

Karma Food Co-op

**Income Statement**

*all amounts in \$ '000s unless otherwise stated*

	actual	budget	projected*	variance	year to date	variance	last month	variance	0.05	var. from
year ending May 31,	2004	2005	2005	from budget	(YTD) 2005	from YTD 2004	Apr-05	from budget		Apr-04
<b>Revenue</b>										
Membership revenue	17.9	18.0	20.1	2.1	19.9	2.2	1.8	1.5		1.6
Other revenue - store	4.1	4.4	2.6	(1.8)	2.2	(1.5)	0.2	(0.2)		(0.1)
Retail sales	1,532.4	1,615.9	1,601.7	(14.2)	1,457.0	63.1	144.3	8.1		9.6
<b>Total revenue</b>	<b>1,554.3</b>	<b>1,638.3</b>	<b>1,624.4</b>	<b>(13.9)</b>	<b>1,479.2</b>	<b>63.8</b>	<b>146.3</b>	<b>9.4</b>		<b>11.1</b>
Cost of goods sold (COGS)	1,274.2	1,344.9	1,318.6	(26.3)	1,199.0	24.7	124.5	11.9		13.6
<b>Gross profit</b>	<b>280.1</b>	<b>293.4</b>	<b>305.8</b>	<b>12.4</b>	<b>280.1</b>	<b>39.0</b>	<b>21.8</b>	<b>(2.5)</b>		<b>(2.5)</b>
Administration & financial	11.9	6.2	9.1	2.9	8.6	(2.3)	0.8	0.2		0.0
Committee expenses	5.9	9.2	8.0	(1.2)	7.2	1.8	0.8	(0.0)		0.2
Store expenses	50.3	53.8	57.5	3.7	53.0	7.3	3.8	(0.7)		0.1
Marketing			1.3	1.3	1.3	1.3	-	-		
Wages & benefits	265.1	265.7	263.8	(1.9)	240.3	(1.6)	20.0	(1.3)		(2.9)
Less: non-working member revenues	(37.1)	(52.2)	(43.9)	8.3	(39.2)	(5.4)	(3.8)	0.6		(0.4)
Contingency										
<b>Total operating expense</b>	<b>296.0</b>	<b>282.6</b>	<b>295.8</b>	<b>13.2</b>	<b>271.2</b>	<b>1.1</b>	<b>21.6</b>	<b>(1.1)</b>		<b>(3.0)</b>
<b>Earnings (loss) from operations</b>	<b>(15.9)</b>	<b>10.9</b>	<b>10.0</b>	<b>(0.8)</b>	<b>8.9</b>	<b>38.0</b>	<b>0.2</b>	<b>(1.4)</b>		<b>0.5</b>
Depreciation expense	11.0	6.5	6.5	(0.0)	5.9	0.0	0.5	(0.0)		-
<b>Consolidated net income (loss)</b>	<b>(26.9)</b>	<b>4.3</b>	<b>3.5</b>	<b>(0.8)</b>	<b>3.0</b>	<b>38.0</b>	<b>(0.4)</b>	<b>(1.4)</b>		<b>0.5</b>
<b>Membership net income (loss)</b>	<b>0.1</b>	<b>2.6</b>	<b>3.0</b>	<b>0.4</b>	<b>4.1</b>	<b>2.7</b>	<b>0.3</b>	<b>1.3</b>		<b>1.4</b>
<b>Store net income (loss)</b>	<b>(27.0)</b>	<b>1.7</b>	<b>0.5</b>	<b>(1.2)</b>	<b>(1.1)</b>	<b>35.3</b>	<b>(0.7)</b>	<b>(2.6)</b>		<b>(0.9)</b>
<b>Capital expenditures</b>	<b>9.6</b>	<b>15.0</b>	<b>2.2</b>	<b>(12.8)</b>	<b>0.9</b>	<b>NA</b>	<b>0.0</b>	<b>(1.3)</b>		<b>NA</b>

\* "projected" is actual financial results to date, combined with budget or best information for remainder of year

## Karma Food Co-op

### Financial Analysis

*all amounts in \$ '000s unless otherwise stated*

year ending May 31,	actual 2004	budget 2005	projected* 2005	year to date (YTD) 2005	last month <b>Apr-05</b>
Gross margin (1-purchases/sales to members)	17.2%	17.1%	18.0%	18.0%	14.0%
Net mark-up (sales to members/purchases-1)	20.8%	20.7%	22.0%	22.0%	16.3%
Shrink	9.7%	9.8%	8.6%	8.6%	13.9%
Expenses as a percentage of sales:					
Store expenses	3.3%	3.3%	3.6%	3.6%	2.7%
Wages & benefits	17%	16%	16%	16%	14%
Non-working member revenues as % of sales	2.4%	3.2%	2.7%	2.7%	2.6%

### Membership and Spending Analysis

year ending May 31,	average 2004	average YTD 2005	% variance from 2004	last month <b>Apr-05</b>
<b>Households</b>	875	876	0.1%	882
increase (decrease) during time period	(8)	8		1
% working	56%	56%		57%
<b>Members</b>	1,070	1,082	1.1%	1,093
% working	56%	54%		53%
<b>Number of shops per month</b>	2,922	2,936	0.5%	3,202
% change from previous year	?	0%		7%
<b>Average size of shop (in \$)</b>	\$ 43.70	\$ 62.04	42.0%	\$ 45.07