



NORTHERN LAKES COOPERATIVE

2021

ANNUAL REPORT

OFFICERS AND DIRECTORS

Tom Turngren	President
Cliff Williams	Vice President
Julie Greene	Secretary
Dan Rusch	Treasurer
Stacey Hessel	Director
Margaret Winter	Director
Wendy Williamson	Director

PERSONNEL

Michael Covelli	General Manager
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**NORTHERN LAKES COOPERATIVE
BALANCE SHEETS
MARCH 31, 2021 AND 2020**

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash	\$ 68,749	\$ 64,237
Receivables, Net	407,243	328,827
Inventories	1,735,601	1,600,307
Prepays	57,167	79,428
Margin Account Equity	-	120,000
Total Current Assets	2,268,760	2,192,799
LONG-TERM RECEIVABLES	25,423	28,020
INVESTMENTS IN OTHER COOPERATIVES	3,404,064	3,412,410
PROPERTY AND EQUIPMENT	8,316,757	8,160,081
Less: Accumulated Depreciation	(5,818,155)	(5,736,177)
Net Property and Equipment	2,498,602	2,423,904
Total Assets	\$ 8,196,849	\$ 8,057,133
LIABILITIES AND PATRON EQUITIES		
CURRENT LIABILITIES		
Short-Term Note Payable	\$ 395,734	\$ 921,233
Current Maturities of Long-Term Debt	66,266	138,278
Accounts Payable	347,356	311,766
Patron Credit Balances	637,980	534,192
Patronage Refunds Payable in Cash	100,000	50,000
Accrued Expenses	321,356	222,934
Total Current Liabilities	1,868,692	2,178,403
DEFERRED INCOME TAXES	31,011	66,170
LONG-TERM DEBT, LESS CURRENT MATURITIES ABOVE	467,735	716,731
Total Liabilities	2,367,438	2,961,304
PATRON EQUITIES		
Member Equity Credits - Qualified	2,615,757	2,623,481
Member Equity Credits - Nonqualified	355,575	258,769
Patronage Refunds Payable in Equities	138,606	100,000
Unallocated Capital Reserve	2,719,473	2,113,579
Total Patron Equities	5,829,411	5,095,829
Total Liabilities and Patron Equities	\$ 8,196,849	\$ 8,057,133

**NORTHERN LAKES COOPERATIVE
STATEMENTS OF OPERATIONS
YEARS ENDED MARCH 31, 2021 AND 2020**

	2021		2020	
	Amount	Percent of Sales	Amount	Percent of Sales
SALES	\$ 15,149,370	100.00 %	\$ 14,958,761	100.00 %
COST OF SALES	10,876,311	71.79	11,095,813	74.18
GROSS MARGIN	4,273,059	28.21	3,862,948	25.82
OPERATING EXPENSES				
Distribution:				
Salaries and Wages	2,289,672		2,049,064	
Outside Salespersons	9,852		9,367	
Payroll Taxes	164,632		152,243	
Employee Insurance	261,929		243,759	
Pension Expense	19,124		15,116	
Vehicle Expense	88,965		91,097	
Advertising	13,778		15,976	
Total Distribution	2,847,952	18.80	2,576,622	17.22
General:				
Depreciation	230,502		258,296	
Insurance	203,767		175,837	
Property Taxes	37,933		39,477	
Rent and Equipment Rental	24,142		31,934	
Supplies and Repairs	95,472		92,240	
Utilities	73,456		73,225	
Total General	665,272	4.39	671,009	4.49
Administrative:				
Provision for Doubtful Accounts	19,784		(18,313)	
Directors' Fees and Expenses	2,670		3,460	
Meetings and Travel	8,667		28,249	
Professional Services	46,353		40,080	
Office Supplies and Expense	97,134		90,518	
Telephone	37,139		31,318	
Total Administrative	211,747	1.40	175,312	1.17
 Total Operating Expenses	 3,724,971	 24.59	 3,422,943	 22.88

**NORTHERN LAKES COOPERATIVE
STATEMENTS OF OPERATIONS (CONTINUED)
YEARS ENDED MARCH 31, 2021 AND 2020**

	2021		2020	
	Amount	Percent of Sales	Amount	Percent of Sales
GAIN ON SALE OF PROPERTY AND EQUIPMENT	\$ 28,723	0.19 %	\$ 1,250	0.01 %
OPERATING INCOME	576,811	3.81	441,255	2.95
OTHER INCOME (EXPENSE)				
Interest Income	1,229		1,160	
Interest Expense	(40,620)		(86,129)	
Patron Finance Charges	4,813		7,390	
Paycheck Protection Program Loan Forgiveness	393,035		-	
Other Revenue	11,407		29,029	
Other Expense	(307,611)		(287,249)	
Total Other Income (Expense)	62,253	0	(335,799)	(2.24)
LOCAL NET SAVINGS	639,064	4.22	105,456	0.71
PATRONAGE REFUNDS RECEIVED	167,175	1.10	365,743	2.45
NET SAVINGS BEFORE INCOME TAXES	806,239	5.32	471,199	3.16
PROVISION (CREDIT) FOR INCOME TAXES	(35,159)	(0.23)	78,945	0.53
NET SAVINGS	\$ 841,398	5.09	\$ 392,254	3.69