



Fiddleheads FOOD COOP Dime Bank ATM INSIDE



2021 ANNUAL REPORT

BOARD PRESIDENT'S REPORT



2021 proved to be the year of finding a new equilibrium for all, and Fiddleheads is no exception. After the uncertainty and upheaval the coronavirus pandemic brought in 2020, in 2021, we found a new normal and looked to the future.

As the year started and we still faced uncertainty, Fiddleheads was able to continue to be a beacon for our community, thanks to the work of General Manager Lexa Juhre and our amazing staff. This was not without challenges. As our society and world at large navigated the continued indirect toll of the pandemic, including ongoing supply chain issues, widespread burnout and mental health challenges, Lexa and our staff kept the co-op running smoothly to best serve our Member-Owners and shoppers.

As the year went on, the financial success of the co-op allowed us to seriously consider one of our long time goals - distributing patronage dividends to our Member-Owners. With a surplus of income, we were finally within reach of a major milestone - paying back that surplus to Member-Owners according to how much was purchased. In September of 2021, Member-Owners were notified of patronage dividend returns. This was a major milestone for the co-op and I would be remiss to not give huge kudos to Lexa and our staff whose dedication to Fiddleheads paved the way for this to happen.

As a board, we used 2021 to put the Diversity, Equity and Inclusion work we started in 2020 into practice. We formed the Policy Equity Review Committee to look at our Fiddleheads policies through a lens of equity. We also have used our DEI training as a springboard to look at ourselves introspectively. We have begun the work of building stronger connections with our community by introducing the practice of having a community guest at each board meeting, and have been able to foster new relationships and deepen existing ones with organizations in our community by doing so. There is still much to be done in regards to weaving DEI into the fabric of Fiddleheads, but I believe we have made a good start and our work will lead us to an even better future.

Of course, we couldn't do any of this without YOU - our Fiddleheads Member-Owners. A co-op is only as strong as its community and we would be nothing without you. We deeply appreciate your trust, your support and your cooperation. We have a brilliant, passionate and diverse Member-Ownership and that is part of what makes Fiddleheads such a special place.

Lastly, I want to thank my fellow board members, and those board members I have served with over the past three years. It is a pleasure to sit at the helm of Fiddleheads with you and I appreciate each and every one of you more than you know and am so proud of the work we have done together. With Board Elections underway, I am excited for what the future holds. As we transition to welcome new board members in the next month, I look forward to finding our new equilibrium too.

Sincerely,
Brenda De Los Santos
President, Board of Directors



2021 brought new challenges and new opportunities. After a year of tremendous growth in 2020, we sustained modest growth of 2.5% in 2021, meaning that we retained the trust of our base while continuing to attract new shoppers.

Prepared foods sales increased by 85% over the previous year, as our community began to reemerge from remote work and were looking for takeout options. We expanded perishables, dedicating more cooler doors to plant-based foods while also expanding our meat and poultry offerings. In June, we once again felt comfortable offering self-service and re-opened the Bulk aisle. Produce added another weekly delivery day to keep up with demand. Our grocery buyers persevered through periods where products were unavailable or major suppliers put caps on orders due to staffing shortages. Our Front End and floor staff patiently explained and steadfastly defended our evolving mask policy and hygiene protocols. Through the good and the bad, our employees rose to the occasion.

One of the major accomplishments in 2021 was to increase base wages for staff. After more than a year of paying \$2/hour in hazard pay we determined that we could incorporate this amount into base pay. Another big achievement is that we were able to return some profits to our Owners through our first ever patronage distribution. Owner households who spent at least \$200 with us in 2020 received a small dividend, proportional to their annual purchases.

Fostering deeper community connections has been an important part of our strategy this year as well. We participate in the Southeastern CT Health Improvement Collaborative as a community partner and from there we started working with Step Up New London, first by registering staff and Board members in Undoing Racism trainings, and then becoming part of a working group to offer these trainings more frequently to community leaders from all sectors. Outreach efforts focused on supporting local food distributions and then moved out of doors in the summer, participating in the weekly Dream Market, co-hosted by Cultured AF and FRESH New London.

Co-operatives are a unique opportunity for collective enterprise, bringing people together through delicious wholesome food. We appreciate that you choose to support Fiddleheads and look forward to serving this region for decades to come. I continue to be awed and full of gratitude to work with such a fantastic team of people in service to this community.

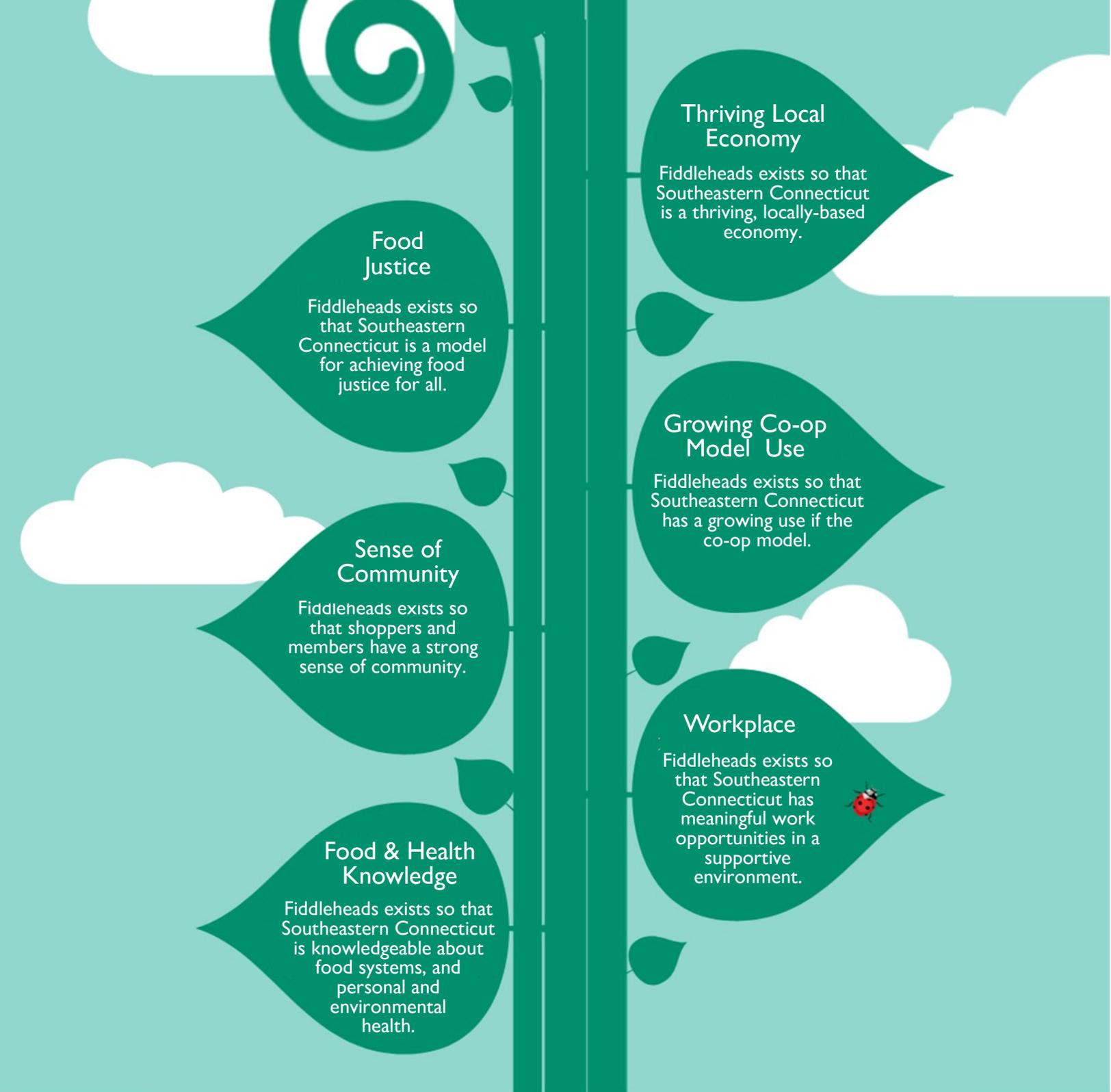
In cooperation,

Lexa Juhre

General Manager



**GENERAL
MANAGER'S
REPORT**



Food Justice

Fiddleheads exists so that Southeastern Connecticut is a model for achieving food justice for all.

Sense of Community

Fiddleheads exists so that shoppers and members have a strong sense of community.

Food & Health Knowledge

Fiddleheads exists so that Southeastern Connecticut is knowledgeable about food systems, and personal and environmental health.

Thriving Local Economy

Fiddleheads exists so that Southeastern Connecticut is a thriving, locally-based economy.

Growing Co-op Model Use

Fiddleheads exists so that Southeastern Connecticut has a growing use of the co-op model.

Workplace

Fiddleheads exists so that Southeastern Connecticut has meaningful work opportunities in a supportive environment.

GLOBAL ENDS

Fiddleheads Food Cooperative exists so that Southeastern Connecticut is a healthy, robust, just and inclusive community.

SEVEN COOPERATIVE PRINCIPLES

1 VOLUNTARY AND OPEN MEMBERSHIP

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership without gender, social, racial, political or religious discrimination.

2 DEMOCRATIC MEMBER CONTROL

Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary cooperatives members have equal voting rights (one member, one vote) and cooperatives at other levels are also organized in a democratic manner.

3 MEMBER ECONOMIC PARTICIPATION

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

4 AUTONOMY & INDEPENDENCE

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

5 EDUCATION, TRAINING & INFORMATION

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.

6 COOPERATION AMONG COOPERATIVES

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures.

7 CONCERN FOR COMMUNITY

Cooperatives work for the sustainable development of their communities through policies approved by their members.



Rachna Tewari of Swasthyam Wellness presenting in The Café

Sales & Co-op Growth

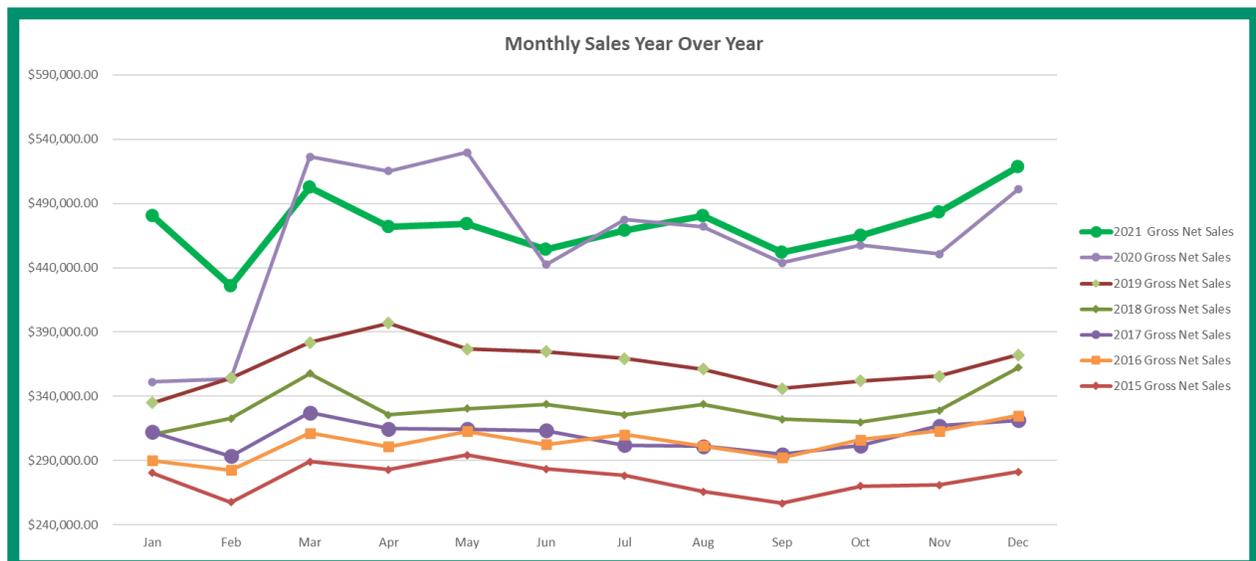
\$ 5,687,543

2021 GROSS ANNUAL SALES

2.5%
GROWTH OVER 2020

60.5%
SALES TO OWNERS

\$45.32
AVERAGE PURCHASE



Local Product Sales

In 2021 : You purchased over 883 different local products grown or produced within 100 miles of the co-op, representing over \$621k in sales and supporting 90 regional businesses.

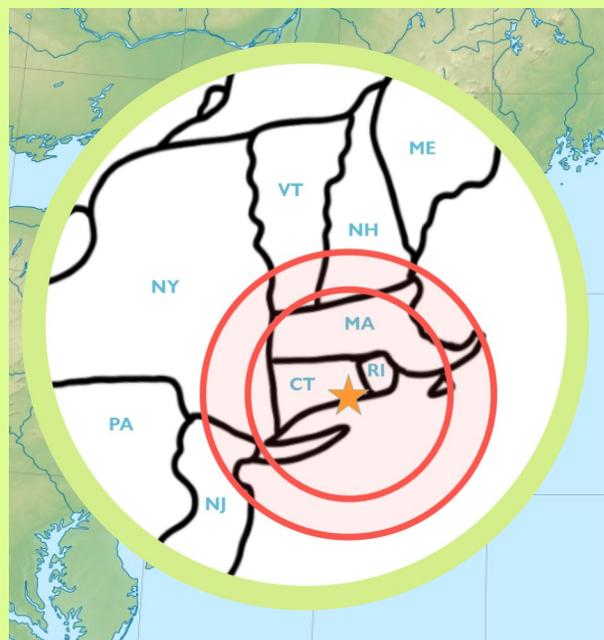
We define "local" as grown or produced within 100 miles of our Co-op, but more than 75% of our local products come from within 50 miles.



Hunts Brook Farm
6 mi. from the Co-op



Provider Farm
15 mi. from the Co-op



Tiny Acre Farm
53 mi. from the Co-op



Sterling Organic Farm
35 mi. from the Co-op



NaturalAnnie Essentials
62 mi. from the Co-op



Treefort Naturals
27 mi. from the Co-op



Shundahai Farm
36 mi. from the Co-op



Cato Corner Farm
25 mi. from the Co-op



Drew's Honeybees
15 mi. from the Co-op



Nana's Bakery & Pizza
10 mi. from the Co-op



Mystic Cheese Co.
6 mi. from the Co-op



Outer Light Brewing Co.
2 mi. from the Co-op

Organic Sales

**USDA CERTIFIED
ORGANIC ITEMS:**

30%

**OF PRODUCTS ON
OUR SHELVES
& COMPRISING**

45%

OF 2021 TOTAL SALES

In addition to offering these USDA certified organic products, we support our local farmers, many of whom are members of CT NOFA. Connecticut Northeast Organic Farming Association is a growing community of farmers, gardeners, land care professionals and consumers that encourages a healthy relationship to the natural world. The Farmer's Pledge, a NOFA program, commits to farming, marketing and farm management in accordance with sound ecological and economic principles.

ctnofa
Creating an Organic CT Since 1982



Charitable Giving

2021 ROUNDUP AT THE REGISTER RECIPIENTS:

outCT

Step Up New London

Food Co-op Initiative

Gemma E. Moran
United Way Food Bank

Asociacion De Dominicanos
De New London Toy Drive



FRESH NEW LONDON BIRTHDAY DONATION

In January of 2021, after a year of tremendous growth in 2020, Fiddleheads proudly made a \$4000 donation directly to FRESH New London in support of their efforts to empower youth, connect community and grow food that nourishes our local neighbors.

NEIGHBORLY NICKELS UPDATE:

After a brief hiatus during the pandemic, we're excited to bring back our Neighborly Nickels program in 2022! Remember to bring a reusable bag to participate and help support your favorite local organizations.



Think you/your organization would be a good fit for our Neighborly Nickels program?

Visit our website to learn more and apply!



Ownership & Equity

IN 2021 WE WELCOMED

343

NEW OWNERS!

AS OF YEAR END 2021
FIDDLEHEADS HAD

4210

TOTAL OWNERS

FISCAL YEAR	TOTAL EQUITY	GROWTH YEAR OVER YEAR
2019	\$359,184	8.90%
2020	\$393,464	9.54%
2021	\$432,024	8.93%

OWNER BENEFITS



QUARTERLY COUPON

Four times a year (once per quarter), receive a 10% discount on the transaction of your choice.



OWNER EXTRAS

Enjoy exclusive savings, available only to owners, on an array of products.



VOTING RIGHTS

You're invited to attend monthly board meetings, vote for our Board of Directors or run for the Board yourself!



HEALTHIER COMMUNITY

Your investment helps us support the local community with our Neighborly Nickel program, in-kind donations, educational programs and investments in our local farms.

Financial Statements

BALANCE SHEET		DEC 31, 2021
Inventory		\$ 308,260
Other Current Assets		\$ 654,996
Equipment & Leasehold Improvements, net		\$ 325,113
Other Assets		\$ 59,581
TOTAL ASSETS		\$ 1,247,950
Current Liabilities		\$ 325,130
Long Term Debt & Deferred Income Taxes		\$ 241,613
TOTAL LIABILITIES		\$ 566,743
Owner Equity, Common Stock, Class A		\$ 105,250
Owner Equity, Additional Paid In Capital		\$ 326,724
Retained Earnings		\$ 349,234
TOTAL EQUITY		\$ 781,208
TOTAL LIABILITIES & EQUITY		\$ 1,347,950

INCOME STATEMENT (P&L)		FISCAL YEAR 2021
Annual Sales		\$ 5,687,543
Cost of Goods Sold		\$ 3,469,451
Gross Profit before discounts		\$ 2,218,092
Margin %		38.99%
Personnel Expenses		\$ 1,450,936
Occupancy Expenses		\$ 217,027
Operating & Admin Expenses		\$ 380,223
Other Expenses		\$ 185,861
TOTAL OPERATING EXPENSES		\$ 2,234,047
NET OTHER INCOME (EXPENSE) & Provision for taxes		\$ 44,584
PROJECTED NET INCOME after Taxes		\$ 28,629



For additional information regarding the Co-op's financial performance or to receive a copy of the 2021 Annual Financial Statements, reviewed by Wegner CPAs, LLP, please contact Lexa Juhre at gm@fiddleheadsfood.coop.

YOU

are the
Co-operative Difference!

**Fiddleheads is more than a store,
we are a community!**



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