\_\_\_ State of incorporation \_\_\_\_\_  
 Date of organization \_\_\_\_\_ Date qualified in CT \_\_\_\_\_ Date business began in CT \_\_\_\_\_
- Is this corporation exempt from CT corporation business tax?  Yes (Attach explanation of exemption including statutory cite.)  No
- Did this corporation use the annualized method to calculate its estimated tax installments? ▶  Yes (Attach Form CT-1120L)  No
- Does this corporation pay, accrue, or incur interest expenses or intangible expenses, costs, and related interest expenses to a related member? ▶  Yes (Attach Form CT-1120AB.)  No
- Is this corporation filing Form CT-1120 PIC? ▶  Yes (Attach Form CT-1120 PIC.)  No

541701  
 01-29-16

**Attach a complete copy of Form 1120 including all schedules as filed with the Internal Revenue Service.**

**Complete Schedule C after completing all other schedules.**

**Schedule C - Computation of Amount Payable (Minimum Tax \$250)**

1a. Tax: Greater of Schedule A, Line 6; Schedule B, Line 6; or \$250	▶ 1a	<b>858</b> 00	<b>For a faster and more secure refund choose direct deposit.</b>
1b. Surtax: Line 1a multiplied by 20%. If federal Form 1120, Line 11 is less than \$100,000,000 or Line 1a is \$250 enter "0."	▶ 1b	<b>0</b> 00	
1c. Recapture of tax credits: See instructions.	▶ 1c	<b>00</b>	
1. <b>Total tax:</b> Enter the total of Lines 1a through Line 1c. If no tax credits claimed, enter also on Line 6	▶ 1	<b>858</b> 00	
2. Multiply Line 1 by 49.99% (0.4999).	▶ 2	<b>429</b> 00	
3. Enter the greater of Line 2 or \$250	▶ 3	<b>429</b> 00	
4. Tax credit limitation: Subtract Line 3 from Line 1	▶ 4	<b>429</b> 00	
5. Tax credits from Form CT-1120K, Part II, Line 9. Do not exceed amount on Line 4.	▶ 5	<b>429</b> 00	
6. Balance of tax payable: Subtract Line 5 from Line 1	▶ 6	<b>429</b> 00	
7a. Paid with application for extension from Form CT-1120 EXT	▶ 7a	<b>250</b> 00	
7b. Paid with estimates from Forms CT-1120 ESA, ESB, ESC, & ESD	▶ 7b	<b>00</b>	
7c. Overpayment from prior year	▶ 7c	<b>00</b>	
7. <b>Tax payments:</b> Enter the total of Lines 7a, 7b, and 7c	▶ 7	<b>250</b> 00	
8. Balance of tax due (overpaid): Subtract Line 7 from Line 6	▶ 8	<b>179</b> 00	
9a. Penalty	▶ 9a	<b>50</b> 00	
9b. Interest	▶ 9b	<b>4</b> 00	
9c. CT-1120I Interest	▶ 9c	<b>00</b>	
9. Total penalty and interest: Enter the total of Lines 9a, 9b, and Line 9c	▶ 9	<b>54</b> 00	
10a. Amount to be credited to 2016 estimated tax	▶ 10a	<b>00</b>	
10b. Amount to be refunded	▶ 10b	<b>00</b>	
<b>For faster refund, use Direct Deposit by completing Lines 10c, 10d, and 10e.</b>	▶ 10c. Checking	▶ <input type="checkbox"/> Savings	▶ <input type="checkbox"/>
10d. Routing number	▶ _____	10e. Account number	▶ _____
10f. Will this refund go to a bank account outside the U.S.?	▶ <input type="checkbox"/> Yes	10g. Bank name	▶ _____
10. Total to be credited or refunded: Enter the total of Line 10a and Line 10b	▶ 10	<b>00</b>	
11. <b>Balance due with this return:</b> Add Line 8 and Line 9	▶ 11	<b>233</b> 00	



**Schedule A - Computation of Tax on Net Income**

1. Net income: Enter amount from <i>Schedule D</i> , Line 22. If <b>100% Connecticut</b> , enter also on Line 3	1	-51,240	00
2. Apportionment fraction: Carry to six places. See instructions	2	1.000000	
3. Connecticut net income: Multiply Line 1 by Line 2	3	-51,240	00
4. Operating loss carryover from <b>Form CT-1120 ATT</b> , <i>Schedule H</i> , Line 17, Column D. Do not exceed 50% of Line 3	4		00
5. Income subject to tax: Subtract Line 4 from Line 3	5	-51,240	00
6. <b>Tax</b> : Multiply Line 5 by 7.5% (.075)	6		00

**Schedule B - Computation of Minimum Tax on Capital**

1. Minimum tax base from <i>Schedule E</i> , Line 6, Column C. If <b>100% Connecticut</b> , enter also on Line 3	1	276,681	00
2. Apportionment fraction: Carry to six places. See instructions	2	1.000000	
3. Multiply Line 1 by Line 2	3	276,681	00
4. Number of months covered by this return	4		12
5. Multiply Line 3 by Line 4, divide the result by 12	5	276,681	00
6. <b>Tax</b> (3 and 1/10 mills per dollar): Multiply Line 5 by .0031. Maximum tax for <i>Schedule B</i> is \$1,000,000	6		85800

**Schedule D - Computation of Net Income**

1. Federal taxable income (loss) before net operating loss and special deductions	1	-61,730	00
2. Interest income wholly exempt from federal tax	2		00
3. Unallowable deduction for corporation tax from <i>Schedule F</i> , Line 8	3		00
4. Interest expenses paid to a related member from <b>Form CT-1120AB</b> , Part I A, Line 1	4		00
5. Intangible expenses and costs paid to a related member from <b>Form CT-1120AB</b> , Part I B, Line 3	5		00
6. Federal bonus depreciation: See instructions	6	13,322	00
7. <i>Reserved for future use</i>	7		
8. IRC §199 domestic production activities deduction from federal Form 1120, Line 25	8		00
9. Other: Attach explanation	9		00
10. Total: Add Lines 1 through 9	10	-48,408	00
11. Dividend deduction from <b>Form CT-1120 ATT</b> , <i>Schedule I</i> , Line 5	11		00
12. Capital loss carryover (if not deducted in computing federal capital gain)	12		00
13. Capital gain from sale of preserved land	13		00
14. Federal bonus depreciation recovery from <b>Form CT-1120 ATT</b> , <i>Schedule J</i> , Line 16	14	2,832	00
15. Exceptions to interest add back from <b>Form CT-1120AB</b> , Part II A, Line 1	15		00
16. Exceptions to interest add back from <b>Form CT-1120AB</b> , Part II A, Line 2	16		00
17. Exceptions to interest add back from <b>Form CT-1120AB</b> , Part II A, Line 3	17		00
18. Exceptions to add back of intangible expenses paid to a related member from <b>Form CT-1120AB</b> , Part II B, Line 1	18		00
19. Deferred cancellation of debt income. See instructions	19		00
20. Other: See instructions.	20		00
21. Total: Add Lines 11 through 20	21	2,832	00
22. <b>Net income</b> : Subtract Line 21 from Line 10. Enter here and on <i>Schedule A</i> , Line 1	22	-51,240	00

**Schedule E - Computation of Minimum Tax Base**

See instructions.	Column A	Column B	Column C <i>(Column A plus Column B) Divided by 2</i>
	Beginning of Year	End of Year	
1. Capital stock from federal Schedule L, Line 22a and Line 22b	53,675	57,450	
2. Surplus and undivided profits from federal Schedule L, Lines 23, 24, and 25	237,795	204,441	
3. Surplus reserves: Attach schedule			
4. Total: Add Lines 1, 2, and 3. Enter average in Column C	291,470	261,891	276,681
5. Holdings of stock of private corps: Attach sch. Enter average in Col C.			
6. Balance: Subtract Line 5, Column C, from Line 4, Column C. Enter here and on <i>Schedule B</i> , Line 1			276,681



**Schedule F - Taxes**

	Column A	Column B
1. Payroll .....	1. 00	
2. Real property .....	2. 00	
3. Personal property .....	3. 00	
4. Sales and use .....	4. 00	
5. Other: See instructions <b>SEE STATEMENT 2</b> .....	5. 146,565	00
6. Connecticut corporation business tax deducted in the computation of federal taxable income .....	6.	00
7. Tax on or measured by income or profits imposed by other states or political subdivisions deducted in the computation of federal taxable income: Attach schedule .....	7.	00
8. Total unallowable deduction for corporation business tax purposes: Add Line 6 and Line 7, Column B. Enter here and on <i>Schedule D</i> , Line 3 .....	8.	00

**Schedule G - Additional Required Information** - Attach a schedule of corporate officers' names, titles, and addresses. See instructions.

1. In which CT town(s) does the corporation own or lease, as lessee, real or tangible personal property, or perform services?  
**NEW LONDON**

2. (a) Did this corporation directly or indirectly transfer a controlling interest in an entity owning CT real property?  Yes  No  
 If **Yes**, enter: Entity name  Federal Employer ID Number

(b) Was there a direct or indirect transfer of a controlling interest in your company owning CT real property?  Yes  No  
 If **Yes**, enter: Transferor name  Federal Employer ID Number

(c) If the answer to either 2(a) or 2(b) is **Yes**, enter: Transferee(s) name \_\_\_\_\_  
 Date of transfer \_\_\_\_\_, and attach a list of addresses for all Connecticut real property transferred.

3. Did any corporation at any time during the year own a majority of the voting stock of this corporation?  Yes  No  
 If **Yes**, enter: Corporation name \_\_\_\_\_ Federal Employer ID Number \_\_\_\_\_

4. Last taxable year this corporation was audited by the Internal Revenue Service  \_\_\_\_\_  
 Were adjustments reported to CT?  Yes  No (If **No**, attach explanation.)

**Declaration:** I declare under penalty of law that I have examined this return (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false return or document to the Department of Revenue Services (DRS) is a fine of not more than \$5,000, imprisonment for not more than five years, or both. The declaration of a paid preparer other than the taxpayer is based on all information of which the preparer has any knowledge.

Sign Here  Keep a copy of this return for your records.	Corporate officer's name (print)	Corporate officer's signature	Date
	Corporate officer's email address (print)	Telephone number	
	Title <b>GENERAL MANAGER</b>	May DRS contact the preparer shown below about this return? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> See instructions.	
	Paid preparer's name (print) <b>BRUCE MAYER, CPA</b>	Date	
	Paid preparer's signature	Preparer's SSN or PTIN <b>P00187180</b>	
	Firm's name and address <b>WEGNER CPAS, LLP 2110 LUANN LANE MADISON, WI 53713</b>	FEIN <b>39-0974031</b>	Telephone number <b>608-274-4020</b>



**Form CT-1120 ATT**  
**Corporation Business Tax Return**  
**Attachment Schedules H, I, and J**

**2015**

1120ATT 00 15V 01 1019

Complete this form in blue or black ink only. See instructions before completing.

Corporation name  
**FIDDLEHEADS NATURAL FOOD COOP**

Connecticut Tax Registration Number  
**42436113000**

**Schedule H - Connecticut Apportioned Loss Carryover**

	<b>Column A</b> Connecticut Apportioned Income (Loss)	<b>Column B</b> Connecticut Apportioned Loss Carryover Applied 2001 to 2014	<b>Column C</b> Carryover to 2015 Subtract Column B from Column A.	<b>Column D</b> Connecticut Apportioned Loss Carryover Applied to 2015	<b>Column E</b> Remaining Apportioned Carryover Available for 2016	
1.	<b>2000</b>	00	00	00	00	
2.	<b>2001</b>	00	00	00	00	
3.	<b>2002</b>	00	00	00	00	
4.	<b>2003</b>	00	00	00	00	
5.	<b>2004</b>	00	00	00	00	
6.	<b>2005</b>	00	00	00	00	
7.	<b>2006</b>	00	00	00	00	
8.	<b>2007</b>	00	00	00	00	
9.	<b>2008</b>	00	00	00	00	
10.	<b>2009</b>	00	00	00	00	
11.	<b>2010</b>	00	00	00	00	
12.	<b>2011</b>	00	00	00	00	
13.	<b>2012</b>	00	00	00	00	
14.	<b>2013</b>	22,525 00	00	22,525 00	22,525 00	
15.	<b>2014</b>	62,665 00		62,665 00	62,665 00	
16.	<b>2015</b>	51,240 00			51,240 00	
17.	<b>Total:</b> Add Lines 1 through 15 in Column D. Enter the result from Column D here and on Form CT-1120 or Form CT-1120U, Schedule A, Line 4. Do not exceed 50% of Form CT-1120 or Form CT-1120U, Schedule A, Line 3. ....				0 00	
18.	<b>Total combined operating loss carryover to 2016.</b> Add Lines 1 through 16 in Column E.					136,430 00



1120ATT 00 15V 02 1019

**Schedule I - Dividend Deduction**

		Column A Amount	Column B Deduction Rate	Column C Balance (Col. A x Col. B)	Column D Related Expenses Attach schedule.	Column E Dividend Deduction (Col. C - Col. D)
1.	Dividend income included in computation of federal taxable income from <b>Form CT-1120, Schedule D, Line 1:</b> See inst. ▶	00				
2.	Dividends from domestic corporations less than 20% owned ▶	00	70% (.70)		00	00
3.	Dividend balance: Subtract Line 2 from Line 1. ▶	00	100% (1.0)		00	00
4.	Dividends from a Captive REIT that is taxable in Connecticut Captive REIT Name: _____ FEIN: _____ ▶	00	100% (1.0)		00	00
5.	<b>Total dividend deduction:</b> Add Lines 2, 3, and 4 in Column E. Enter the result here and on <b>Form CT-1120, Schedule D, Line 11.</b>					00

**Schedule J - Bonus Depreciation Recovery**

Assets Subject to IRC §168(k) Placed in Service During Income Year	Column A 2015 MACRS Depreciation on Federal Basis (after IRC §168(k) Bonus)	Column B 2015 MACRS Depreciation on Connecticut Basis (without IRC §168(k) Bonus)	Column C 2015 Recovery of IRC §168(k) Bonus Depreciation (Col. B - Col. A)
1. 2000	00	00	00
2. 2001	00	00	00
3. 2002	00	00	00
4. 2003	00	00	00
5. 2004	00	00	00
6. 2005	00	00	00
<b>No bonus depreciation was available for 2006</b>			
7. 2007	00	00	00
8. 2008	00	00	00
9. 2009	00	00	00
10. 2010	00	00	00
11. 2011	00	00	00
12. 2012	00	00	00
13. 2013	00	00	00
14. 2014	00	00	00
15. 2015	34,820 <sup>00</sup>	37,652 <sup>00</sup>	2,832 <sup>00</sup>
16. <b>Federal bonus depreciation recovery:</b> Add Lines 1 through 15, in Column C. Enter the result here and on <b>Form CT-1120, Schedule D, Line 14.</b>			2,832 <sup>00</sup>



**Form CT-1120K**  
**Business Tax Credit Summary**

Complete this form in blue or black ink only. See instructions before completing.

**2015**

Corporation name  
**FIDDLEHEADS NATURAL FOOD COOP**

Connecticut Tax Registration Number  
**42436113000**

**Part I - Tax Credits From 2015 Income Year**

<b>Part I-A</b> Tax Credits With Carryback Provisions		<b>A</b> Credit Amount Claimed	<b>B</b> Amount Applied to Corporation Business Tax	<b>C</b> Amount Applied to Other Taxes	<b>D</b> Carryback Amount	
1	Neighborhood Assistance: See instructions.	00	▶	00	▶	00
2	Housing Program Contribution: See instructions.	00	▶	00	▶	00
3	<b>Total Part I-A:</b> Add Line 1 and Line 2 in Columns A through D.	00	▶	00	▶	00

<b>Part I-B</b> Tax Credits Without Carryback or Carryforward Provisions		<b>A</b> Credit Amount Claimed	<b>B</b> Amount Applied to Corporation Business Tax	<b>C</b> Amount Applied to Other Taxes	<b>D</b> Carryback or Carryforward Amount
4	Apprenticeship Training - <b>Form CT-1120AT</b>	00	▶	00	
5	Manufacturing Facility Tax Credit for Facilities Located in a Targeted Investment Community/Enterprise Zone - <b>Form CT-1120 TIC/EZ</b>	00	▶	00	
6	Machinery and Equipment - <b>Form CT-1120 MEC</b>	00	▶	00	
7	<i>Reserved for future use</i>				
8	Service Facility - <b>Form CT-1120SF</b>	00	▶	00	
9	New Jobs Creation - <b>Form CT-1120 NJC</b>	00	▶	00	▶
10	<i>Reserved for future use</i>				
11	Film Production - <b>Form CT-1120FP</b>	00	▶	00	▶
12	Digital Animation - <b>Form CT-1120DA</b>	00	▶	00	▶
13	Film Production Infrastructure - <b>Form CT-1120 FPI</b>	00	▶	00	▶
14	Job Expansion - <b>Form CT-1120 JET</b>	00	▶	00	▶
15	<b>Total Part I-B:</b> Add Lines 4 through 14 in Columns A through C.	00	▶	00	▶



Part I-C Tax Credits With Carryforward Provisions		A Carryforward Amount From Previous Income Years	B 2015 Credit Amount Claimed	C Amount Applied to Corporation Business Tax	D Amount Applied to Other Taxes or Exchanged	E Carryforward Amount to 2016
16	Housing Program Contribution See instructions. <b>Form CT-1120 HPC</b>	00		00	00	00
17	<i>Reserved for future use</i>					
18	Research and Experimental Expenditures <b>Form CT-1120RC:</b> Enter amount exchanged in Column D.	00	00	00	00	00
19	Research and Development <b>Form CT-1120 RDC:</b> Enter amount exchanged in Column D.	00	00	00	00	00
20	Fixed Capital Investment <b>Form CT-1120 FCIC</b>	7,852 <sup>00</sup>	1,162 <sup>00</sup>	429 <sup>00</sup>		8,585 <sup>00</sup>
21	Human Capital Investment <b>Form CT-1120 HCIC</b>	00	00	00		00
22	Insurance Reinvestment Fund <b>Form CT-IRF</b>	00	00	00	00	00
23	Small Business Administration Guaranty Fee - <b>Form CT-1120 SBA</b>	00		00		00
24	Historic Homes Rehabilitation <b>Form CT-1120HH</b>	00	00	00	00	00
25	Donation of Land - <b>Form CT-1120DL</b>	00	00	00		00
26	Historic Structures Rehabilitation <b>Form CT-1120HS</b>	00	00	00	00	00
27	Historic Preservation - <b>Form CT-1120HP</b>	00	00	00	00	00
28	Urban and Industrial Site Reinvestment <b>Form CT-UISR</b>	00	00	00	00	00
29	Green Buildings - <b>Form CT-1120GB</b>	00	00	00		00
30	Historic Rehabilitation - <b>Form CT-1120HR</b>	00	00	00	00	00
31	Total Part I-C: Add Lines 16 through 30 in Columns A through E. Do not include amounts on Line 18 and Line 19 in Column D total on Line 31.	7,852 <sup>00</sup>	1,162 <sup>00</sup>	429 <sup>00</sup>	00	8,585 <sup>00</sup>



Part I-D		A	B	C	D	E
Electronic Data Processing Equipment Property Tax Credit		Carryforward Amount From Previous Income Years	2015 Credit Amount Claimed	Amount Applied to Corporation Business Tax	Amount Applied to Other Taxes	Carryforward Amount to 2016
32	Electronic Data Processing Equipment Property - <b>Form CT-1120 EDPC</b>	00	00	00	00	00

**Part II - Tax Credits Applied to the Corporation Business Tax**

Combined return filers - Do not complete Part II.

1	Tax Credit Limitation: Enter amount from <b>Form CT-1120, Schedule C, Line 4.</b>	429	00
2	<b>Tax Credits With Carryback Provisions:</b> Enter amount from <b>Part I-A, Line 3, Column B. Do not exceed amount on Line 1.</b>		00
3	Creditable corporation business tax balance: Subtract Line 2 from Line 1.	429	00
4	<b>Tax Credits Without Carryback or Carryforward Provisions:</b> Enter amount from <b>Part I-B, Line 15, Column B. Do not exceed amount on Line 3.</b>		00
5	Creditable corporation business tax balance: Subtract Line 4 from Line 3.	429	00
6	<b>Tax Credits With Carryforward Provisions:</b> Enter amount from <b>Part I-C, Line 31, Column C.</b> Tax credit carryforwards that expire first should be claimed before other tax credit carryforwards that either expire later or do not expire. <b>Do not exceed amount on Line 5.</b>	429	00
7	Creditable corporation business tax balance: Subtract Line 6 from Line 5.		00
8	<b>Electronic Data Processing Equipment Property Tax Credit:</b> Enter amount from <b>Part I-D, Line 32, Column C.</b> Tax credit carryforwards that expire first should be claimed before other tax credit carryforwards that either expire later or do not expire. <b>Do not exceed amount on Line 7.</b>		00
9	<b>Total Corporation Business Tax Credits Applied:</b> Add Part II, Lines 2, 4, 6, and 8. Enter here and on <b>Form CT-1120, Schedule C, Line 5. Do not exceed amount on Line 1.</b>	429	00

**Part III - Tax Credits Applied to Taxes Other Than the Corporation Business Tax**

Name of tax: Duplicate Part III as necessary.

1	Tax: Enter the creditable tax amount from the appropriate tax form. Taxpayers filing Form CT-207, Form CT-207F, or Form CT-207HCC must complete Form CT-207K to claim tax credits.		00
2	<b>Tax Credits With Carryback Provisions:</b> Enter amount from <b>Part I-A, Line 3, Column C. Do not exceed amount on Line 1.</b>		00
3	Tax balance: Subtract Line 2 from Line 1.		00
4	<b>Tax Credits Without Carryback or Carryforward Provisions:</b> Enter amount from <b>Part I-B, Line 15, Column C. Do not exceed the amount on Line 3.</b>		00
5	Tax balance: Subtract Line 4 from Line 3.		00
6	<b>Tax Credits With Carryforward Provisions:</b> Enter amount from <b>Part I-C, Line 31, Column D. Do not exceed amount on Line 5.</b>		00
7	Tax balance: Subtract Line 6 from Line 5.		00
8	<b>Electronic Data Processing Equipment Property Tax Credit:</b> Enter amount from <b>Part I-D, Line 32, Column D. Do not exceed amount on Line 7.</b>		00
9	<b>Total Tax Credits Applied to Taxes Other Than the Corporation Business Tax:</b> Add Part III, Lines 2, 4, 6, and 8. Enter here and on the appropriate tax return. <b>Do not exceed amount on Line 1.</b>		00



# Form CT-1120 FCIC Fixed Capital Investment Tax Credit

# 2015

(Rev. 12/15)

For Income Year Beginning: **JAN 1**, 2015 and Ending: **DEC 31**, 2015

Corporation name <b>FIDDLEHEADS NATURAL FOOD COOP</b>	CT Tax Registration Number <b>42436113000</b>
--	--

<b>Part I - Credit Computation</b>			
1.	Enter fixed capital investment expenditures made during the 2015 income year. Attach detailed schedule.	1.	<b>23,247</b>
2.	Enter fixed capital expenditures from Line 1 that were applied against any other corporation business tax credit.	2.	
3.	Subtract Line 2 from Line 1.	3.	<b>23,247</b>
4.	<b>Tax credit:</b> Multiply Line 3 by 5% (.05). Enter here and on <b>Form CT-1120K</b> , Part I-C, Column B.	4.	<b>1,162</b>

<b>Part II - Computation of Carryforward</b> - Credit may be carried forward to five succeeding income years. See instructions below.						
		<b>A</b> Total Credit Earned	<b>B</b> Credit Applied 2010 Through 2014	<b>C</b> Carryforward to 2015 Subtract Column B from Column A.	<b>D</b> Credit Applied to 2015	<b>E</b> Carryforward to 2016
1.	2010 Form CT-1120 FCIC, Part I, Line 4					
2.	2011 Form CT-1120 FCIC, Part I, Line 4					
3.	2012 Form CT-1120 FCIC, Part I, Line 4					
4.	2013 Form CT-1120 FCIC, Part I, Line 4	6,820.		6,820.	429.	6,391.
5.	2014 Form CT-1120 FCIC, Part I, Line 4	1,568.	536.	1,032.		1,032.
6.	2015 Form CT-1120 FCIC, Part I, Line 4	1,162.				1,162.
7.	<b>Total Fixed Capital Investment tax credit applied to 2015:</b> Add Lines 1 through 6, Column D. Enter total here and on <b>Form CT-1120K</b> , Part I-C, Column C.				429.	
8.	<b>Total Fixed Capital Investment tax credit carryforward to 2016:</b> Add Lines 2 through 6, Column E. Enter total here and on <b>Form CT-1120K</b> , Part I-C, Column E.					8,585.

### Computation of Carryforward Instructions

**Lines 1 through 6, Columns A through D** - Enter the amount for each corresponding year.

**Lines 2 through 5, Column E** - Subtract Column D from Column C.

**Line 6, Column E** - Subtract Line 6, Column D from Line 6, Column A.

<b>Part III - Computation of Recapture</b> - See instructions below.			
1.	Enter the amount of Fixed Capital Investment tax credit to be recaptured at 50%. Attach detailed schedule.	1.	
2.	Multiply Line 1 by 50% (.50).	2.	
3.	Enter the amount of Fixed Capital Investment tax credit to be recaptured at 100%. Attach detailed schedule.	3.	
4.	<b>Total recapture amount:</b> Add Line 2 and Line 3. Enter total here and on <b>Form CT-1120</b> , or <b>Form CT-1120U</b> , Schedule C, Line 1c or <b>Form CT-1120CR</b> , Part IV, Line 4.	4.	

### Computation of Recapture Instructions

The corporation is required to recapture 50% of the credit allowed if the fixed capital for which the credit was applied or its replacement is not held and used in Connecticut in the ordinary course of the corporation's trade or business in Connecticut for five full years following its acquisition.

The corporation is required to recapture 100% of the credit allowed if the fixed capital for which the credit was applied or its replacement is not held and used in Connecticut in the ordinary course of the corporation's trade or business in Connecticut for three full years following its acquisition.

Recapture is required in the income year following the income year during which the three-year or five-year period expires. A corporation may also elect to recapture earlier than is required.

The corporation should include the amount of the credit to be recaptured for capital held at least three years, but less than five years in Line 1 and the amount of the credit to be recaptured for capital held for less than three years in Line 3.

Form **4562**

**Depreciation and Amortization**  
(Including Information on Listed Property) OTHER

CT

OMB No. 1545-0172

**2015**

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach to your tax return.  
▶ Information about Form 4562 and its separate instructions is at [www.irs.gov/form4562](http://www.irs.gov/form4562).

Attachment  
Sequence No. 179

Name(s) shown on return <b>FIDDLEHEADS NATURAL FOOD COOP</b>	Business or activity to which this form relates <b>OTHER DEPRECIATION</b>	Identifying number <b>90-0170069</b>
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**Part I Election To Expense Certain Property Under Section 179** Note: If you have any listed property, complete Part V before you complete Part I.

1 Maximum amount (see instructions)	1	500,000.
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	2,000,000.
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost
7 Listed property. Enter the amount from line 29	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2014 Form 4562	10	
11 Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2016. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15 Property subject to section 168(f)(1) election	15	
16 Other depreciation (including ACRS)	16	5,679.

**Part III MACRS Depreciation (Do not include listed property.) (See instructions.)**

**Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2015	17	31,984.
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here	<input type="checkbox"/>	

**Section B - Assets Placed in Service During 2015 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property		2,548.	3 YRS	HY	200DB	849.
b 5-year property		24,099.	5 YRS	HY	200DB	4,819.
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

**Section C - Assets Placed in Service During 2015 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

**Part IV Summary (See instructions.)**

21 Listed property. Enter amount from line 28	21	
22 Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	43,331.
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation deduction, (i) Elected section 179 cost.

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use 25

26 Property used more than 50% in a qualified business use: Table with 9 columns for property details and depreciation.

27 Property used 50% or less in a qualified business use: Table with 9 columns for property details and depreciation.

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 28

29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table for Section B with 6 main columns: (a) Vehicle, (b) Vehicle, (c) Vehicle, (d) Vehicle, (e) Vehicle, (f) Vehicle. Includes rows 30-36 for mileage and availability questions.

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

Table for Section C with 2 columns: Yes, No. Includes rows 37-41 for policy and use questions.

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

Table with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year.

42 Amortization of costs that begins during your 2015 tax year: Table with 6 columns for amortization details.

43 Amortization of costs that began before your 2015 tax year 43 707.

44 Total. Add amounts in column (f). See the instructions for where to report 44 707.

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FOOTNOTES

STATEMENT 1

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TAXPAYER QUALIFIES AS A COOPERATIVE UNDER IRC 1381 AND IS ELIGIBLE TO FILE FORM 1120-C. SEE THE ATTACHED ARTICLES OF INCORPORATION DEMONSTRATING THAT THE TAXPAYER QUALIFIES AS A COOPERATIVE.

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CT-1120 OTHER TAXES STATEMENT 2

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DESCRIPTION	AMOUNT
TAXES & LICENSES	2,910.
PAYROLL TAXES	143,655.
TOTAL TO CT-1120, PAGE 3, SCHEDULE F, LINE 5	146,565.

Electronic Filing PDF Attachment

# CERTIFICATE OF INCORPORATION STOCK CORPORATION

Office of the Secretary of the State  
30 Trinity Street / P.O. Box 150470 / Hartford, CT 06115-0470 / Rev. 03/13/2002

Space For Office Use Only

Filing Fee: See cover letter

1. NAME OF CORPORATION:

*Fiddleheads Natural Foods Cooperative, Inc*

2. TOTAL NUMBER OF AUTHORIZED SHARES: 20,000

If the corporation has more than one class of shares, it must designate each class and the number of shares authorized within each class below

Class	Number of shares per class
<i>CLASS A Member Voting</i>	<i>5,000</i>
<i>CLASS B Non-Voting Preferred</i>	<i>15,000</i>

3. TERMS, LIMITATIONS, RELATIVE RIGHTS AND PREFERENCES OF EACH CLASS OF SHARES AND SERIES THEREOF PURSUANT TO CONN. GEN. STAT. SECTION 33-665:

*See Attachment*

Space For Office Use Only

4. APPOINTMENT OF REGISTERED AGENT: (Please select only one A. or B.)

Print or type name of agent:

A. Individual's Name:

Colleen Brower

Business address: (P.O. Box is unacceptable)

None

Residence address: (P.O. Box is unacceptable)

63 William Street  
Pawcatuck, CT 06379

B. Business Entity:

Address: (P.O. Box is unacceptable)

Acceptance of appointment

Colleen Brower

Signature of agent

5. OTHER PROVISIONS:

See Attachment

6. EXECUTION:

Dated this 6 day of March, 20 04.

Certificate must be signed by each incorporator.

See Attachment

PRINT OR TYPE NAME OF INCORPORATOR(S)	SIGNATURE(S)	COMPLETE ADDRESS(ES)
Colleen Brower	Colleen Brower	63 William St. Pawcatuck, CT 06379
Ann-Marie Chapman	Ann Marie Chapman	9 McGrath Court Stonington, CT 06378
Elizabeth Archer Marleen	Elizabeth Archer	368 Mistucket Ave Stonington, CT 06378
Stafford McHenry	Stafford McHenry	368 Mistucket Ave Stonington, CT 06378

Additional Signatures on Attachment



**Addendum to Certificate of Incorporation  
Stock Corporation**

1. **Name:** *Fiddleheads Natural Foods Cooperative, Inc.*
2. **Total Number of Authorized Shares:** 20,000

Class	Number of Shares per Class
Class A Member Voting Stock	5,000
Class B Non-voting Preferred Stock	15,000

3. **Terms, Limitations Relative Rights and Preferences of Each Class of Shares and Series Thereof Pursuant to Conn. Gen. Stat. Section 33-665.**
  - **Class A Member Voting Stock.** Members who meet Membership requirements shall purchase one (1) share of Class A Member Voting Stock, having a par value of twenty-five dollars (\$25). The Board of Directors shall establish the number of Class A shares authorized to be outstanding at any one time. The record owner of Class A Voting Stock shall be as it appears on the books and records of the Cooperative, and such record owner shall be entitled to one vote on any matter before shareholders for a vote. Ownership of Class A Voting Stock is restricted to Members of the Cooperative, and such shares may not be assigned, sold or otherwise transferred by the record owner, whether voluntarily or involuntarily or by operation of law or otherwise, except by action of the Cooperative, which shall act as the transfer agent for all transfers of shares. Upon the termination or withdrawal from Membership of the record owner, his/her Class A Voting Stock shall be retired immediately at par value by the Cooperative's Board of Directors. No dividends shall be paid on shares of Class A Voting Stock. All Class A Voting Shares shall be valued equally and shall have equal benefits and rights. Only Members who have fully paid for their stock shall be issued stock and shall have voting rights. All Class A shares will be offered for sale and sold in accord with applicable laws.
  - **Class B Non-voting Preferred Stock.** The Cooperative may issue Class B Non-voting Preferred Investment stock, under a plan to be adopted by the Board of Directors, which plan shall include; (a) determining a suitable book value and share price prior to issuance, and (b) compliance with applicable laws in the method of offering and selling such shares. Class B Non-voting stock may be owned by any Member or non-Member wishing to provide capital to the Cooperative. The Board of Directors shall establish the number of shares of Class B stock authorized to be outstanding at any one time. The record owner of Class B Non-voting Stock shall be as it appears on the books and records of the Cooperative, and such record owner shall not be entitled to vote on any matter before Members for a vote. Ownership of Class B Non-voting Stock is restricted to the record owner as it appears on the books and records of the Cooperative, and such shares may not be assigned, sold or otherwise transferred by the record owner, whether voluntarily or involuntarily or by operation of law or

otherwise, except by action of the Cooperative, which shall act as the transfer agent for all transfers of shares. Class B Non-voting Stock may be retired upon request of the record holder at the discretion of Cooperative's Board of Directors, provided that the Board determines that such retirement shall not have a material adverse financial affect on the fiscal soundness of the Cooperative. Dividends paid on shares of Class B Non-voting Stock shall be non-cumulative, and may be declared solely at the discretion of the Board. Dividends shall be paid in accordance with the terms by which the shares were issued, and the amount of such dividends shall not exceed eight percent (8%) per year based on the book value of the shares. All Class B shares will be offered for sale and sold in accord with applicable laws.

- The amount of all capital stock issued by this Cooperative shall not exceed five million dollars, and no shares may be issued at less than their par value. No share shall be issued until the full price thereof has been paid in cash. No shareholder shall receive less than the par value of any share when disposing of the same to the Cooperative. No person shall become a shareholder of the Cooperative except by consent of the Board of Directors.
- In the event of the liquidation, dissolution or winding up of the affairs of the Cooperative, whether voluntary or involuntary, after paying or providing for the payment of all debts as provided by law and the retirement of all Class B Non-voting Preferred Sock, the holders of written notices of allocation will be entitled to receive an amount in cash equal to the stated amount of such written notices of allocation. The holders of written notices of allocation shall not be entitled to receive any further distributions with respect to such interests.

Thereafter, each Member will be entitled to receive an amount in cash equal to each of the following in this order: a) the payment of any unpaid sums in their capital account; b) the return of their Membership Fee and any other capital contributions actually made; and c) the return of the amount paid for their Class A Member Voting Stock, not to include any annual membership dues or other fees. All of the remaining balance of the assets of the Cooperative will be distributed among Members on an equitable basis based on the value of business done with the Cooperative during the ten fiscal years immediately preceding dissolution, as shown by the books and records of the Cooperative, or by such other equitable method as the Board may determine at that time.

**4. Appointment of Registered Agent**

<p>A. Individual's Name</p> <p>Colleen Brower</p>	<p>Residence address:</p> <p>63 William Street Pawcatuck, CT 06379</p>
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Acceptance of Appointment

Colleen Brower  
Signature of agent

5. Other Provisions

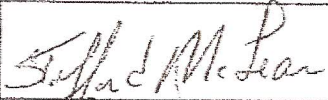

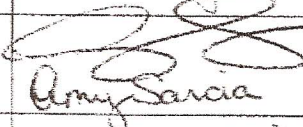

1. The Corporation shall have perpetual existence.
2. The Members may make, amend or repeal the bylaws of the Cooperative, as limited by law, under procedures established in the bylaws.
3. The bylaws shall provide:
  - That each member shall be entitled to one vote on any subject that requires voting by members.
  - Requirements for the distribution and apportionment of net earnings and losses, the payment of patronage to members, and the establishment of an internal capital account for each member.
  - That no distribution of net earnings to members shall be declared or paid until a sum equal to ten percent of the net profits is appropriated for a contingent or sinking fund and until there has been thereby accumulated a sum equal to twenty percent of the capital stock.
  - A limit on the payment of dividends on capital stock.
  - Requirements for the indemnification of directors and officers of the Cooperative.
4. The Cooperative may be a partner in any business enterprise that the Cooperative would have the power to conduct by itself.

2090

6. Execution

Dated this 6<sup>th</sup> day of March, 2004

Typed Name of Incorporator	Signatures(s)	Complete Address(es)
Colleen Brower	<i>Colleen Brower</i>	63 William Street Pawcatuck, CT 06379
Anne-Marie Chapman	<i>Anne Marie Chapman</i>	9 McGrath Court Stonington, CT 06378
Elizabeth McLean H. ARCHER	<i>Elizabeth McLean H. Archer</i>	368 Mistuxet Avenue Stonington, CT 06378

Stafford McLean		368 Mistuxet Avenue Stonington, CT 06378
Michael Rosenkrantz		154 Broad Street New London, CT 06320
Amy Sarcia		68 River Road Pawcatuck, CT 06379
Susan Weiss		13 Center Street Noank, CT 06340

**FIDDLEHEADS NATURAL FOODS COOPERATIVE, INC.****FIRST MEETING OF INCORPORATORS**

The undersigned, intending to act as incorporators and to form a cooperative corporation under the laws of the state of Connecticut, at their First Meeting of Incorporators, held on November 8, 2004 do hereby take the following actions:

VOTED: To ratify the Certificate of Incorporation, attached hereto as Exhibit 1, as the Certificate of Incorporation of the Fiddleheads Natural Foods Cooperative, Inc. and to authorize the filing of such Certificate with the proper state authorities and payment of filing fees in connection therewith. The Certificate is to be filed with the permanent corporate records of the Corporation.

VOTED: To adopt the bylaws, attached hereto as Exhibit 2, as the bylaws of the Fiddleheads Natural Foods Cooperative, Inc. The bylaws are to be filed with the permanent corporate records of the Corporation

VOTED: That the initial principal office of Fiddleheads Natural Foods Cooperative, Inc. shall be located at 68 River Road, Pawcatuck, CT 06379 until changed in accord with the bylaws.

VOTED: That the following individuals are hereby elected to serve as officers and directors of Fiddleheads Natural Foods Cooperative, Inc, as indicated below, each to hold office in accord with the bylaws of the Corporation.

Colleen Brower, President and Director for a 3 year term  
David Lewis and Anne-Marie Chapman, Vice President and Director for a 2 year term  
Michael Rosenkrantz, Treasurer and Director for a 3 year term  
Amy Sarcia, Secretary and Director for a 2 year term

The following individuals are hereby elected to serve as directors for the terms specified:

Sara Kimball, 3 year term  
Theresa Bessette, 3 year term  
Sally McGee, 2 year term  
Stafford McLean, 1 year term  
Cynthia Lichtenstein, 1 year term

IN WITNESS WHEREOF, this Meeting Minute of the First Meeting of Incorporators has been executed and shall be filed with the permanent records of the Corporation.,

Dated: As of November 8, 2004

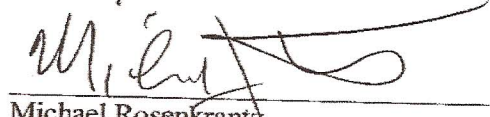
(signatures appear on the next page)

  
Colleen Brower

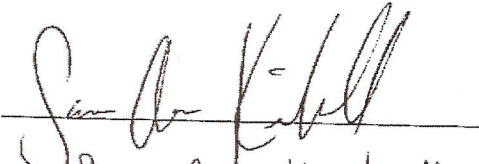
  
Anne-Marie Chapman

  
Selma

  
Stafford McLean

  
Michael Rosenkrantz

  
Amy Sarcia

  
Sara Ann Kimball

Client: 12266.1RV01 - Fiddleheads Natural Foods Cooperative, Inc.  
 Engagement: 12/31/2015 - Fiddleheads Natural Foods Cooperative, Inc  
 Period Ending: 12/31/2015  
 Trial Balance: 3110.00 - Trial Balance  
 Workpaper: 3210.00 - Adjusting Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>				
Reclass entry to record service contract as prepaid expense				
1114500	Prepaid expenses		15,000.00	
1137500	Online Ordering			15,000.00
<b>Total</b>			<b>15,000.00</b>	<b>15,000.00</b>
<b>Adjusting Journal Entries JE # 2</b>				
Closing entry to adjust CY depreciation expense				
6230000	Depreciation & amortization exp		4,421.73	
1128000	Accumulated Depreciation			4,421.73
<b>Total</b>			<b>4,421.73</b>	<b>4,421.73</b>
<b>Adjusting Journal Entries JE # 3</b>				
Closing entry to adjust accumulated amortization				
6230200	Amortization Expense		706.67	
1139000	Accumulated Amortization			706.67
<b>Total</b>			<b>706.67</b>	<b>706.67</b>
<b>Adjusting Journal Entries JE # 4</b>				
		5430.00		
To record current portion of long-term debt.				
2212011	CFNE Loan 2012		7,601.82	
2212012	CL&P Loan-Eversource		3,465.60	
2212013	NCB LOAN		4,875.67	
2001001	Current Portion of LT Debt			15,943.09
<b>Total</b>			<b>15,943.09</b>	<b>15,943.09</b>
<b>Adjusting Journal Entries JE # 5</b>				
		5431.00		
To record current portion of member loans.				
1212047	Loan from Pan & Kronenberg		5,000.00	
1212048	Loan from R. Spindler-Virgin		3,000.00	
2212042	Loan from E. Demuzzio		9,000.00	
2212044	Loan from Hunter Hannum		5,000.00	
2001001	Current Portion of LT Debt			22,000.00
<b>Total</b>			<b>22,000.00</b>	<b>22,000.00</b>
<b>Adjusting Journal Entries JE # 6</b>				
To reclass APIC to sommon shares				
3227000	Other Paid in Capital		3,275.00	
3221130	Common Stock, Class A			3,275.00
<b>Total</b>			<b>3,275.00</b>	<b>3,275.00</b>
<b>Adjusting Journal Entries JE # 7</b>				
To adjust RE opening balance				
3226010	Unrestrict (retained earnings)		641.00	
6251500	Other expenses			641.00
<b>Total</b>			<b>641.00</b>	<b>641.00</b>
<b>Adjusting Journal Entries JE # 8</b>				
to reclass equity accounts to correct amount				
3221130	Common Stock, Class A			
3227000	Other Paid in Capital			
<b>Total</b>			<b>0.00</b>	<b>0.00</b>
<b>Adjusting Journal Entries JE # 9</b>				
To record payment rec as other income				

Client: 12266.1RV01 - Fiddleheads Natural Foods Cooperative, Inc.  
 Engagement: 12/31/2015 - Fiddleheads Natural Foods Cooperative, Inc  
 Period Ending: 12/31/2015  
 Trial Balance: 3110.00 - Trial Balance  
 Workpaper: 3210.00 - Adjusting Journal Entries Report

Account	Description	W/P Ref	Debit	Credit
2212050	Deferred Income Taxes Payable		230.35	
4111140	Sales-Misc			230.35
<b>Total</b>			<b>230.35</b>	<b>230.35</b>

**Adjusting Journal Entries JE # 13**

To adjust Deferred taxes

1136000	Deferred Taxes		3,000.00	
2212050	Deferred Income Taxes Payable		5,209.00	
9999999	Deferred tax (income) expense			8,209.00
<b>Total</b>			<b>8,209.00</b>	<b>8,209.00</b>





FINANCIAL STATEMENTS

December 31, 2015

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors  
Fiddleheads Natural Foods Cooperative, Inc.  
New London, Connecticut

We have reviewed the accompanying financial statements of Fiddleheads Natural Foods Cooperative, Inc., which comprise the balance sheet as of December 31, 2015, and the related statements of income, owners' equity, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

### Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Wegner CPAs LLP*

Wegner CPAs, LLP  
Madison, Wisconsin  
April 11, 2016

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**Wisconsin Office:**

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Madison, WI 53713  
P: (608) 274-4020  
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**FIDDLEHEADS NATURAL FOODS COOPERATIVE, INC.**  
**BALANCE SHEET**  
December 31, 2015

**ASSETS**

**CURRENT ASSETS**

Cash	\$ 47,436
Accounts receivable	319
Inventory	184,107
Prepaid expenses	<u>19,155</u>

Total current assets 251,017

Property and equipment - net 371,169

**OTHER ASSETS**

Loan costs - net	8,420
Deferred income taxes	<u>3,000</u>

Total other assets 11,420

**Total assets** \$ 633,606

**LIABILITIES AND OWNERS' EQUITY**

**CURRENT LIABILITIES**

Accounts payable	\$ 104,021
Accrued liabilities	57,924
Current portion of notes payable	<u>37,943</u>

Total current liabilities 199,888

**LONG-TERM LIABILITIES**

Notes payable - less current portion 171,825

Total liabilities 371,713

**OWNERS' EQUITY**

Common stock, Class A	56,950
Additional paid-in capital	176,673
Retained earnings	<u>28,271</u>

Total owners' equity 261,893

**Total liabilities and owners' equity** \$ 633,606

See accompanying notes and independent accountant's review report.

**FIDDLEHEADS NATURAL FOODS COOPERATIVE, INC.**  
**STATEMENT OF INCOME**  
Year Ended December 31, 2015

	Amount	%
<b>SALES REVENUE</b>		
Sales	\$ 3,333,611	101.38
Discounts	<u>(45,395)</u>	<u>(1.32)</u>
Net sales	3,288,216	100.00
Less cost of goods sold	<u>2,159,756</u>	<u>65.68</u>
Gross profit	1,128,460	34.32
<b>OPERATING EXPENSES</b>		
Personnel	655,976	19.95
Occupancy	185,215	5.63
Administrative	145,964	4.44
Operations	116,850	3.55
Marketing	34,560	1.05
Depreciation	38,128	1.16
Governance	1,694	0.05
Miscellaneous expense	<u>91</u>	<u>-</u>
Total operating expenses	<u>1,178,478</u>	<u>35.83</u>
<b>OTHER INCOME (EXPENSE)</b>		
Other income	545	0.02
Interest expense	<u>(11,277)</u>	<u>(0.34)</u>
Total other income (expense)	<u>(10,732)</u>	<u>(0.33)</u>
Loss before income taxes	(60,750)	(1.85)
Provision for income taxes	<u>7,927</u>	<u>0.24</u>
<b>Net loss</b>	<u><u>\$ (52,823)</u></u>	<u><u>(2.09)</u></u>

See accompanying notes and independent accountant's review report.

**FIDDLEHEADS NATURAL FOODS COOPERATIVE, INC.**  
**STATEMENT OF OWNERS' EQUITY**  
Year Ended December 31, 2015

	<u>Common Stock, Class A</u>	<u>Additional Paid-In Capital</u>	<u>Retained Earnings</u>	<u>Total Owners' Equity</u>
Balance at December 31, 2014	\$ 53,675	\$ 156,701	\$ 81,094	\$ 291,470
Stock issued	3,350	20,126	-	23,476
Stock redeemed	(75)	(154)	-	(229)
Prior patronage forfeited	-	-	-	-
Net loss	<u>-</u>	<u>-</u>	<u>(52,823)</u>	<u>(52,823)</u>
Balance at December 31, 2015	<u>\$ 56,950</u>	<u>\$ 176,673</u>	<u>\$ 28,271</u>	<u>\$ 261,893</u>

See accompanying notes and independent accountant's review report.

**FIDDLEHEADS NATURAL FOODS COOPERATIVE, INC.**  
**STATEMENT OF CASH FLOWS**  
Year Ended December 31, 2015

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<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net loss	\$ (52,823)
Adjustments to reconcile net loss to net cash flows from operating activities	
Depreciation and amortization	38,128
Deferred income taxes	(8,209)
(Increase) decrease in assets	
Accounts receivable	1,935
Inventory	4,114
Prepaid expenses	(19,155)
Increase (decrease) in liabilities	
Accounts payable	(6,552)
Accrued liabilities	<u>(18,682)</u>
<b>Net cash flows from operating activities</b>	<b>(61,244)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Payments for the purchase of property and equipment	<u>(26,646)</u>
<b>Net cash flows from investing activities</b>	<b>(26,646)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Payments on notes payable	(25,883)
Proceeds from issuance of owners' shares	23,476
Redemption of owners' shares	<u>(229)</u>
<b>Net cash flows from financing activities</b>	<b><u>(2,636)</u></b>
<b>Net change in cash and cash equivalents</b>	<b>(90,526)</b>
Cash - beginning of year	<u>137,962</u>
<b>Cash - end of year</b>	<b><u><u>\$ 47,436</u></u></b>
<b>SUPPLEMENTAL INFORMATION</b>	
Cash paid for taxes	\$ 283
Cash paid for interest	11,277

See accompanying notes and independent accountant's review report.

**FIDDLEHEADS NATURAL FOODS COOPERATIVE, INC.**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2015

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Fiddleheads Natural Foods Cooperative, Inc. (Cooperative) operates a cooperatively owned natural foods grocery store in New London, Connecticut whose mission is to build community through food. The vision of the Cooperative is to operate a community owned retail food store, which using intentional practices, fosters sustainable and healthy lifestyles. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Financial Statement Presentation**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

**Accounts Receivable**

The Cooperative considers all accounts receivable to be fully collectible. Accordingly, no allowance for doubtful accounts has been established. If amounts become uncollectible, they will be charged to operations when that determination is made.

**Inventory**

Inventory, which consists of grocery items held for resale, is valued at the lower of cost or market. Cost is determined using the first-in, first-out (FIFO) method.

**Property and Equipment**

The cost of property and equipment is capitalized at cost and depreciated using the straight-line method over the estimated useful lives of the assets.

**Income Tax Status**

The Cooperative is taxed on non-patronage earnings and any patronage earnings not paid or allocated to the members. Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes.

**Presentation of Sales Taxes**

The State of Connecticut imposes a sales and use tax on some of the Cooperative's sales to nonexempt customers. The total sales tax rate is 6.35%. The Cooperative collects those taxes from customers and remits the entire amount to the State. The Cooperative's accounting policy is to exclude the taxes collected and remitted to the State from sales and cost of sales.



**FIDDLEHEADS NATURAL FOODS COOPERATIVE, INC.**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2015

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Advertising**

Advertising costs are expensed as incurred. Advertising expenses for 2015 were \$30,387

**Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Date of Management's Review**

Management has evaluated subsequent events through April 11, 2016 the date which the financial statements were available to be issued.

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2015 consists of the following:

Furniture and equipment	\$ 287,232
Software	2,548
Leasehold improvements	<u>209,984</u>
Property and equipment	499,764
Less accumulated depreciation	<u>(128,595)</u>
Property and equipment - net	<u><u>\$ 371,169</u></u>

NOTE 3 – DESCRIPTION OF LEASING ARRANGEMENTS

The Cooperative leases retail and administrative space on an operating lease which expires December 31, 2016. During the year ended December 31, 2015, monthly payments were \$8,250. Lease expense for 2015 was \$100,000.

In February of 2016, the lease was renegotiated through an addendum, with the new lease agreement covering January 2016 through December 2018 with monthly payments of \$8,500. The Cooperative has the option to renew the lease for two additional three-year periods.

Future minimum lease payments for 2016, 2017, and 2018 are \$102,000, \$102,000, and \$102,000.

**FIDDLEHEADS NATURAL FOODS COOPERATIVE, INC.**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2015

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NOTE 4 – NOTES PAYABLE

Notes payable at December 31, 2015 were comprised of the following:

Note payable to Cooperative Fund of New England, Inc. Fixed interest rate of 6.5%. Monthly payments of \$1,524 include principal and interest of \$1,524. Final payment in December 2019	\$ 167,928
Unsecured private issue member loans, scheduled to mature from 2014 to 2017, with interest rates ranging from 0% to 5%.	33,500
Note payable to NCB Capital Impact. Interest rate is NCB commercial rate plus 1%. Loan currently in default with lender; balance due.	4,876
Note payable to Connecticut Power & Light at 0% interest. Monthly payments of principal of \$402. final payment in September 2016.	<u>3,466</u>
Long-term debt	209,768
Current portion of long-term debt	<u>(37,943)</u>
Long-term debt net of current portion	<u>\$ 171,825</u>

Future minimum principal payments are as follows:

2016	\$ 37,943
2017	19,611
2018	8,654
2019	<u>143,560</u>
Total	<u>\$ 209,768</u>

NOTE 5 – OWNERS' SHARES

Owners' shares consists of owner investments in the Cooperative. All active owners are eligible to vote for the Cooperative's directors and receive certain discounts. A membership is available to the general public for a \$175 investment, which may be paid with an initial payment of \$25 followed by annual installments of \$25 each.

**FIDDLEHEADS NATURAL FOODS COOPERATIVE, INC.**  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2015

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NOTE 5 – OWNERS’ SHARES (continued)

The Cooperative has authorized a total of 20,000 shares of stock: 5,000 shares of Class A member voting shares at \$25 per value and 15,000 shares of Class B non-voting, preferred investment shares at zero par value. The Cooperative has 2,278 shares outstanding of Class A stock issued and zero shares outstanding of Class B stock at December 31, 2015.

NOTE 6 – CONCENTRATION

The Cooperative uses United Natural Food, Inc. (UNFI) and as its primary grocery supplier. UNFI provided approximately 44% of the value of items purchased for resale during the year ended December 31, 2015.

NOTE 7 – COMMITMENT

In August 2015, the Cooperative entered into a consulting agreement with Cooperative Development Services for interim general management services. The contract obligates the Cooperative to make future payments of up to \$2,000 per week as the services are utilized.

NOTE 8 – INCOME TAXES

The provision for income taxes for 2015 consists of the following components:

Federal income tax	\$ -
Connecticut income tax	<u>283</u>
Total current tax position	283
Deferred tax benefit	<u>(8,210)</u>
Provision for income taxes	<u><u>\$ (7,927)</u></u>

Deferred taxes are recognized for temporary differences between the basis of assets and liabilities for the financial statements and income tax purposes. The differences related primarily to using accelerated depreciation methods for income tax purposes and to timing differences for accrued expenses which are not deductible for income tax purposes unless paid within two and one-half months following the Cooperative’s year end. The Cooperative has a net operating loss carryforward available to reduce taxable income of approximately \$147,000 for federal tax purposes expiring beginning in 2033 and Connecticut net operating losses of \$136,000, expiring beginning in 2033.

Client: 12266.1RV01 - Fiddleheads Natural Foods Cooperative, Inc.  
 Engagement: 12/31/2015 - Fiddleheads Natural Foods Cooperative, Inc  
 Period Ending: 12/31/2015  
 Trial Balance: 3110.00 - Trial Balance  
 Workpaper: 3111.00 - WTB - Financial

Account	Description	UNADJ 12/31/2015	JE Ref #	AJE	FINAL 12/31/2015	1st PP-FINAL 12/31/2014
<b>Group : [4120.00] Cash</b>						
<b>Subgroup : None</b>						
1001119	Undeposited Funds	16,134.09		0.00	16,134.09	176,803.98
1111010	Safe/Cash On Hand	1,288.00		0.00	1,288.00	1,016.35
1111021	AMEX Card Deposits Acct-3241	819.26		0.00	819.26	797.94
1111022	Checking Oper - Dime Bank-2628	2,517.41		0.00	2,517.41	5,583.49
1111023	Dime Market account-2038	7,809.62		0.00	7,809.62	33,198.04
1111024	General Manager Dime 4754	347.07		0.00	347.07	977.02
1111025	Payroll Account Checking-3372	1,274.18		0.00	1,274.18	26,195.05
1111030	Savings Accounts	1.37		0.00	1.37	0.00
1111032	Dime Bldg Savings Account-6153	17,244.52		0.00	17,244.52	51,603.67
1111034	Savings New-4611	0.81		0.00	0.81	0.00
<b>Subtotal : None</b>		<b>47,436.33</b>		<b>0.00</b>	<b>47,436.33</b>	<b>296,175.54</b>
<b>Total [4120.00] Cash</b>		<b>47,436.33</b>		<b>0.00</b>	<b>47,436.33</b>	<b>296,175.54</b>
<b>Group : [4220.00] Accounts Receivable</b>						
<b>Subgroup : None</b>						
1112000	Accounts receivable	38.59		0.00	38.59	0.00
1114100	Credit Card Sales Receivable	0.00		0.00	0.00	(158,213.11)
1114180	Patronage Dividends Receivable	280.08		0.00	280.08	2,254.27
<b>Subtotal : None</b>		<b>318.67</b>		<b>0.00</b>	<b>318.67</b>	<b>(155,958.84)</b>
<b>Total [4220.00] Accounts Receivable</b>		<b>318.67</b>		<b>0.00</b>	<b>318.67</b>	<b>(155,958.84)</b>
<b>Group : [4620.00] Inventory</b>						
<b>Subgroup : None</b>						
1114201	Inventory-Bulk	14,901.80		0.00	14,901.80	19,334.29
1114202	Inventory-Produce	9,958.26		0.00	9,958.26	5,673.26
1114203	Inventory-Refrigerated	9,441.65		0.00	9,441.65	13,480.83
1114204	Inventory-Bulk Tea & Spice	4,443.02		0.00	4,443.02	6,211.85
1114205	Inventory-Haba	46,298.68		0.00	46,298.68	37,225.02
1114206	Inventory-Grocery	65,967.68		0.00	65,967.68	55,092.62
1114207	Inventory-Grocery Taxable	7,416.74		0.00	7,416.74	7,751.84
1114208	Inventory-Cheese	4,917.34		0.00	4,917.34	3,863.16
1114209	Inventory-Cards and Calendars	389.81		0.00	389.81	0.00
1114210	Inventory-General Merchandise	7,079.84		0.00	7,079.84	24,509.90
1114211	Inventory-Frozen	10,293.65		0.00	10,293.65	10,960.03
1114212	Inventory-Bakery	144.73		0.00	144.73	650.83
1114213	Taxable Bulk	328.55		0.00	328.55	213.42
1114214	Inventory-Beer	2,183.61		0.00	2,183.61	3,253.56
1114220	Inventory-Deli	312.41		0.00	312.41	0.00
1114223	Inventory-Fresh Fish	29.49		0.00	29.49	0.00
<b>Subtotal : None</b>		<b>184,107.26</b>		<b>0.00</b>	<b>184,107.26</b>	<b>188,220.61</b>
<b>Total [4620.00] Inventory</b>		<b>184,107.26</b>		<b>0.00</b>	<b>184,107.26</b>	<b>188,220.61</b>
<b>Group : [4721.00] Prepaid Expenses</b>						
<b>Subgroup : None</b>						
1114500	Prepaid expenses	4,155.00		15,000.00	19,155.00	0.00
			AJE - 1	15,000.00		
<b>Subtotal : None</b>		<b>4,155.00</b>		<b>15,000.00</b>	<b>19,155.00</b>	<b>0.00</b>
<b>Total [4721.00] Prepaid Expenses</b>		<b>4,155.00</b>		<b>15,000.00</b>	<b>19,155.00</b>	<b>0.00</b>
<b>Current Assets</b>		<b>236,017.26</b>		<b>15,000.00</b>	<b>251,017.26</b>	<b>328,437.31</b>
<b>Group : [5322.00] Deferred income taxes</b>						
<b>Subgroup : None</b>						
1136000	Deferred Taxes	0.00		3,000.00	3,000.00	0.00
			AJE - 13	3,000.00		
<b>Subtotal : None</b>		<b>0.00</b>		<b>3,000.00</b>	<b>3,000.00</b>	<b>0.00</b>
<b>Total [5322.00] Deferred income taxes</b>		<b>0.00</b>		<b>3,000.00</b>	<b>3,000.00</b>	<b>0.00</b>
<b>Group : [4723.00] Other Assets</b>						
<b>Subgroup : None</b>						
1133000	Loan Closing Costs	10,600.00		0.00	10,600.00	10,600.00
1139000	Accumulated Amortization	(1,473.00)		(706.67)	(2,179.67)	(1,473.00)
			AJE - 3	(706.67)		
<b>Subtotal : None</b>		<b>9,127.00</b>		<b>(706.67)</b>	<b>8,420.33</b>	<b>9,127.00</b>
<b>Total [4723.00] Other Assets</b>		<b>9,127.00</b>		<b>(706.67)</b>	<b>8,420.33</b>	<b>9,127.00</b>
<b>Non-Current Assets</b>		<b>9,127.00</b>		<b>2,293.33</b>	<b>11,420.33</b>	<b>9,127.00</b>
<b>Group : [4820.00] Net Property and Equipment</b>						
<b>Subgroup : None</b>						
1124000	Furniture, fixtures, & equip	280,055.89		0.00	280,055.89	268,733.11
1125100	Software	2,547.50		0.00	2,547.50	0.00
1126000	Leasehold improvements	209,984.05		0.00	209,984.05	204,384.05
1128000	Accumulated Depreciation	(124,173.00)		(4,421.73)	(128,594.73)	(91,173.00)
			AJE - 2	(4,421.73)		
1137500	Online Ordering	22,175.97		(15,000.00)	7,175.97	0.00

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 Workpaper: 3111.00 - WTB - Financial

Account	Description	UNADJ	JE Ref #	AJE	FINAL	1st PP-FINAL
		12/31/2015			12/31/2015	12/31/2014
<b>Subtotal : None</b>		<b>390,590.41</b>	AJE - 1	(15,000.00)	<b>371,168.68</b>	<b>381,944.16</b>
<b>Total [4820.00] Net Property and Equipment</b>		<b>390,590.41</b>		<b>(19,421.73)</b>	<b>371,168.68</b>	<b>381,944.16</b>
Property and Equipment		390,590.41		(19,421.73)	371,168.68	381,944.16
<b>TOTAL ASSET</b>		<b>635,734.67</b>		<b>(2,128.40)</b>	<b>633,606.27</b>	<b>719,508.47</b>
<b>Group : [5120.00] Accounts Payable</b>						
<b>Subgroup : None</b>						
2211010	Accounts payable	(104,020.52)		0.00	(104,020.52)	(110,572.88)
<b>Subtotal : None</b>		<b>(104,020.52)</b>		<b>0.00</b>	<b>(104,020.52)</b>	<b>(110,572.88)</b>
<b>Total [5120.00] Accounts Payable</b>		<b>(104,020.52)</b>		<b>0.00</b>	<b>(104,020.52)</b>	<b>(110,572.88)</b>
<b>Group : [5121.00] Accrued Liabilities</b>						
<b>Subgroup : None</b>						
2211020	Payroll Liabilities	(13,520.76)		0.00	(13,520.76)	(28,843.14)
2211030	Sales Taxes Payable	(4,233.07)		0.00	(4,233.07)	(3,747.00)
2211031	Accrued CT Corp Tax	(250.00)		0.00	(250.00)	(250.00)
2211040	Gift Certificate Liability	(6,215.62)		0.00	(6,215.62)	(4,563.13)
2211071	Accrued Rent Payable	(5,000.00)		0.00	(5,000.00)	(13,100.00)
2211072	Accrued expenses - other	(6,988.00)		0.00	(6,988.00)	(12,385.00)
2211090	Accrued Vacation/Sick	(21,716.50)		0.00	(21,716.50)	(13,716.50)
<b>Subtotal : None</b>		<b>(57,923.95)</b>		<b>0.00</b>	<b>(57,923.95)</b>	<b>(76,604.77)</b>
<b>Total [5121.00] Accrued Liabilities</b>		<b>(57,923.95)</b>		<b>0.00</b>	<b>(57,923.95)</b>	<b>(76,604.77)</b>
<b>Group : [5420.00] Long-Term Debt</b>						
<b>Subgroup : [5420.00] Current portion of long term debt</b>						
2001001	Current Portion of LT Debt	0.00		(37,943.09)	(37,943.09)	0.00
			AJE - 4	(15,943.09)		
			AJE - 5	(22,000.00)		
<b>Subtotal [5420.01] Current portion of long term debt</b>		<b>0.00</b>		<b>(37,943.09)</b>	<b>(37,943.09)</b>	<b>0.00</b>
<b>Total [5420.00] Long-Term Debt</b>		<b>0.00</b>		<b>(37,943.09)</b>	<b>(37,943.09)</b>	<b>0.00</b>
<b>Current Liabilities</b>		<b>(161,944.47)</b>		<b>(37,943.09)</b>	<b>(199,887.56)</b>	<b>(187,177.65)</b>
<b>Group : [5420.00] Long-Term Debt</b>						
<b>Subgroup : [5420.00] Member loans</b>						
1212045	Loan from John H. Sargent	(10,000.00)		0.00	(10,000.00)	(10,000.00)
1212046	Loan from Michele L. Millham	0.00		0.00	0.00	(2,500.00)
1212047	Loan from Pan & Kronenberg	(5,000.00)		5,000.00	0.00	(5,000.00)
			AJE - 5	5,000.00		
1212048	Loan from R. Spindler-Virgin	(3,000.00)		3,000.00	0.00	(3,000.00)
			AJE - 5	3,000.00		
2212041	Loan from Allen Longendyke	0.00		0.00	0.00	(1,500.00)
2212042	Loan from E. Demuzzio	(9,000.00)		9,000.00	0.00	(9,000.00)
			AJE - 5	9,000.00		
2212043	Loan from Ellen Anthony	(1,500.00)		0.00	(1,500.00)	(1,500.00)
2212044	Loan from Hunter Hannum	(5,000.00)		5,000.00	0.00	(5,000.00)
			AJE - 5	5,000.00		
<b>Subtotal [5420.02] Member loans</b>		<b>(33,500.00)</b>		<b>22,000.00</b>	<b>(11,500.00)</b>	<b>(37,500.00)</b>
<b>Subgroup : [5420.00] Long-term debt</b>						
2212011	CFNE Loan 2012	(167,927.24)		7,601.82	(160,325.42)	(172,662.56)
			AJE - 4	7,601.82		
2212012	CL&P Loan-Eversource	(3,465.60)		3,465.60	0.00	(8,284.44)
			AJE - 4	3,465.60		
2212013	NCB LOAN	(4,875.67)		4,875.67	0.00	(10,705.43)
			AJE - 4	4,875.67		
2212014	Sector Loan 100K	0.00		0.00	0.00	(6,498.81)
<b>Subtotal [5420.03] Long-term debt</b>		<b>(176,268.51)</b>		<b>15,943.09</b>	<b>(160,325.42)</b>	<b>(198,151.24)</b>
<b>Total [5420.00] Long-Term Debt</b>		<b>(209,768.51)</b>		<b>37,943.09</b>	<b>(171,825.42)</b>	<b>(235,651.24)</b>
<b>Group : [5320.00] Deferred income taxes</b>						
<b>Subgroup : None</b>						
2212050	Deferred Income Taxes Payable	(5,439.35)		5,439.35	0.00	(5,209.00)
			AJE - 9	230.35		
			AJE - 13	5,209.00		
<b>Subtotal : None</b>		<b>(5,439.35)</b>		<b>5,439.35</b>	<b>0.00</b>	<b>(5,209.00)</b>
<b>Total [5320.00] Deferred income taxes</b>		<b>(5,439.35)</b>		<b>5,439.35</b>	<b>0.00</b>	<b>(5,209.00)</b>
<b>Non-Current Liabilities</b>		<b>(215,207.86)</b>		<b>43,382.44</b>	<b>(171,825.42)</b>	<b>(240,860.24)</b>
<b>TOTAL LIABILITY</b>		<b>(377,152.33)</b>		<b>5,439.35</b>	<b>(371,712.98)</b>	<b>(428,037.89)</b>
<b>Group : [6020.00] Equity</b>						
<b>Subgroup : [6020.00] Common Stock</b>						
3221130	Common Stock, Class A	(53,675.00)		(3,275.00)	(56,950.00)	(53,675.00)
			AJE - 6	(3,275.00)		

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Account	Description	UNADJ 12/31/2015	JE Ref #	AJE	FINAL 12/31/2015	1st PP-FINAL 12/31/2014
<b>Subtotal [6020.01] Common Stock</b>		<b>(53,675.00)</b>	AJE - 8	(0.00)	<b>(56,950.00)</b>	<b>(53,675.00)</b>
<b>Subgroup : [6020. Additional Paid-in Capital]</b>						
3227000	Other Paid in Capital	(179,947.83)		3,275.00	(176,672.83)	(156,701.34)
			AJE - 6	3,275.00		
			AJE - 8	(0.00)		
<b>Subtotal [6020.02] Additional Paid-in Capital</b>		<b>(179,947.83)</b>		<b>3,275.00</b>	<b>(176,672.83)</b>	<b>(156,701.34)</b>
<b>Subgroup : [6020. Retained Earnings]</b>						
3226010	Unrestrict (retained earnings)	(81,734.63)		641.00	(81,093.63)	(120,940.24)
			AJE - 7	641.00		
<b>Subtotal [6020.03] Retained Earnings</b>		<b>(81,734.63)</b>		<b>641.00</b>	<b>(81,093.63)</b>	<b>(120,940.24)</b>
<b>Total [6020.00] Equity</b>		<b>(315,357.46)</b>		<b>641.00</b>	<b>(314,716.46)</b>	<b>(331,316.58)</b>
	<b>Equity</b>	<b>(315,357.46)</b>		<b>641.00</b>	<b>(314,716.46)</b>	<b>(331,316.58)</b>
	<b>NET (INCOME) LOSS</b>	<b>56,775.12</b>		<b>(3,951.95)</b>	<b>52,823.17</b>	<b>39,846.00</b>
	<b>TOTAL EQUITY</b>	<b>(258,582.34)</b>		<b>(3,310.95)</b>	<b>(261,893.29)</b>	<b>(291,470.58)</b>
	<b>TOTAL LIABILITY AND EQUITY</b>	<b>(635,734.67)</b>		<b>2,128.40</b>	<b>(633,606.27)</b>	<b>(719,508.47)</b>
<b>Group : [4221.00] Sales</b>						
<b>Subgroup : [4221. Sales]</b>						
4000000	Market Sales	134.53		0.00	134.53	0.00
4111001	Sales-Bulk	(451,768.75)		0.00	(451,768.75)	(476,956.79)
4111002	Sales-Produce	(560,166.86)		0.00	(560,166.86)	(639,198.79)
4111003	Sales-Refrigerated	(510,041.92)		0.00	(510,041.92)	(486,687.33)
4111004	Sales-Bulk Tea & Spice	(39,682.85)		0.00	(39,682.85)	(42,949.47)
4111005	Sales-Haba	(335,960.07)		0.00	(335,960.07)	(298,810.14)
4111006	Sales-Grocery	(727,016.64)		0.00	(727,016.64)	(737,185.31)
4111007	Sales-Grocery Taxable	(81,449.00)		0.00	(81,449.00)	(71,852.27)
4111008	Sales-Cheese	(104,132.25)		0.00	(104,132.25)	(95,150.12)
4111009	Sales-Cards,Magazines,Calendars	(6,712.02)		0.00	(6,712.02)	(2,568.08)
4111010	Sales-General Merchandise	(78,747.78)		0.00	(78,747.78)	(110,396.09)
4111011	Sales-Frozen	(160,235.42)		0.00	(160,235.42)	(186,572.30)
4111012	Sales-Bakery	(109,453.36)		0.00	(109,453.36)	(107,609.04)
4111013	Sales-Bulk Taxable	(3,173.03)		0.00	(3,173.03)	(3,483.18)
4111014	Sales-Beer	(27,155.89)		0.00	(27,155.89)	(25,983.02)
4111020	Sales-Deli	(17,869.79)		0.00	(17,869.79)	(6,096.65)
4111023	Sales-Fresh Fish	(13,420.90)		0.00	(13,420.90)	(4,041.20)
4111041	Delivery charges	(685.66)		0.00	(685.66)	0.00
4111080	Sales-Bottle Deposits Returns	(2,259.20)		0.00	(2,259.20)	(2,672.65)
4111140	Sales-Misc	(102,769.40)		(230.35)	(102,999.75)	(38.06)
			AJE - 9	(230.35)		
8100001	Vendor Fees	(814.53)		0.00	(814.53)	(1,531.00)
<b>Subtotal [4221.01] Sales</b>		<b>(3,333,380.79)</b>		<b>(230.35)</b>	<b>(3,333,611.14)</b>	<b>(3,299,781.49)</b>
<b>Subgroup : [4221. Discounts]</b>						
4111192	Member Discounts	42,541.22		0.00	42,541.22	0.00
4111195	Military/Student Disc	2,854.11		0.00	2,854.11	0.00
<b>Subtotal [4221.02] Discounts</b>		<b>45,395.33</b>		<b>0.00</b>	<b>45,395.33</b>	<b>0.00</b>
<b>Total [4221.00] Sales</b>		<b>(3,287,985.46)</b>		<b>(230.35)</b>	<b>(3,288,215.81)</b>	<b>(3,299,781.49)</b>
	<b>Revenues</b>	<b>(3,287,985.46)</b>		<b>(230.35)</b>	<b>(3,288,215.81)</b>	<b>(3,299,781.49)</b>
<b>Group : [7020.00] Other Income</b>						
<b>Subgroup : None</b>						
8100002	Miscellaneous revenue	(500.00)		0.00	(500.00)	(1,136.47)
8311300	Contributed support	0.00		0.00	0.00	(7,215.88)
8311400	Interest	(45.03)		0.00	(45.03)	(61.09)
8311401	Dividends	0.00		0.00	0.00	(2,930.55)
<b>Subtotal : None</b>		<b>(545.03)</b>		<b>0.00</b>	<b>(545.03)</b>	<b>(11,343.99)</b>
<b>Total [7020.00] Other Income</b>		<b>(545.03)</b>		<b>0.00</b>	<b>(545.03)</b>	<b>(11,343.99)</b>
	<b>Other Income</b>	<b>(545.03)</b>		<b>0.00</b>	<b>(545.03)</b>	<b>(11,343.99)</b>
<b>TOTAL REVENUE</b>		<b>(3,288,530.49)</b>		<b>(230.35)</b>	<b>(3,288,760.84)</b>	<b>(3,311,125.48)</b>
<b>Group : [4621.00] Cost of Sales</b>						
<b>Subgroup : None</b>						
4111091	Product Discounts	21,816.03		0.00	21,816.03	1,208.04
5113111	Cost of Goods Sold	0.00		0.00	0.00	2,754.82
5113200	61100 Purchases	(86.92)		0.00	(86.92)	(416.05)
5113201	COGS-Bulk	286,931.88		0.00	286,931.88	303,911.37
5113202	COGS-Produce	402,534.04		0.00	402,534.04	477,636.49
5113203	COGS-Refrigerated	356,843.61		0.00	356,843.61	345,240.71

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Account	Description	UNADJ	JE Ref #	AJE	FINAL	1st PP-FINAL
		12/31/2015			12/31/2015	12/31/2014
5113204	COGS-Bulk Tea and Spice	19,438.16		0.00	19,438.16	20,887.26
5113205	COGS-Haba	196,720.65		0.00	196,720.65	189,202.14
5113206	COGS-Grocery	459,136.97		0.00	459,136.97	464,542.55
5113207	COGS-Taxable Grocery	52,993.74		0.00	52,993.74	49,984.03
5113208	COGS-Cheese	70,373.96		0.00	70,373.96	67,503.33
5113209	COGS-Cards and Calendars	3,577.77		0.00	3,577.77	676.94
5113210	COGS-General Merchandise	48,579.27		0.00	48,579.27	65,442.18
5113211	COGS-Frozen	106,046.15		0.00	106,046.15	128,744.76
5113212	COGS-Bakery	77,925.99		0.00	77,925.99	80,697.77
5113213	COGS-Taxable Bulk	1,568.85		0.00	1,568.85	2,988.04
5113214	COGS-Beer	19,299.90		0.00	19,299.90	19,573.81
5113218	COGS-Deli-Cafe	11,531.53		0.00	11,531.53	13,352.46
5113223	COGS-Fresh Fish	12,054.36		0.00	12,054.36	4,115.76
5113230	COGS-Fresh Meat	252.26		0.00	252.26	0.00
5113240	COGS-Misc	92.67		0.00	92.67	0.00
5113270	COGS-Special Orders-Preorders	12,141.48		0.00	12,141.48	4,055.56
5113280	COGS-Bottle Deposits Returns	(15.97)		0.00	(15.97)	1,153.83
<b>Subtotal : None</b>		<b>2,159,756.38</b>		<b>0.00</b>	<b>2,159,756.38</b>	<b>2,243,255.80</b>
<b>Total [4621.00] Cost of Sales</b>		<b>2,159,756.38</b>		<b>0.00</b>	<b>2,159,756.38</b>	<b>2,243,255.80</b>
<b>Cost of Sales</b>		<b>2,159,756.38</b>		<b>0.00</b>	<b>2,159,756.38</b>	<b>2,243,255.80</b>
<b>Group : [7021.00] Operating Expenses</b>						
<b>Subgroup : [7021. Administrative</b>						
6210500	Other Payroll Expenses	2,629.81		0.00	2,629.81	2,254.10
6210700	Personnel Software	768.00		0.00	768.00	528.00
6210800	Legal fees	0.00		0.00	0.00	12,140.00
6210900	Accounting fees	1,100.00		0.00	1,100.00	0.00
6210910	Professional fees - other	40,143.47		0.00	40,143.47	0.00
6250000	Overhead expenses	252.00		0.00	252.00	0.00
6250100	Accounting Fees	29,286.29		0.00	29,286.29	3,613.75
6250400	Consulting Fees	9,927.33		0.00	9,927.33	0.00
6250500	Outside computer services	3,441.58		0.00	3,441.58	5,975.19
6250700	Dues and Subscriptions	5,084.50		0.00	5,084.50	2,800.00
6250703	Consultant Fees	12,285.22		0.00	12,285.22	10,237.83
6250704	Insurance	3,817.19		0.00	3,817.19	0.00
6251000	Legal fees	26,240.03		0.00	26,240.03	1,035.34
6251701	Travel-Conferences & Meetings	350.20		0.00	350.20	4,357.93
6251800	Insurance	7,958.99		0.00	7,958.99	6,525.50
6252000	Bank charges	681.37		0.00	681.37	746.71
6280100	Travel	293.66		0.00	293.66	5,189.39
6280200	Conference,convention,meeting	100.00		0.00	100.00	9,734.29
6290300	Postage, shipping, delivery	916.97		0.00	916.97	1,167.00
6290400	Mailing services	6.74		0.00	6.74	0.00
6322300	Taxes - other	680.40		0.00	680.40	881.24
<b>Subtotal [7021.01] Administrative</b>		<b>145,963.75</b>		<b>0.00</b>	<b>145,963.75</b>	<b>67,186.27</b>
<b>Subgroup : [7021. Occupancy</b>						
6221000	Rent, parking, other occupancy	100,000.00		0.00	100,000.00	85,196.35
6221100	Building Repair & Maintenance	19,608.84		0.00	19,608.84	17,385.00
6221200	Building/interior improvements	3,082.34		0.00	3,082.34	3,659.03
6221500	Utilities	60,053.56		0.00	60,053.56	63,872.09
6221600	Security System	2,470.00		0.00	2,470.00	0.00
<b>Subtotal [7021.02] Occupancy</b>		<b>185,214.74</b>		<b>0.00</b>	<b>185,214.74</b>	<b>170,112.47</b>
<b>Subgroup : [7021. Personnel</b>						
4111194	Employee Discount	34,321.62		0.00	34,321.62	0.00
6210001	Salaries & Wages	456,314.23		0.00	456,314.23	573,033.01
6210301	Payroll taxes	143,654.79		0.00	143,654.79	59,976.00
6210510	Payroll Insurance	20,565.00		0.00	20,565.00	25,369.00
6210600	Training and Development	1,084.77		0.00	1,084.77	233.12
6211000	Temporary help - contract	36.00		0.00	36.00	0.00
<b>Subtotal [7021.03] Personnel</b>		<b>655,976.41</b>		<b>0.00</b>	<b>655,976.41</b>	<b>658,611.13</b>
<b>Subgroup : [7021. Promotions</b>						
2260110	advertising	0.00		0.00	0.00	398.25
2260120	hiring work done	445.04		0.00	445.04	0.00
2260130	rent space	25.00		0.00	25.00	100.00
4111193	Mfg Coupons	193.72		0.00	193.72	0.00
6251900	Advertising expenses	30,386.80		0.00	30,386.80	41,263.02
6260100	Special event costs	179.00		0.00	179.00	1,749.56
6260140	supplies and equipment	1,405.34		0.00	1,405.34	1,442.52
6290700	Donations	350.00		0.00	350.00	1,110.00
6291100	Outreach	1,574.79		0.00	1,574.79	6,016.18
<b>Subtotal [7021.04] Promotions</b>		<b>34,559.69</b>		<b>0.00</b>	<b>34,559.69</b>	<b>52,079.53</b>
<b>Subgroup : [7021. Operations</b>						
6240510	Amex Credit Card Fees	4,600.59		0.00	4,600.59	3,854.93
6240520	Global STL Global Charges	39,887.21		0.00	39,887.21	34,535.06

Client: 12266.1RV01 - Fiddleheads Natural Foods Cooperative, Inc.  
 Engagement: 12/31/2015 - Fiddleheads Natural Foods Cooperative, Inc  
 Period Ending: 12/31/2015  
 Trial Balance: 3110.00 - Trial Balance  
 Workpaper: 3111.00 - WTB - Financial

Account	Description	UNADJ	JE Ref #	AJE	FINAL	1st PP-FINAL
		12/31/2015			12/31/2015	12/31/2014
6240800	Equip rental & maintenance	9,880.93		0.00	9,880.93	7,152.30
6240820	Refrigeration Equipment Repair	5,586.19		0.00	5,586.19	3,636.02
6241101	Membership refund	0.00		0.00	0.00	550.00
6241300	Reconciliation Discrepancies	(160.95)		0.00	(160.95)	0.00
6241500	Returned Check	(112.33)		0.00	(112.33)	146.99
6241600	Trash Removal	2,183.75		0.00	2,183.75	1,667.43
6241700	POS Maintenance	4,085.23		0.00	4,085.23	5,323.78
6241900	Telephone & telecommunications	4,287.23		0.00	4,287.23	4,018.77
6241901	Supplies and Store Equipment	33,804.71		0.00	33,804.71	45,288.75
6241902	Online ordering	7,847.61		0.00	7,847.61	0.00
6250900	Inventory Services	2,867.44		0.00	2,867.44	5,344.60
6322200	License & Permits	2,230.00		0.00	2,230.00	2,095.00
9330000	Cash Short & Over	(137.92)		0.00	(137.92)	0.00
<b>Subtotal [7021.05] Operations</b>		<b>116,849.69</b>		<b>0.00</b>	<b>116,849.69</b>	<b>113,613.63</b>
<b>Subgroup : [7021. Depreciation and Amortization Expense</b>						
6230000	Depreciation & amortization exp	33,000.00		4,421.73	37,421.73	0.00
			AJE - 2	4,421.73		
6230100	Depreciation Expense	0.00		0.00	0.00	33,080.00
6230200	Amortization Expense	0.00		706.67	706.67	707.00
			AJE - 3	706.67		
<b>Subtotal [7021.06] Depreciation and Amortization Expense</b>		<b>33,000.00</b>		<b>5,128.40</b>	<b>38,128.40</b>	<b>33,787.00</b>
<b>Subgroup : [7021. Governance</b>						
6251700	Board Expense	180.00		0.00	180.00	1,483.00
6251704	Board supplies	56.68		0.00	56.68	35.07
6251705	GM Search Expenses	1,457.38		0.00	1,457.38	0.00
<b>Subtotal [7021.07] Governance</b>		<b>1,694.06</b>		<b>0.00</b>	<b>1,694.06</b>	<b>1,518.07</b>
<b>Subgroup : [7021. Misc expense</b>						
6227000	Store Expansion	370.00		0.00	370.00	0.00
6227010	Parcel J	0.00		0.00	0.00	9,961.43
6251500	Other expenses	92.79		(641.00)	(548.21)	689.39
			AJE - 7	(641.00)		
6291200	Other	268.97		0.00	268.97	0.00
<b>Subtotal [7021.08] Misc expense</b>		<b>731.76</b>		<b>(641.00)</b>	<b>90.76</b>	<b>10,650.82</b>
<b>Total [7021.00] Operating Expenses</b>		<b>1,173,990.10</b>		<b>4,487.40</b>	<b>1,178,477.50</b>	<b>1,107,558.92</b>
<b>Operating Expenses</b>		<b>1,173,990.10</b>		<b>4,487.40</b>	<b>1,178,477.50</b>	<b>1,107,558.92</b>
<b>Group : [5321.00] Provision for income taxes</b>						
<b>Subgroup : None</b>						
9360000	Deferred Tax Expense	0.00		0.00	0.00	(13,140.00)
<b>Subtotal : None</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>(13,140.00)</b>
<b>Total [5321.00] Provision for income taxes</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>(13,140.00)</b>
<b>Group : [7022.00] Other Expense</b>						
<b>Subgroup : [7022. Interest Expense</b>						
6251600	Interest expense - general	11,276.63		0.00	11,276.63	13,046.76
<b>Subtotal [7022.01] Interest Expense</b>		<b>11,276.63</b>		<b>0.00</b>	<b>11,276.63</b>	<b>13,046.76</b>
<b>Total [7022.00] Other Expense</b>		<b>11,276.63</b>		<b>0.00</b>	<b>11,276.63</b>	<b>13,046.76</b>
<b>Group : [7023.00] Income Tax Expense</b>						
<b>Subgroup : None</b>						
6322110	State Corp Tax Expense	282.50		0.00	282.50	250.00
9999999	Deferred tax (income) expense	0.00		(8,209.00)	(8,209.00)	0.00
			AJE - 13	(8,209.00)		
<b>Subtotal : None</b>		<b>282.50</b>		<b>(8,209.00)</b>	<b>(7,926.50)</b>	<b>250.00</b>
<b>Total [7023.00] Income Tax Expense</b>		<b>282.50</b>		<b>(8,209.00)</b>	<b>(7,926.50)</b>	<b>250.00</b>
<b>Other Expenses</b>		<b>11,559.13</b>		<b>(8,209.00)</b>	<b>3,350.13</b>	<b>156.76</b>
<b>TOTAL EXPENSE</b>		<b>3,345,305.61</b>		<b>(3,721.60)</b>	<b>3,341,584.01</b>	<b>3,350,971.48</b>
<b>NET (INCOME) LOSS</b>		<b>56,775.12</b>		<b>(3,951.95)</b>	<b>52,823.17</b>	<b>39,846.00</b>
<b>Sum of Account Groups</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



[12266.1RV01]  
**Detail Projection - Depreciation**

Sorted: General - category

Financial

Fully Depreciated Assets Included on Report

01/01/2016 - 12/31/2016

System No.	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Bus./ Inv. %	Sec. 179/ Bonus	Salvage/ Basis Adj.	Beg. Accum. Depreciation	Current Depreciation	Total Depreciation
<b>Building improvements</b>											
48	Aluminum doors	6/9/2015	SL / N/A	5.0000	5,600.00	100.0000	0.00	0.00	653.33	1,120.00	1,773.33
<b>Subtotal: Building improvements</b>					<b>5,600.00</b>		<b>0.00</b>	<b>0.00</b>	<b>653.33</b>	<b>1,120.00</b>	<b>1,773.33</b>
Less dispositions and exchanges:					0.00		0.00	0.00	0.00	0.00	0.00
<b>Net for: Building improvements</b>					<b>5,600.00</b>		<b>0.00</b>	<b>0.00</b>	<b>653.33</b>	<b>1,120.00</b>	<b>1,773.33</b>
<b>Furniture, fixtures, &amp; equip</b>											
41	New server	7/7/2015	SL / N/A	5.0000	5,540.93	100.0000	0.00	0.00	554.10	1,108.19	1,662.29
42	AC Unit	8/24/2015	SL / N/A	5.0000	2,990.59	100.0000	0.00	0.00	199.37	598.12	797.49
43	Warehouse fixtu	11/4/2015	SL / N/A	5.0000	2,226.47	100.0000	0.00	0.00	74.22	445.29	519.51
44	Warehouse fixtu	11/10/2015	SL / N/A	5.0000	564.79	100.0000	0.00	0.00	18.83	112.96	131.79
<b>Subtotal: Furniture, fixtures, &amp; equip</b>					<b>11,322.78</b>		<b>0.00</b>	<b>0.00</b>	<b>846.52</b>	<b>2,264.56</b>	<b>3,111.08</b>
Less dispositions and exchanges:					0.00		0.00	0.00	0.00	0.00	0.00
<b>Net for: Furniture, fixtures, &amp; equip</b>					<b>11,322.78</b>		<b>0.00</b>	<b>0.00</b>	<b>846.52</b>	<b>2,264.56</b>	<b>3,111.08</b>
<b>Online ordering</b>											
45	Online ordering :	7/27/2015	SL / N/A	5.0000	7,175.97	100.0000	0.00	0.00	598.00	1,435.19	2,033.19
<b>Subtotal: Online ordering</b>					<b>7,175.97</b>		<b>0.00</b>	<b>0.00</b>	<b>598.00</b>	<b>1,435.19</b>	<b>2,033.19</b>
Less dispositions and exchanges:					0.00		0.00	0.00	0.00	0.00	0.00
<b>Net for: Online ordering</b>					<b>7,175.97</b>		<b>0.00</b>	<b>0.00</b>	<b>598.00</b>	<b>1,435.19</b>	<b>2,033.19</b>
<b>Software</b>											
46	Aisle7 suppleme	10/29/2015	SL / N/A	3.0000	2,295.00	100.0000	0.00	0.00	127.50	765.00	892.50
47	QuickBooks mu	9/28/2015	SL / N/A	3.0000	252.50	100.0000	0.00	0.00	21.04	84.17	105.21
<b>Subtotal: Software</b>					<b>2,547.50</b>		<b>0.00</b>	<b>0.00</b>	<b>148.54</b>	<b>849.17</b>	<b>997.71</b>
Less dispositions and exchanges:					0.00		0.00	0.00	0.00	0.00	0.00
<b>Net for: Software</b>					<b>2,547.50</b>		<b>0.00</b>	<b>0.00</b>	<b>148.54</b>	<b>849.17</b>	<b>997.71</b>
<b>Unassigned</b>											
2	WRAPPING/CO	1/15/2011	SL / N/A	10.0000	8,527.00	100.0000	0.00	0.00	4,264.70	852.70	5,117.40
3	BEER COOLER	3/21/2011	SL / N/A	10.0000	1,000.00	100.0000	0.00	0.00	500.00	100.00	600.00
4	BURKETT EQUI	10/6/2011	SL / N/A	10.0000	5,535.00	100.0000	0.00	0.00	2,492.50	553.50	3,046.00
5	COMPRESSOR	12/16/2011	SL / N/A	10.0000	750.00	100.0000	0.00	0.00	303.00	75.00	378.00
6	PURITAN & GEN	12/29/2011	SL / N/A	10.0000	13,423.00	100.0000	0.00	0.00	5,368.30	1,342.30	6,710.60
7	HVAC EQUIPME	1/4/2011	SL / N/A	15.0000	63,771.00	100.0000	0.00	0.00	19,129.40	4,251.40	23,380.80
8	PURITAN & GEN	6/19/2012	SL / N/A	10.0000	4,206.00	100.0000	0.00	0.00	1,472.60	420.60	1,893.20
9	CHECKOUT LAI	1/5/2012	SL / N/A	10.0000	3,218.00	100.0000	0.00	0.00	1,180.80	321.80	1,502.60
10	BULK BINS	8/20/2012	SL / N/A	10.0000	1,022.00	100.0000	0.00	0.00	340.20	102.20	442.40
11	COOLER SHEL\	8/24/2012	SL / N/A	10.0000	1,305.00	100.0000	0.00	0.00	436.50	130.50	567.00
12	COFFEE TABLE	8/27/2012	SL / N/A	10.0000	1,222.00	100.0000	0.00	0.00	407.20	122.20	529.40
13	CAFE FIXTURES	10/22/2012	SL / N/A	10.0000	2,828.00	100.0000	0.00	0.00	895.80	282.80	1,178.60
14	POS SYSTEM	1/8/2012	SL / N/A	10.0000	32,258.00	100.0000	0.00	0.00	11,021.80	3,225.80	14,247.60
15	SAFE	11/27/2012	SL / N/A	10.0000	900.00	100.0000	0.00	0.00	278.00	90.00	368.00
16	LOCKERS	5/12/2012	SL / N/A	10.0000	1,063.00	100.0000	0.00	0.00	327.30	106.30	433.60

[12266.1RV01]  
**Detail Projection - Depreciation**

Sorted: General - category

Financial

Fully Depreciated Assets Included on Report

01/01/2016 - 12/31/2016

System No.	Description	Date In Service	Method / Conv.	Life	Cost / Other Basis	Bus./ Inv. %	Sec. 179/ Bonus	Salvage/ Basis Adj.	Beg. Accum. Depreciation	Current Depreciation	Total Depreciation
<b>Unassigned</b>											
17	AWNING	1/12/2011	SL / N/A	10.0000	5,679.00	100.0000	0.00	0.00	1,798.90	567.90	2,366.80
18	DOOR SYSTEM	6/15/2012	SL / N/A	10.0000	6,190.00	100.0000	0.00	0.00	2,218.00	619.00	2,837.00
19	BEER COOLER	10/1/2012	SL / N/A	10.0000	6,000.00	100.0000	0.00	0.00	2,400.00	600.00	3,000.00
20	COOLER REHA	1/18/2012	SL / N/A	10.0000	5,000.00	100.0000	0.00	0.00	1,958.00	500.00	2,458.00
21	COOLERS	1/2/2013	SL / N/A	10.0000	23,250.00	100.0000	0.00	0.00	6,781.00	2,325.00	9,106.00
22	PA SYSTEM	2/13/2013	SL / N/A	7.0000	3,551.00	100.0000	0.00	0.00	1,479.29	507.29	1,986.58
23	HOT WATER HE	2/14/2013	SL / N/A	7.0000	2,113.00	100.0000	0.00	0.00	880.86	301.86	1,182.72
24	BABY GROCER	6/3/2013	SL / N/A	7.0000	1,125.00	100.0000	0.00	0.00	455.71	160.71	616.42
25	GROCERY CAR	4/17/2013	SL / N/A	7.0000	4,441.00	100.0000	0.00	0.00	1,691.43	634.43	2,325.86
26	FREEZER	9/19/2013	SL / N/A	7.0000	22,696.00	100.0000	0.00	0.00	7,295.29	3,242.29	10,537.58
27	POS SYSTEM S	12/8/2013	SL / N/A	7.0000	16,293.00	100.0000	0.00	0.00	5,625.57	2,327.57	7,953.14
28	REFRIGERATIO	6/30/2014	SL / N/A	10.0000	13,104.00	100.0000	0.00	0.00	1,965.40	1,310.40	3,275.80
29	GRAB N GO CC	7/14/2010	SL / N/A	10.0000	650.00	100.0000	0.00	0.00	81.00	65.00	146.00
30	AIR CURTAIN	4/23/2014	SL / N/A	10.0000	3,749.00	100.0000	0.00	0.00	624.90	374.90	999.80
31	COOL BOT WAL	10/25/2014	SL / N/A	10.0000	8,925.00	100.0000	0.00	0.00	1,041.50	892.50	1,934.00
32	4 COMPUTER V	5/19/2014	SL / N/A	5.0000	3,265.00	100.0000	0.00	0.00	1,034.00	653.00	1,687.00
33	Computer acces	9/17/2014	SL / N/A	5.0000	1,675.00	100.0000	0.00	0.00	419.00	335.00	754.00
34	LEASEHOLD IM	3/30/2008	SL / N/A	39.0000	136,378.00	100.0000	0.00	0.00	27,250.87	3,496.87	30,747.74
35	LEASEHOLD IM	2/9/2009	SL / N/A	39.0000	5,000.00	100.0000	0.00	0.00	806.21	128.21	934.42
36	LEASEHOLD IM	1/2/2011	SL / N/A	39.0000	25,000.00	100.0000	0.00	0.00	3,126.03	641.03	3,767.06
37	FLOOR	10/15/2012	SL / N/A	10.0000	14,444.00	100.0000	0.00	0.00	4,693.40	1,444.40	6,137.80
38	INSULATION	9/20/2012	SL / N/A	39.0000	1,500.00	100.0000	0.00	0.00	125.46	38.46	163.92
39	DOORWAY	2/28/2012	SL / N/A	39.0000	2,337.00	100.0000	0.00	0.00	232.92	59.92	292.84
40	CIRCULATING F	1/15/2014	SL / N/A	10.0000	19,725.00	100.0000	0.00	0.00	3,945.50	1,972.50	5,918.00
<b>Subtotal: Unassigned</b>					<b>473,118.00</b>		<b>0.00</b>	<b>0.00</b>	<b>126,348.34</b>	<b>35,175.34</b>	<b>161,523.68</b>
Less dispositions and exchanges:					0.00		0.00	0.00	0.00	0.00	0.00
<b>Net for: Unassigned</b>					<b>473,118.00</b>		<b>0.00</b>	<b>0.00</b>	<b>126,348.34</b>	<b>35,175.34</b>	<b>161,523.68</b>
<b>Subtotal:</b>					<b>499,764.25</b>		<b>0.00</b>	<b>0.00</b>	<b>128,594.73</b>	<b>40,844.26</b>	<b>169,438.99</b>
Less dispositions and exchanges:					0.00		0.00	0.00	0.00	0.00	0.00
<b>Grand Totals:</b>					<b>499,764.25</b>		<b>0.00</b>	<b>0.00</b>	<b>128,594.73</b>	<b>40,844.26</b>	<b>169,438.99</b>

[12266.1RV01]  
**Detail Projection - Amortization**

Sorted: General - category

Financial

Fully Depreciated Assets Included on Report

01/01/2016 - 12/31/2016

System No.	Description	Date In Service	Amort. Code Sec.	Life	Cost / Other Basis	Bus./ Inv. %	Beg. Accum. Amortization	Current Amortization	End. Accum. Amortization
<b>Unassigned</b>									
1	Loan Closing Cr	11/29/2012	Unassigned	15.0000	10,600.00	100.0000	2,179.67	0.00	2,179.67
<b>Subtotal: Unassigned</b>					<b>10,600.00</b>		<b>2,179.67</b>	<b>0.00</b>	<b>2,179.67</b>
<b>Less dispositions and exchanges:</b>					<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Net for: Unassigned</b>					<b>10,600.00</b>		<b>2,179.67</b>	<b>0.00</b>	<b>2,179.67</b>
<b>Subtotal:</b>					<b>10,600.00</b>		<b>2,179.67</b>	<b>0.00</b>	<b>2,179.67</b>
<b>Less dispositions and exchanges:</b>					<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Totals:</b>					<b>10,600.00</b>		<b>2,179.67</b>	<b>0.00</b>	<b>2,179.67</b>



## **Committee/Task Force**

- **Nominating Committee**
- **Annual Meeting Task Force**

Fiddleheads Cooperative Nominations Committee  
April - May 2016 Minutes

April 23 Nominations Committee meeting - Helene Bardinet, Kelleen Giffin, Mona Harmon-Bowman

Hand-off of Candidate Statements to Lexa Juhre, GM

Design of 2016 Board elections ballot for incumbents and appointees.

April 29 Nominations Committee meeting - Helene Bardinet, Kelleen Giffin, Mona Harmon-Bowman

2:00-3:00 Meeting with Rachel Black, candidate, discussion Board roles and responsibilities

3:00-5:00 Meeting with Lexa Juhe, Andrea Hall, Rachel Hutchins, discussion of and finalization of Board ballot, owner communications strategy. Discussion of letter to candidates to keep unelected owners engaged with Co-op activities (Provided sample draft of letter for candidates to GM on May 5th).

May 17 Nominations Committee meeting prior to Board meeting

5:00-6:00 Discussion of upcoming tasks:

Preparation of orientation materials for incoming Board members,

Discussion of interim nomination process for open Board positions

Planning 2016 (AAR) After Action Review of Nominations Committee timeline and tasks leading up to the 2016 Board election.

## Annual Meeting Committee meeting of Tuesday May 10, 2016

In Attendance: Lexa Juhre, Rachel Hutchins, Elisa Giommi, Carolyn Wilson, Ellen Clinesmith, Danny Spurr

### Decisions of 5/10/16:

- Tents are available, but we do not have a price quote yet. Carolyn or Lexa will reach out to Euphoria Event Solutions for a quote.
- The Hygienic has chairs available, but we may need more. Lexa will determine how many chairs and tables are needed and let Sarah (Hygienic) know, potential getting extra tables and chairs from the event company. (tables for apx. 80 people will be needed).
- Sound system- we are getting a sound tech and sound system are through Hygienic for a rate of \$500. Danny will talk to Sarah about any sound needs (number of mics needed, etc.)
- Menu- There will be food prepared for 175 people. 65% Fried falafel (veg.) and 35% Chx Swarma (non-veg) both on gluten free pita, with quinoa tabuleh salad and gluten free/vegan oatmeal raisin cookie. Soda and seltzer will be available for free (we should inform Sarah of this). Also water coolers of water will be available. Alcoholic beverages will be available for purchase from the Hygienic. Hygienic will serve the alcohol and provide all insurance/licensing for the serving of such.
- Tickets- Owners will be issued one ticket at the door for their meal. There will be two colors of ticket- one for vegetarian, one for omnivore. No other tickets will be issued.
- Check-in- Rachel and Andrea will be checking in owners and looking them up by member number for entry (and voting if they haven't voted yet?)
- Rachel added Committee member as host to the Meeting Party's Facebook page and encouraged everyone to invite their friends. She will also set up a way for owners to RSVP for the event.
- Draft minutes for the previous Annual Meeting will be posted online and in store.
- Danny will ask Sue Phillips if she would be willing to take minutes at this year's Meeting.
- The Annual Meeting Committee will have a debrief after the event to discuss improvements for next year and how best to structure the Committee next year.



# **GM Monitoring Report**

## **May 2016**

B1 Financial Condition Q1



## FIDDLEHEADS MONITORING REPORT, BASED ON CBLD TEMPLATE POLICY

QUARTERLY MONITORING REPORT, 1<sup>ST</sup> QUARTER 2016, MAY 13, 2016

### **Policy: B1 – Financial Condition and Activities, Last revised: Aug 18, 2015**

With respect to the actual, ongoing financial conditions and activities, the General Manager shall not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies.

The GM will not:

- 1) Allow sales to decline or be stagnant.
- 2) Allow operations to generate an inadequate net income.
- 3) Allow liquidity (the ability to meet cash needs in a timely and efficient fashion) to be insufficient.
- 4) Allow solvency (the relationship of debt to equity) to be insufficient.
- 5) Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.
- 6) Acquire, encumber or dispose of real estate.
- 7) Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
- 8) Allow late payment of contracts, payroll, loans or other financial obligations.
- 9) Use restricted funds for any purpose other than that required by the restriction.
- 10) Allow financial record keeping systems to be inadequate or out of conformity with Generally Accepted Accounting Principles (GAAP).
- 11) Allow growth in ownership and owner paid-in equity to be insufficient

### **I report compliance with all parts of this policy except:**

- 8) Allow late payment of contracts, payroll, loans or other financial obligations.
- 10) Allow financial record keeping systems to be inadequate or out of conformity with Generally Accepted Accounting Principles (GAAP).

This is a quarterly update report on key financial and operational indicators included in the annual B1 report, as well as on our tax payments. In addition, this report will include any information about actual or anticipated non-compliance for all aspects of the B1 policy.

Unless indicated otherwise, all data in this report is for 1Q16 and is accurate as of April 29 2016.

I certify that the information contained in this report and attachments is true.

Signed Alexandra Juhre, Alexandra Juhre, General Manager

Attachments: Balance Sheet, Income/Expense Statement



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## Global Policy

With respect to the actual, ongoing financial conditions and activities, the General Manager shall not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies.

**Operational definition / Interpretation:** The Board has interpreted and defined “fiscal jeopardy” in the sub-policies below.

**Data:**

Please see below for my definitions and data for each of the sub-policies.

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### 1) The GM will not allow sales to decline or be stagnant.

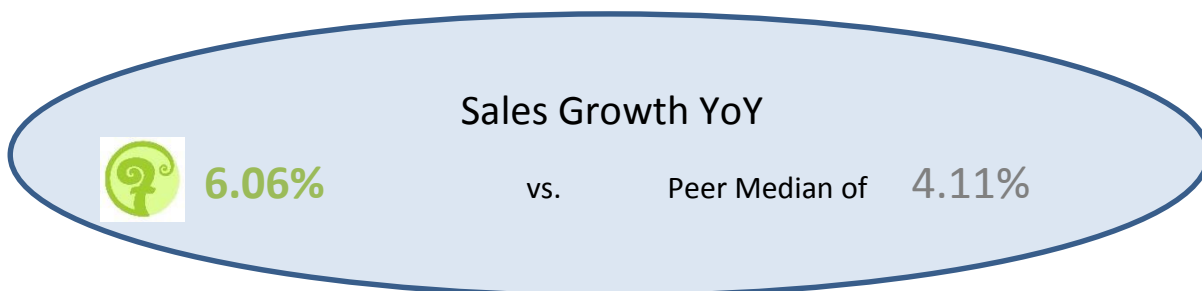
#### I report compliance.

**Operational definition / Interpretation:** Managers of NCG member co-ops, as part of the Co-op metrics program, have set a benchmark for averting fiscal jeopardy to achieve sales growth 3% or more.

Although Fiddleheads is currently in associate status, the General manager proposes to adopt this as “satisfactory” for reporting purposes. For budgeting purposes, we are proposing a goal of 5% over prior year, and the expense budget is still in development.

Actual data compares the most recent quarter with the same quarter of the previous year.

**Data:** Sales for the 1<sup>st</sup> quarter 2016 were \$884K which represents 6.06% growth over the same period last year. This is a respectable steady rate of growth. This is also outpacing the growth of other many other co-ops in our sales class nationally. Our peer group is defined as Medium-Small, with sales above \$786K and below \$1.1M in 1Q2016. Median growth in the peer group, comprised of 17 other co-ops, was 4.11%.



### 2) The GM will not allow operations to generate an inadequate net income.

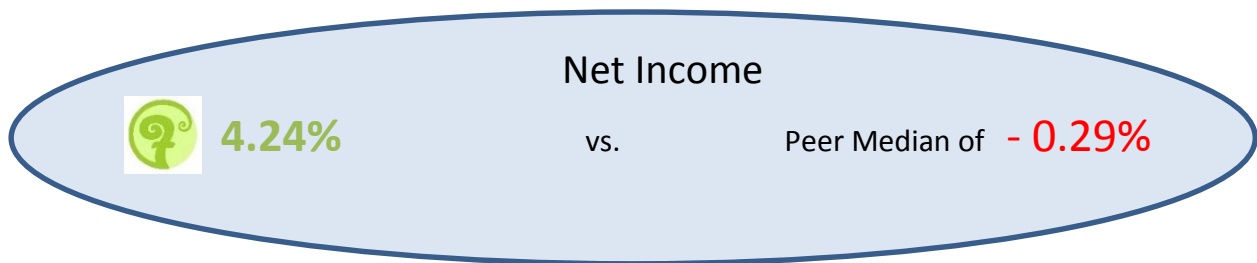
**I report compliance.**

**Operational definition /Interpretation:** The Coop Metrics benchmark for jeopardy on this measure is 0.5% of sales. I interpret actual net income as a percentage of sales for the year at .5% or above to be in compliance.

A goal for net income in the co-op sector is benchmarked at 3% and we will pursue this as a goal at FFC.

That said, striving to outstrip that consistently should not come at the cost of achieving other FFC goals. I am interested in potentially exploring some sort of gain share program in the future, where profits exceeding our budget goal might be split between the co-op and staff.

**Data:** Net income for the quarter was 4.24%. This in stark contrast with the peer data, where the median for the 1<sup>st</sup> quarter reflected a modest *net loss* of -0.29%. This number may have been favorably influenced by end-of year adjustments, so we will look to see where this comes in next quarter.



**3) The GM shall not allow liquidity (the ability to meet cash needs in a timely and efficient fashion) to be insufficient.**

**I report compliance.**

**Operational definition /Interpretation:**

I interpret a current ratio of at least 1.25 to be “sufficient”. The Coop Metrics goal for the co-op’s Current Ratio is 2.0 or above.

**Data:**

1Q2016 Current ratio = 2.18

**4) The GM shall not allow solvency (the relationship of debt to equity) to be insufficient.**

**I report compliance.**

**Operational definition/Interpretation:**

The Debt to Equity ratio benchmark for Co-op metrics is 3.0 or below, which I interpret as “sufficient”. A ratio of 2.0 or less is considered advisable in most situations.

**Data:** Debt to Equity ratio for 1Q2016 = 1.01.

Data used is Total Liabilities and Total Equity from the attached balance sheet.

- 5) **The GM will not incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.**  
**I report compliance.**

**Operational definition / Interpretation:**

Management may not incur new indebtedness except as trade payables, ordinary credit lines, and leases for equipment necessary in the ordinary course of business.

Compliance will be achieved if, since the last report, no new indebtedness that has not been authorized by the Board of Directors is reflected on the Balance Sheet other than those described above.

**Data:**

No new debt or other than ordinary business liabilities have been incurred in this period. As reported in April's monitoring report, we did draw down \$6K on our previously authorized line of credit from Co-op Fund of new England to purchase a new compressor for an ailing Produce display case.

- 6) **The GM will not acquire, encumber or dispose of real estate.**  
**I report compliance.**

**Operational definition / Interpretation:**

This policy limits the GM from purchasing or committing to purchase any real estate; only the Board has the authority to make any kind of real estate (land or buildings) deal. Real estate is considered a fixed asset, and is listed as such on our balance sheet. The land and buildings designated as fixed assets on the current balance sheet should be the same as on the previous quarter's balance sheet— unless the board has specifically authorized a purchase or sale.

**Data:**

Neither I nor my predecessor have made any real estate purchases or commitments in this period. We lease our store site, and the lease extension was successfully negotiated in this period.

- 7) **The GM will not allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.**

**I report compliance.**

**Operational definition / Interpretation:**

Our only "government-ordered" payments are the various taxes we pay. These are considered "overdue or inaccurately filed" only if the co-op receives notice from the government to this effect. Compliance is payment of all taxes by due dates or extended due dates by filing for extensions for income taxes.

**Data:**

*The following taxes were paid in a timely manner*

Personal Property tax, bi-annually next payment due July 2016

Sales tax, monthly on the 20<sup>th</sup> of the month for the previous month based on sales

**8) The GM will not allow late payment of contracts, payroll, loans or other financial obligations.**

**I report out of compliance.**

**Operational definition / Interpretation:**

A. Contracts are agreements between the Co-op and another party. They include, for example, purchasing contracts with United Natural Foods, and our contract with CDS for the CBLD board development program. Contracts are considered settled in a timely manner unless we receive notice that we are in default.

B. Payroll is the sum of wages and benefits paid to staff. It is considered settled in a timely manner if employees receive their wages and benefits as outlined in the Employee Handbook, and if no employee makes a valid grievance concerning untimely payment.

C. Loans are anything listed as “Long Term Liabilities” on our Balance Sheet. They are considered settled in a timely manner if we make payments according to the note, and if we receive no notice that our payment is in default.

D. Other financial obligations include our commitment to pay vendors and service providers based on mutually agreed upon terms. They are considered timely if paid without material penalty for late payment or default notice.

**Data:**

There are three member loans that are in the process of being renegotiated for extension for which payments have not been made.

The co-op has received no notice of overdue payments this quarter.

**9) The GM will not use restricted funds for any purpose other than that required by the restriction.**

**I report compliance.**

**Operational definition / Interpretation:**

Restricted funds are any money or account controlled by any outside authority or by the Board of Directors for a specific purpose. Only the Board or the governing outside authority may alter the spending assignment for that money.

**Data:** I am not aware of any restricted funds at present, so no restricted funds were disbursed for any purpose outside that restriction.

**10) The GM will not allow financial record keeping systems to be inadequate or out of conformity with Generally Accepted Accounting Principles (GAAP).**

**I report out of compliance.**

**Operational definition / Interpretation:**

The co-op’s financial record keeping systems will comply with Generally Accepted Accounting Principles (GAAP).

A qualified third party from outside the organization would have to audit the co-op’s accounting systems on an annual basis to a level of depth necessary to provide an opinion regarding compliance with GAAP. Compliance will be achieved if an auditor provides a “clean” or unqualified letter regarding conforming to GAAP.

**Data:**

In 2015, the firm, Wegner LLC, CPAS and Consultants, was retained by the board to perform an annual financial review, which is less comprehensive than an audit. The independent accountant's review report closes with the following.

*Accountant's Conclusion:*

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

**Plan to achieve future compliance:**

I will review the recommendations supplied by Wegner LLC regarding best practices for internal controls to determine if any modifications to current practice are warranted and will advise the Board as to whether we have sufficient internal readiness to pursue an audit for 2016.

11) **The GM will not allow growth in ownership and owner paid-in equity to be insufficient.**

**Operational definition / Interpretation:**

**I report compliance.**

**Operational definition / Interpretation:**

There shall be a positive growth trend in the number of Owner households. Owner paid-in equity will grow at least 5% annually.

**Data:**

1Q2016 paid-in equity grew by 14.68% since 1Q2015, an increase of \$31,903.50.

In addition, the number of new owners who joined in this period (153) was equivalent to the number of new owners who joined in the entire fiscal year of 2015

**Fiddleheads Natural Food Coop**  
**Qtr P&L BoD B1 Report**  
 January through March 2016

	Jan - Mar 16	Jan - Mar 15
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
<b>4000000 · Retail Sales Net after Discount</b>		
<b>4111100 · Sales - Grocery</b>		
4111001 · Sales Bulk	118,590.54	117,327.42
4111003 · Sales-Refrigerated	108,466.81	118,245.80
4111004 · Sales-Bulk Tea & Spice	0.00	11,003.10
4111006 · Sales-Packaged Grocery	205,647.27	183,467.93
4111007 · Sales-Taxable Grocery	20,188.34	17,276.22
4111011 · Sales-Frozen	32,794.01	46,245.96
4111014 · Sales-Beer	8,200.19	5,929.94
<b>Total 4111100 · Sales - Grocery</b>	493,887.16	499,496.37
<b>4111200 · Sales - Deli</b>		
4111008 · Sales-Cheese	28,013.09	24,220.93
4111012 · Sales-Bakery	27,287.03	27,111.31
4111018 · Sales - Cafe	4,947.82	5,638.00
<b>Total 4111200 · Sales - Deli</b>	60,247.94	56,970.24
<b>4111300 · Meat</b>		
4111015 · Sales-Meat	42,927.15	2,385.65
<b>Total 4111300 · Meat</b>	42,927.15	2,385.65
<b>4111400 · Sales - Produce</b>		
4111002 · Sales-Produce	155,445.81	137,746.57
<b>Total 4111400 · Sales - Produce</b>	155,445.81	137,746.57
<b>4111500 · Sales - Personal Care</b>		
4111005 · Sales - Personal Care	90,911.18	85,378.80
<b>Total 4111500 · Sales - Personal Care</b>	90,911.18	85,378.80
<b>4111600 · Sales - General Merchandise</b>		
4111010 · Sales-General Merchandise	13,190.12	21,862.73
<b>Total 4111600 · Sales - General Merchandise</b>	13,190.12	21,862.73
<b>Total 4000000 · Retail Sales Net after Discount</b>	856,609.36	803,840.36
<b>4111700 · Sales - Other</b>		
4111040 · Sales-Misc	-35.25	558.67
4111041 · Processing Fees	1,602.00	51.00
4111080 · Sales-Bottle Deposits Returns	406.58	844.42
4111193 · Vendor Coupons	75.85	-117.20
<b>Total 4111700 · Sales - Other</b>	2,049.18	1,336.89
<b>4111800 · Discounts - added back to gross</b>		
4111801 · Quarterly Coupon	7,319.57	0.00
4111802 · Member Discount	4,537.89	13,690.42
4111803 · Employee Discount	7,534.15	8,718.68
4111804 · Product Discounts	6,007.79	5,735.41
<b>Total 4111800 · Discounts - added back to gross</b>	25,399.40	28,144.51
<b>8100000 · Earned revenues</b>		
8100001 · Vendor Fees	255.00	484.53
<b>Total 8100000 · Earned revenues</b>	255.00	484.53
<b>Total Income</b>	884,312.94	833,806.29

**Fiddleheads Natural Food Coop**  
**Qtr P&L BoD B1 Report**  
 January through March 2016

	Jan - Mar 16	Jan - Mar 15
<b>Cost of Goods Sold</b>		
5113100 · COG Grocery		
5113201 · COGS-Bulk	75,601.17	76,399.96
5113203 · COGS-Refrigerated	82,379.02	82,827.87
5113204 · COGS-Bulk Tea and Spice	0.00	7,407.49
5113206 · COGS-Packaged Grocery	132,102.87	118,633.13
5113207 · COGS-Taxable Grocery	12,410.43	10,228.89
5113211 · COGS-Frozen	23,003.26	27,093.04
5113213 · COGS-Taxable Bulk	0.00	503.51
5113214 · COGS-Beer	5,763.09	4,613.95
5113100 · COG Grocery - Other	0.00	0.00
<b>Total 5113100 · COG Grocery</b>	<b>331,259.84</b>	<b>327,707.84</b>
5113200 · COGS - Deli		
5113208 · COGS-Cheese	18,913.60	15,984.42
5113212 · COGS-Bakery	18,719.70	19,666.32
5113218 · COGS - Cafe	4,093.24	3,934.60
<b>Total 5113200 · COGS - Deli</b>	<b>41,726.54</b>	<b>39,585.34</b>
5113300 · COGS - Meat		
5113215 · COGS - Meat	25,804.38	2,305.76
<b>Total 5113300 · COGS - Meat</b>	<b>25,804.38</b>	<b>2,305.76</b>
5113400 · COGS - Produce		
5113202 · COGS - Produce	111,301.99	98,394.81
<b>Total 5113400 · COGS - Produce</b>	<b>111,301.99</b>	<b>98,394.81</b>
5113500 · COGS - Personal Care		
5113205 · COGS - Personal Care	48,296.55	49,635.33
<b>Total 5113500 · COGS - Personal Care</b>	<b>48,296.55</b>	<b>49,635.33</b>
5113600 · COGS - General Merchandise		
5113210 · COGS-General Merchandise	7,780.28	17,033.19
<b>Total 5113600 · COGS - General Merchandise</b>	<b>7,780.28</b>	<b>17,033.19</b>
5113700 · COGS - Other		
5113260 · COGS - Product Discount	6,007.79	5,735.41
5113270 · COGS-Special Orders-Preorders	3,618.13	2,440.41
5113280 · COGS-Bottle Deposit/ /Returns	512.36	-1,036.12
<b>Total 5113700 · COGS - Other</b>	<b>10,138.28</b>	<b>7,139.70</b>
<b>Total COGS</b>	<b>576,307.86</b>	<b>541,801.97</b>
<b>Gross Profit</b>	<b>308,005.08</b>	<b>292,004.32</b>
<b>Expense</b>		
6210000 · Personnel Expense		
6211000 · Salaries & Wages	103,556.86	110,937.57
6212000 · Payroll taxes		
6212010 · Social Security	6,332.37	0.00
6212020 · Medicare	1,480.97	0.00
6212030 · Federal Unemployment	608.52	0.00
6212040 · State Unemployment	2,349.11	0.00
6212000 · Payroll taxes - Other	0.00	33,212.09
<b>Total 6212000 · Payroll taxes</b>	<b>10,770.97</b>	<b>33,212.09</b>
6213010 · Workers' Comp	2,764.00	5,352.00
6213300 · Employee Discount	7,534.15	8,718.68
6213400 · Payroll Service Fees	460.87	941.35
6213600 · Training and Development	1,515.90	713.87
6213700 · Personnel Software	450.00	768.00
6213800 · Legal fees	0.00	0.00
6213900 · Accounting fees	0.00	700.00
6213910 · Professional fees - other	27,300.00	0.00
<b>Total 6210000 · Personnel Expense</b>	<b>154,352.75</b>	<b>161,343.56</b>

**Fiddleheads Natural Food Coop**  
**Qtr P&L BoD B1 Report**  
 January through March 2016

	Jan - Mar 16	Jan - Mar 15
<b>6220000 · Occupancy expenses</b>		
6221000 · Rent, parking, other occupancy	25,950.00	24,750.00
6221100 · Building Repair & Maintenance	2,818.74	3,884.36
6221200 · Building/interior improvements	2,864.85	0.00
6221500 · Utilities	13,213.40	16,744.21
6221600 · Security System	290.00	0.00
6221700 · Building Services	461.10	0.00
<b>Total 6220000 · Occupancy expenses</b>	<b>45,598.09</b>	<b>45,378.57</b>
<b>6230000 · Depreciation &amp; amortization exp</b>	<b>0.00</b>	<b>9,000.00</b>
<b>6240000 · Operating Expenses</b>		
6240500 · Credit Card Fees		
6240510 · Amex Credit Card Fees	979.01	946.60
6240520 · Global STL Global Charges	9,729.09	9,481.88
<b>Total 6240500 · Credit Card Fees</b>	<b>10,708.10</b>	<b>10,428.48</b>
6240800 · Equip rental & maintenance		
6240820 · Refrigeration Equipment Repair	1,192.15	3,445.50
6240800 · Equip rental & maintenance - Other	1,960.82	1,762.86
<b>Total 6240800 · Equip rental &amp; maintenance</b>	<b>3,152.97</b>	<b>5,208.36</b>
6241300 · Reconciliation Discrepancies	-162.95	0.00
6241500 · Returned Check	0.00	-129.36
6241600 · Trash Removal	654.06	526.44
6241700 · POS Maintenance	121.20	-786.86
6241900 · Telephone & telecommunications	1,129.64	1,038.00
6241901 · Supplies and Store Equipment	8,359.73	7,075.44
6241902 · Online ordering	3,187.50	0.00
6240000 · Operating Expenses - Other	-22.89	0.00
<b>Total 6240000 · Operating Expenses</b>	<b>27,127.36</b>	<b>23,360.50</b>
<b>6250000 · Administrative expenses</b>		
6250100 · Accounting Fees	4,450.00	0.00
6250200 · Office Supplies	1,048.71	0.00
6250300 · Postage	425.32	314.10
6250500 · Outside computer services	1,388.38	1,542.53
6250700 · Dues and Subscriptions	2,137.82	1,223.00
6250900 · Inventory Services	869.40	1,013.98
6251000 · Legal fees	862.50	3,540.00
6251500 · Other expenses	14.99	65.81
6251600 · Interest expense - general	2,718.82	3,085.26
6251800 · Insurance	1,525.00	1,890.51
6251900 · Advertising expenses	2,823.15	4,917.32
6252000 · Bank charges	180.62	244.97
<b>Total 6250000 · Administrative expenses</b>	<b>18,444.71</b>	<b>17,837.48</b>
<b>6260100 · Special event costs</b>		
6260110 · advertising	830.00	0.00
6260120 · hiring work done	50.00	200.00
6260140 · supplies and equipment	0.00	1,353.63
<b>Total 6260100 · Special event costs</b>	<b>880.00</b>	<b>1,553.63</b>
<b>6270000 · Governance Expense</b>		
6251704 · Board supplies	0.00	36.00
6270701 · Board Development - Conf & Mtgs	3,812.12	27.00
6270702 · CBLD Fees	1,032.16	1,662.50
6270703 · Consultant Fees	89.76	0.00
6270704 · Insurance - D&O	1,520.00	950.00
6270705 · GM Search Expenses	2,643.10	0.00
6270707 · Annual Meeting	700.00	0.00
<b>Total 6270000 · Governance Expense</b>	<b>9,797.14</b>	<b>2,675.50</b>



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05/25/16

Accrual Basis

**Fiddleheads Natural Food Coop**  
**Qtr P&L BoD B1 Report**  
January through March 2016

	<u>Jan - Mar 16</u>	<u>Jan - Mar 15</u>
<b>6280000 · Promotions</b>		
4111190 · Quarterly Coupons	7,319.57	0.00
4111195 · Member Discounts	4,537.89	13,683.80
6290701 · Outreach	683.14	497.55
6290702 · Sampling and Demo	150.23	0.00
<b>Total 6280000 · Promotions</b>	<u>12,690.83</u>	<u>14,181.35</u>
<b>6280100 · Travel</b>	0.00	293.66
<b>6322000 · Business expenses</b>		
6322200 · License & Permits	1,650.00	3,030.00
<b>Total 6322000 · Business expenses</b>	<u>1,650.00</u>	<u>3,030.00</u>
<b>Total Expense</b>	<u>270,540.88</u>	<u>278,654.25</u>
<b>Net Ordinary Income</b>	37,464.20	13,350.07
<b>Other Income/Expense</b>		
<b>Other Income</b>		
4111196 · Discount - Gross up of Rev	0.00	0.00
8311400 · Interest	3.25	12.81
<b>Total Other Income</b>	<u>3.25</u>	<u>12.81</u>
<b>Other Expense</b>		
9330000 · Cash Short & Over	72.29	118.59
<b>Total Other Expense</b>	<u>72.29</u>	<u>118.59</u>
<b>Net Other Income</b>	<u>-69.04</u>	<u>-105.78</u>
<b>Net Income</b>	<u><u>37,395.16</u></u>	<u><u>13,244.29</u></u>

**Fiddleheads Natural Food Coop**  
**Qtr P&L BoD B1 Report**  
 January through March 2016

	<u>\$ Change</u>	<u>% Change</u>
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
<b>4000000 · Retail Sales Net after Discount</b>		
<b>4111100 · Sales - Grocery</b>		
4111001 · Sales Bulk	1,263.12	1.1%
4111003 · Sales-Refrigerated	-9,778.99	-8.3%
4111004 · Sales-Bulk Tea & Spice	-11,003.10	-100.0%
4111006 · Sales-Packaged Grocery	22,179.34	12.1%
4111007 · Sales-Taxable Grocery	2,912.12	16.9%
4111011 · Sales-Frozen	-13,451.95	-29.1%
4111014 · Sales-Beer	2,270.25	38.3%
<b>Total 4111100 · Sales - Grocery</b>	<u>-5,609.21</u>	<u>-1.1%</u>
<b>4111200 · Sales - Deli</b>		
4111008 · Sales-Cheese	3,792.16	15.7%
4111012 · Sales-Bakery	175.72	0.7%
4111018 · Sales - Cafe	-690.18	-12.2%
<b>Total 4111200 · Sales - Deli</b>	<u>3,277.70</u>	<u>5.8%</u>
<b>4111300 · Meat</b>		
4111015 · Sales-Meat	40,541.50	1,699.4%
<b>Total 4111300 · Meat</b>	<u>40,541.50</u>	<u>1,699.4%</u>
<b>4111400 · Sales - Produce</b>		
4111002 · Sales-Produce	17,699.24	12.9%
<b>Total 4111400 · Sales - Produce</b>	<u>17,699.24</u>	<u>12.9%</u>
<b>4111500 · Sales - Personal Care</b>		
4111005 · Sales - Personal Care	5,532.38	6.5%
<b>Total 4111500 · Sales - Personal Care</b>	<u>5,532.38</u>	<u>6.5%</u>
<b>4111600 · Sales - General Merchandise</b>		
4111010 · Sales-General Merchandise	-8,672.61	-39.7%
<b>Total 4111600 · Sales - General Merchandise</b>	<u>-8,672.61</u>	<u>-39.7%</u>
<b>Total 4000000 · Retail Sales Net after Discount</b>	<u>52,769.00</u>	<u>6.6%</u>
<b>4111700 · Sales - Other</b>		
4111040 · Sales-Misc	-593.92	-106.3%
4111041 · Processing Fees	1,551.00	3,041.2%
4111080 · Sales-Bottle Deposits Returns	-437.84	-51.9%
4111193 · Vendor Coupons	193.05	164.7%
<b>Total 4111700 · Sales - Other</b>	<u>712.29</u>	<u>53.3%</u>
<b>4111800 · Discounts - added back to gross</b>		
4111801 · Quarterly Coupon	7,319.57	100.0%
4111802 · Member Discount	-9,152.53	-66.9%
4111803 · Employee Discount	-1,184.53	-13.6%
4111804 · Product Discounts	272.38	4.8%
<b>Total 4111800 · Discounts - added back to gross</b>	<u>-2,745.11</u>	<u>-9.8%</u>
<b>8100000 · Earned revenues</b>		
8100001 · Vendor Fees	-229.53	-47.4%
<b>Total 8100000 · Earned revenues</b>	<u>-229.53</u>	<u>-47.4%</u>
<b>Total Income</b>	<u>50,506.65</u>	<u>6.1%</u>

**Fiddleheads Natural Food Coop**  
**Qtr P&L BoD B1 Report**  
 January through March 2016

	<u>\$ Change</u>	<u>% Change</u>
<b>Cost of Goods Sold</b>		
5113100 · COG Grocery		
5113201 · COGS-Bulk	-798.79	-1.1%
5113203 · COGS-Refrigerated	-448.85	-0.5%
5113204 · COGS-Bulk Tea and Spice	-7,407.49	-100.0%
5113206 · COGS-Packaged Grocery	13,469.74	11.4%
5113207 · COGS-Taxable Grocery	2,181.54	21.3%
5113211 · COGS-Frozen	-4,089.78	-15.1%
5113213 · COGS-Taxable Bulk	-503.51	-100.0%
5113214 · COGS-Beer	1,149.14	24.9%
5113100 · COG Grocery - Other	0.00	0.0%
<b>Total 5113100 · COG Grocery</b>	<b>3,552.00</b>	<b>1.1%</b>
5113200 · COGS - Deli		
5113208 · COGS-Cheese	2,929.18	18.3%
5113212 · COGS-Bakery	-946.62	-4.8%
5113218 · COGS - Cafe	158.64	4.0%
<b>Total 5113200 · COGS - Deli</b>	<b>2,141.20</b>	<b>5.4%</b>
5113300 · COGS - Meat		
5113215 · COGS - Meat	23,498.62	1,019.1%
<b>Total 5113300 · COGS - Meat</b>	<b>23,498.62</b>	<b>1,019.1%</b>
5113400 · COGS - Produce		
5113202 · COGS - Produce	12,907.18	13.1%
<b>Total 5113400 · COGS - Produce</b>	<b>12,907.18</b>	<b>13.1%</b>
5113500 · COGS - Personal Care		
5113205 · COGS - Personal Care	-1,338.78	-2.7%
<b>Total 5113500 · COGS - Personal Care</b>	<b>-1,338.78</b>	<b>-2.7%</b>
5113600 · COGS - General Merchandise		
5113210 · COGS-General Merchandise	-9,252.91	-54.3%
<b>Total 5113600 · COGS - General Merchandise</b>	<b>-9,252.91</b>	<b>-54.3%</b>
5113700 · COGS - Other		
5113260 · COGS - Product Discount	272.38	4.8%
5113270 · COGS-Special Orders-Preorders	1,177.72	48.3%
5113280 · COGS-Bottle Deposit/ /Returns	1,548.48	149.5%
<b>Total 5113700 · COGS - Other</b>	<b>2,998.58</b>	<b>42.0%</b>
<b>Total COGS</b>	<b>34,505.89</b>	<b>6.4%</b>
<b>Gross Profit</b>	<b>16,000.76</b>	<b>5.5%</b>
<b>Expense</b>		
6210000 · Personnel Expense		
6211000 · Salaries & Wages	-7,380.71	-6.7%
6212000 · Payroll taxes		
6212010 · Social Security	6,332.37	100.0%
6212020 · Medicare	1,480.97	100.0%
6212030 · Federal Unemployment	608.52	100.0%
6212040 · State Unemployment	2,349.11	100.0%
6212000 · Payroll taxes - Other	-33,212.09	-100.0%
<b>Total 6212000 · Payroll taxes</b>	<b>-22,441.12</b>	<b>-67.6%</b>
6213010 · Workers' Comp	-2,588.00	-48.4%
6213300 · Employee Discount	-1,184.53	-13.6%
6213400 · Payroll Service Fees	-480.48	-51.0%
6213600 · Training and Development	802.03	112.4%
6213700 · Personnel Software	-318.00	-41.4%
6213800 · Legal fees	0.00	0.0%
6213900 · Accounting fees	-700.00	-100.0%
6213910 · Professional fees - other	27,300.00	100.0%
<b>Total 6210000 · Personnel Expense</b>	<b>-6,990.81</b>	<b>-4.3%</b>

**Fiddleheads Natural Food Coop**  
**Qtr P&L BoD B1 Report**  
 January through March 2016

	\$ Change	% Change
<b>6220000 · Occupancy expenses</b>		
6221000 · Rent, parking, other occupancy	1,200.00	4.9%
6221100 · Building Repair & Maintenance	-1,065.62	-27.4%
6221200 · Building/interior improvements	2,864.85	100.0%
6221500 · Utilities	-3,530.81	-21.1%
6221600 · Security System	290.00	100.0%
6221700 · Building Services	461.10	100.0%
<b>Total 6220000 · Occupancy expenses</b>	<b>219.52</b>	<b>0.5%</b>
<b>6230000 · Depreciation &amp; amortization exp</b>	<b>-9,000.00</b>	<b>-100.0%</b>
<b>6240000 · Operating Expenses</b>		
6240500 · Credit Card Fees		
6240510 · Amex Credit Card Fees	32.41	3.4%
6240520 · Global STL Global Charges	247.21	2.6%
<b>Total 6240500 · Credit Card Fees</b>	<b>279.62</b>	<b>2.7%</b>
6240800 · Equip rental & maintenance		
6240820 · Refrigeration Equipment Repair	-2,253.35	-65.4%
6240800 · Equip rental & maintenance - Other	197.96	11.2%
<b>Total 6240800 · Equip rental &amp; maintenance</b>	<b>-2,055.39</b>	<b>-39.5%</b>
6241300 · Reconciliation Discrepancies	-162.95	-100.0%
6241500 · Returned Check	129.36	100.0%
6241600 · Trash Removal	127.62	24.2%
6241700 · POS Maintenance	908.06	115.4%
6241900 · Telephone & telecommunications	91.64	8.8%
6241901 · Supplies and Store Equipment	1,284.29	18.2%
6241902 · Online ordering	3,187.50	100.0%
6240000 · Operating Expenses - Other	-22.89	-100.0%
<b>Total 6240000 · Operating Expenses</b>	<b>3,766.86</b>	<b>16.1%</b>
<b>6250000 · Administrative expenses</b>		
6250100 · Accounting Fees	4,450.00	100.0%
6250200 · Office Supplies	1,048.71	100.0%
6250300 · Postage	111.22	35.4%
6250500 · Outside computer services	-154.15	-10.0%
6250700 · Dues and Subscriptions	914.82	74.8%
6250900 · Inventory Services	-144.58	-14.3%
6251000 · Legal fees	-2,677.50	-75.6%
6251500 · Other expenses	-50.82	-77.2%
6251600 · Interest expense - general	-366.44	-11.9%
6251800 · Insurance	-365.51	-19.3%
6251900 · Advertising expenses	-2,094.17	-42.6%
6252000 · Bank charges	-64.35	-26.3%
<b>Total 6250000 · Administrative expenses</b>	<b>607.23</b>	<b>3.4%</b>
<b>6260100 · Special event costs</b>		
6260110 · advertising	830.00	100.0%
6260120 · hiring work done	-150.00	-75.0%
6260140 · supplies and equipment	-1,353.63	-100.0%
<b>Total 6260100 · Special event costs</b>	<b>-673.63</b>	<b>-43.4%</b>
<b>6270000 · Governance Expense</b>		
6251704 · Board supplies	-36.00	-100.0%
6270701 · Board Development - Conf & Mtgs	3,785.12	14,019.0%
6270702 · CBLD Fees	-630.34	-37.9%
6270703 · Consultant Fees	89.76	100.0%
6270704 · Insurance - D&O	570.00	60.0%
6270705 · GM Search Expenses	2,643.10	100.0%
6270707 · Annual Meeting	700.00	100.0%
<b>Total 6270000 · Governance Expense</b>	<b>7,121.64</b>	<b>266.2%</b>

10:58 PM

05/25/16

Accrual Basis

**Fiddleheads Natural Food Coop**  
**Qtr P&L BoD B1 Report**  
January through March 2016

	<u>\$ Change</u>	<u>% Change</u>
<b>6280000 · Promotions</b>		
4111190 · Quarterly Coupons	7,319.57	100.0%
4111195 · Member Discounts	-9,145.91	-66.8%
6290701 · Outreach	185.59	37.3%
6290702 · Sampling and Demo	150.23	100.0%
<b>Total 6280000 · Promotions</b>	<u>-1,490.52</u>	<u>-10.5%</u>
<b>6280100 · Travel</b>	-293.66	-100.0%
<b>6322000 · Business expenses</b>		
6322200 · License & Permits	-1,380.00	-45.5%
<b>Total 6322000 · Business expenses</b>	<u>-1,380.00</u>	<u>-45.5%</u>
<b>Total Expense</b>	<u>-8,113.37</u>	<u>-2.9%</u>
<b>Net Ordinary Income</b>	24,114.13	180.6%
<b>Other Income/Expense</b>		
<b>Other Income</b>		
4111196 · Discount - Gross up of Rev	0.00	0.0%
8311400 · Interest	-9.56	-74.6%
<b>Total Other Income</b>	<u>-9.56</u>	<u>-74.6%</u>
<b>Other Expense</b>		
9330000 · Cash Short & Over	-46.30	-39.0%
<b>Total Other Expense</b>	<u>-46.30</u>	<u>-39.0%</u>
<b>Net Other Income</b>	<u>36.74</u>	<u>34.7%</u>
<b>Net Income</b>	<u><u>24,150.87</u></u>	<u><u>182.4%</u></u>



## **Next Meeting Agenda**

# DRAFT

**AGENDA**  
**FIDDLEHEADS BOARD OF DIRECTORS MEETING**  
**June 21, 2016**  
**6:30-8:30 PM**  
**105 Huntington Street, New London**

Time	Topic	Resource	Action/Outcome	Leader
6:30	<b>Meeting Preamble</b> <i>Each of us is a member of the coop community and has been elected to be a leader in serving our members. May we conduct this meeting by empowering each other, treating each other with kindness, and maintaining an atmosphere of mutual respect.</i> <b>Check-in</b> <b>Welcome New Board Members!!</b>	Agenda	Convene/Focus	President
	<b>Agenda Review</b>	Agenda	Make any needed adjustments	President
	<b>Owner Comments</b>		Listen	President
6:35	<b>Approve Draft Minutes</b> <ul style="list-style-type: none"><li>• May 17, 2016</li></ul>	Packet	Approve	
6:40	<b>Consent Agenda</b> <ul style="list-style-type: none"><li>• Member Equity Refund Requests (as needed)</li></ul>	Each item in packet	Approval	President GM
	<b>Discussion of Items removed from Consent Agenda</b>	See above	Discuss/Approve	TBD
6:45	<b>Discussion/Action Items</b> <ul style="list-style-type: none"><li>• TBD</li><li>• Election of Board Officers</li><li>• Scheduling Retreat/Financial Training Part II</li><li>• Discussion of Board Monitoring Report</li></ul>	In Packet	Discuss	Treasurer
	<b>Committee/Task Force</b> <ul style="list-style-type: none"><li>• Nominations<ul style="list-style-type: none"><li>◦ Accept Minutes</li></ul></li><li>• Annual Meeting<ul style="list-style-type: none"><li>◦ Accept Minutes</li><li>◦ Review Charter</li></ul></li><li>• Owner Communications<ul style="list-style-type: none"><li>◦ Any updates (should get charter for next meeting)</li></ul></li></ul>			
8:15	<b>GM Monitoring Report (B5 Consumers)</b>	In Packet		GM
8:40	<b>Member Comments</b>			
	<b>EXECUTIVE SESSION</b> <ul style="list-style-type: none"><li>• To approve minutes of May 17, 2016, Executive Session</li><li>• Personnel matters (GM Monitoring/Transition)</li></ul>	Minutes and Evaluation To Be Provided		Secretary
8:45	<b>Closings</b> <ul style="list-style-type: none"><li>• SCHEDULE CDS CALL!</li><li>• Review tasks for next meeting and other dates</li><li>• Adjourn Meeting</li></ul>			President

**BOARD PACKET CONTENTS (listed on next page)**

# DRAFT

## BOARD PACKET CONTENTS:

- Meeting Agenda (Elisa)
- Draft Minutes of May 17, 2016 Meeting (Danny & Elisa)
- Committee Notes/Minutes
  - Nominations Minutes (Mona/Helene)
  - Annual Meeting Minutes (Carolyn)
- Member Equity Refund Request (as needed) (Lexa)
- Executive Session Minutes of May 17, 2016 – (to be brought to meeting by Danny)
- GM Monitoring Report (Lexa)
- Draft Agenda for July 19, 2016 meeting (Elisa)