

ANNUAL REPORT 2020

Prairie North Co-operative Limited



OUR VALUES

Service

Exceeding Expectations

Integrity

Honest and Trustworthy

Unity

We are Better Together

OUR VISION

To be the trusted first choice in our community.

OUR MISSION STATEMENT

Our team is committed to excellence at every opportunity to serve our guests and our community.

We will consistently deliver a trusted, welcoming, and personalized experience.

SERVICE • INTEGRITY • UNITY

You're at home here.



ABOUT US

Prairie North Co-op operates out of 18 locations – from St. Brieux, Spalding and Naicam in the west; to Melfort in the north; and Archerwill and Kelvington in the east. We serve our members with products and services that help build, feed, fuel and grow the communities in which we live and do business.

As a co-operative, we are a different kind of business; we are not only working for our communities, but we are also owned by our community. Co-ops embed sustainability in their business by planning and investing for the long term, with the community and environment in mind; they work to create jobs; and they partner with other organizations and local businesses. Prairie North Co-op profits do not leave the community, they go back into it – and back to our members. We take pride in our community involvement and our commitment to providing quality products and services.

Prairie North Co-op employs 292 people and serves almost 13,000 members. We continue the tradition of giving back, not only in patronage refunds to our members, but also through financial support to a number of local organizations. In 2020, sponsorship and donations totalled almost \$115,000 Locally invested. Community-minded. Lifetime membership benefits. We are Co-op.

YOUR PRAIRIE NORTH CO-OP



FINALIST CRS EXCELLENCE IN HEALTH & SAFETY AWARD

RANKED #51

ON THE TOP 100 COMPANIES LIST IN 2020 BY SASKBUSINESS MAGAZINE (UP TO 25 SPOTS)



\$115,314,746
IN SALES FOR 2020



MESSAGE FROM THE PRESIDENT



Ed Dufault, President

2020 will be regarded as a year filled with uncertainty for our Co-op, members, and staff. In February the first warnings of a global pandemic had hit the news and by March, our organization started to feel the effect as people started to stockpile household goods. The result was supply chain shortages seen throughout North America. As the province declared a state of emergency, the phrase, "social distancing" was introduced to our vocabulary. The new normal saw a shift in member shopping habits along with increased spending toward home renovation and outdoor recreational activities.

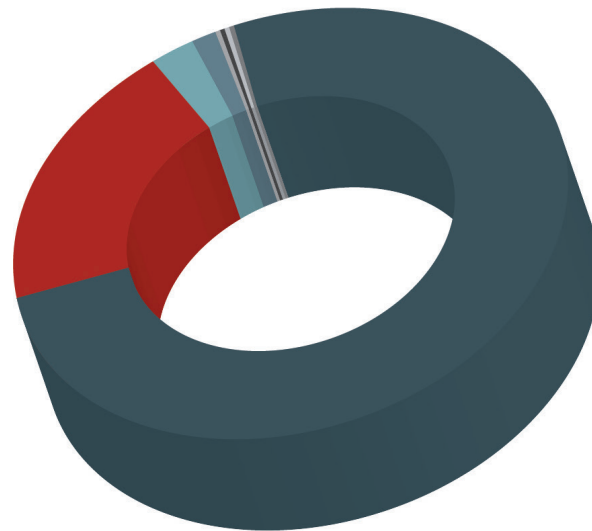
In response, Prairie North Co-op implemented increased online grocery ordering and bill payment options, as well as offering curbside pick-up. Our existing free delivery service went from less than 100/week throughout the trading region, to about 1500/week in the early days of the pandemic.

At the Board level, mandated requirements of safety led to:

- the Prairie North Co-op Annual General meeting (AGM) being postponed
- the Message from the President and the General Manager's Report on Operations being published with the audited financial statements in an Annual Report
- board meetings conducted virtually via Zoom

ALLOCATIONS			
Petroleum (retail pumps, cardlocks & bulk delivery)			3.0%
Other departments	Food		0.9%
	Home		0.9%
	Agro		0.9%

Cheque Distribution



\$20 to \$99.99	\$2,000 to \$2,999.99
\$100 to \$499.99	\$3,000 to \$3,999.99
\$500 to \$999.99	\$4,000 to \$4,999.99
\$1,000 to \$1,999.99	Over \$5,000

- a member update included with the equity cheques that were mailed in June. Subsequent member updates were delivered in September as a pre-recorded video message, and a published message in the Melfort Journal, Kelvington Chronicle and Wadena News in December
- the AGM was held virtually via Zoom in November, with a link to the electronic recording distributed shortly thereafter

Despite the uncertainty, sales for the 2020 fiscal year achieved the budgeted forecast of \$115,000,000. Net earnings of \$7,600,000 included a \$5,150,000 gain from the acquisition of the Archerwill Co-operative Association Limited assets. The patronage allocation from Federated Co-op Limited (FCL), including loyalty payment, was \$3,450,000 in 2020 compared to \$5,513,062 in 2019. This reduction was mainly due to the challenges which were faced during 2020 in the petroleum industry.

From the savings the Board authorized an allocation of \$1,492,319 to members in equity and cash back based on their 2020 purchases. \$805,950 of the allocation will be returned to members as a cash payment and \$1,526,501 equity was returned to members who qualified for payouts.

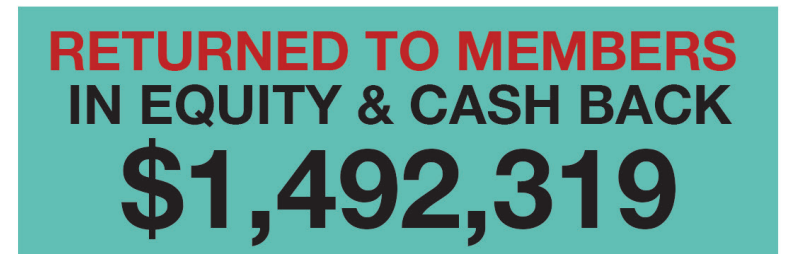
The Board approved a capital re-investment of \$1,843,552 in 2020 which was for the new lumber storage shed in Melfort, a new Ag shed in Archerwill, completion of the Kelvington cardlock, and a new fuel truck.

Prairie North Co-op continues to support our local communities through financial donations to various events, projects and youth developments within our trading area. In 2020, almost \$115,000 was contributed to the causes that met the criteria for community initiatives with a priority given to those organizations providing support of those most affected by the pandemic.

2020 AT A GLANCE



FUEL GOOD DAY - \$10,000 RAISED





Included in the donations total, the Board approved \$12,000 for the Archerwill Centennial Hall roof replacement, in honour of the Archerwill Co-op members.

Prairie North Co-op has been in shared agreements with our neighboring retailers to provide management expertise in areas such as OHS, Human Resources and delivery of bulk oil to farm sites for the past two years. Our focus is to provide cost saving measures whenever possible for our organization and shared service agreements are just one example of that.

The lessons of 2020 are numerous. We have learned how to be responsive to the changing rules imposed on us by the provincial government – health and safety protocols, mandatory mask use, restrictions to store capacity, restrictions to gathering sizes. We have found new ways to communicate and do business by embracing technology and we have found new ways to celebrate our people and give back to our communities.

Thank you to the Board of Directors for your dedication and guidance during 2020. Your input to the discussion and decision making at the board table is greatly appreciated.

On behalf of the Board of Directors I want to express our appreciation and gratitude to Terry Tremblay and his dedicated senior leadership team for their commitment to our Co-operative. To all our employees who have provided courteous, friendly service to our customers through this challenging time being on the front line, thank you for you dedicated service to Prairie North Co-op.

And lastly, the most important people are you the members. We thank you for your patronage and loyalty in 2020. Please know that we are committed to earning your continued support in the years ahead.

On behalf of the Board of Directors,
Ed Dufault, President

TERM EXPIRING AT 2021 AGM

ED DUFAULT	11/11
JIM ZEMLUK	10/11
CLINT SUTTER	10/11
BARRY MARQUETTE	11/11
TOM BOYES	09/11

TERM EXPIRING AT 2022 AGM

TRENT FEDORYCHKA	10/11
MONICA SOCHASKI	11/11
JOHN KNUDSEN	10/11

TERM EXPIRING AT 2023 AGM

LORNE TYACKE	10/11
KELLY COPELAND	09/11
GREG MASLIN	11/11

GENERAL MANAGER'S REPORT ON OPERATIONS

I am honoured to report to the membership on our operations for the fiscal year 2020. It has been 18 months since I was hired as the General Manager of Prairie North Co-op, and 12 of those have been under COVID-19 protocols.

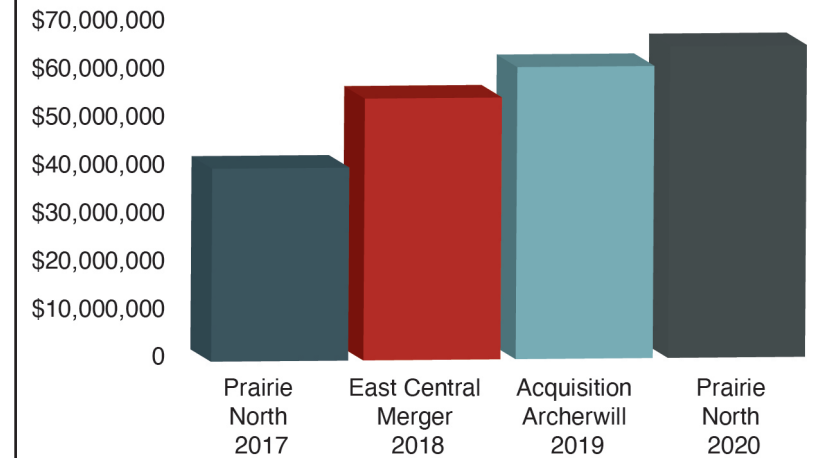
If there was ever a time that our values - service, integrity, unity - have been our guide, it has been this past year. It crossed my mind that if we were to invent a board game called, "Let's Play Retail 2020" with challenges like lockdown, and new ways of doing business that included stock shortages, enhanced cleaning protocols, physical barriers, social distancing, online orders, online payments, curbside pickup; and just to make things interesting, halfway through the game, we change the rules and change them again - limit customers, wear masks, wear three-layer masks, make customers wear masks. Let's face it, no one would buy it because it would be too complicated, and people would say that it was too hard to win!

But we are winning, and I have to say that I have never been prouder to be part of an organization. Our team's response to the challenges of the past year have truly inspired me.

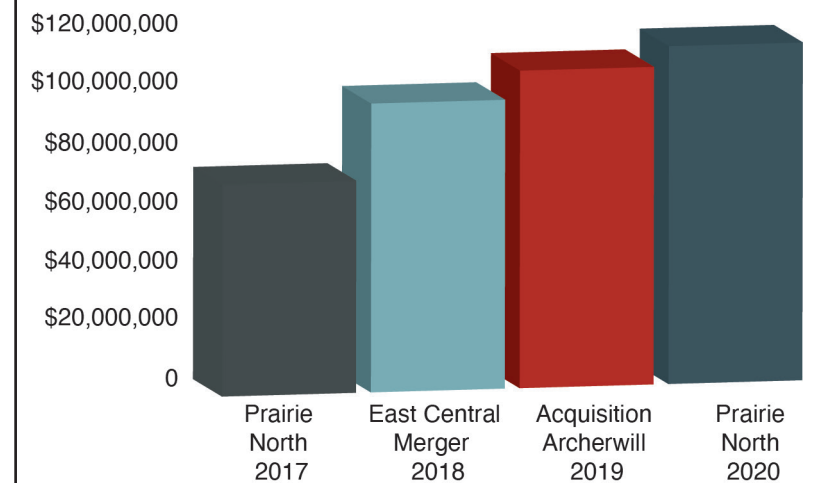
OPERATIONS/MARKET

Although all of the decisions made in 2020 were made through the lens of COVID, our growth initiatives were not put on hold. A new lumber storage shed was built in Melfort, a Ag shed in Archerwill, the cardlock was completed in Kelvington and a new fuel truck was purchased. There were also increases in membership and assets for the corporation in 2020.

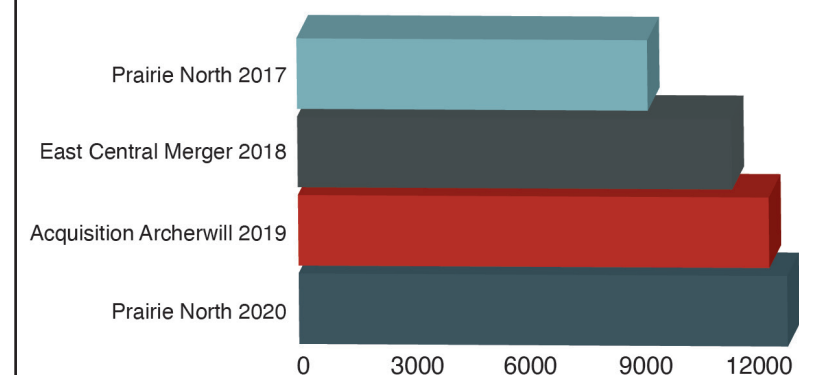
Total Assets



Sales



Membership



ON THE COVER

2020 presented its challenges for Prairie North Co-op. COVID-19 tested our ability to pivot and respond quickly to the consumer guidelines and practices mandated by the public health authority at the onset of the pandemic. As the year unfolded, we were asked to adapt to changing regulations and public health orders. Some of the decisions made from necessity during the pandemic, we have adopted as "better practices" for our business going forward, one example is the adoption of Zoom technology for meetings.



When you hold our response to COVID-19 up to our values of service, integrity, and unity; it is clear that we lived those values in 2020 and our membership will benefit moving forward.

Financial results have our sales up due to increases in food and hardware sales, despite a decrease in gas bar. Sales for the 2020 fiscal year were \$115,314,746. Our margin dollars were up \$3.5 million, while our expenses were up \$1.9 million.

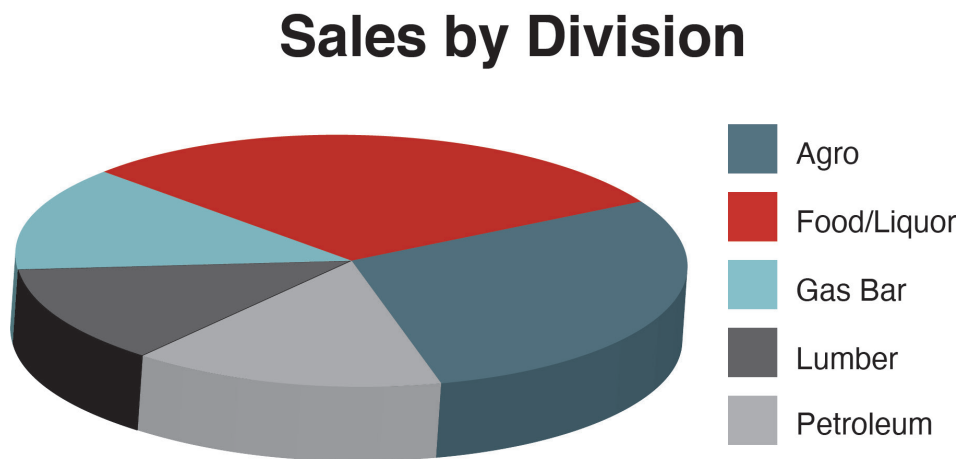
We were fortunate that our local operations improved enough in 2020 to offset most of the \$2 million reduction of FCL patronage and loyalty payments. Of the \$6.2 million after-tax savings, \$4.7 million has been put to reserve and \$1.5 million was returned to members.

Despite the challenges that we faced as an organization; we found a way to continue to work toward long term sustainability with all divisions realizing improvements in their bottom lines. The balance sheet of Prairie North Co-op in 2019 depicted total assets of \$60,960,501 after combining the three co-operatives – Archerwill, East Central, and Prairie North. The balance sheet of Prairie North Co-op in 2020 depicts total assets of \$65,053,421 and long-term debt of only \$466,000 (compared to the \$1.3 million reported in 2019).

Prairie North Co-op

#ServiceIntegrityUnity

- CARDLOCK**
 Melfort, Archerwill, Kelvington, Naicam, Rose Valley & St. Brieux
- CAR WASH**
 Melfort
- PROPANE**
 Melfort, Archerwill, Kelvington, Naicam & St. Brieux
- FUEL**
 Melfort, Archerwill, Kelvington, Naicam & St. Brieux
- AGRO**
 Melfort, Archerwill, Kelvington & Naicam
- CONVENIENCE**
 Melfort, Archerwill, Kelvington & Naicam
- HOME & BUILDING**
 Melfort, Archerwill, Kelvington & Naicam
- GROCERY**
 Melfort, Archerwill, Kelvington, Naicam, Spalding & St. Brieux
- LIQUOR**
 Kelvington, Spalding & St. Brieux



SALES BY DIVISION

	2020	2019
Agro	\$33.8M	\$29.4M
Food	\$34.2M	\$28.0M
Gas Bar	\$15.7M	\$17.6M
Lumber	\$14.3M	\$11.7M
Petroleum	\$17.3M	\$21.6M

ORGANIZATIONAL STRUCTURE

2020 saw some major changes to the organizational structure of Prairie North Co-op. In addition to hiring a Marketing and Communications Manager early in the year, we transitioned from an Operations Manager who reported to the General Manager and oversaw 14 Ag, Food, Gas Bar, and Home and Building Solutions locations, to a model in which the Operations Manager position was eliminated and Division Manager positions were created.

Re-structuring with commodity experts overseeing locations in different communities has led to operational efficiencies, elevated member experience, and increased retail results. It has also facilitated greater communication between locations in the same division and has helped to solidify the “team” in the wake of the amalgamations and acquisitions over the last couple of years.

AWARDS AND RECOGNITION

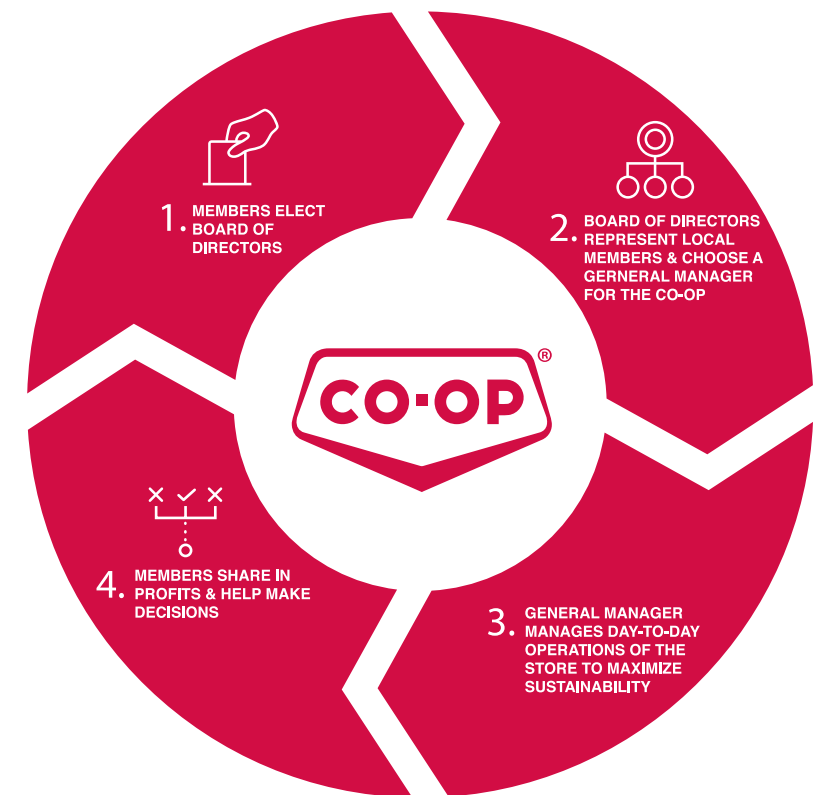
Prairie North Co-op was proud to be named a finalist in the Excellence in Health and Safety category of the annual Co-op Retail System (CRS) awards. In December, we were excited to learn that Prairie North had moved from #55 to #51 in SaskBusiness’s Top 100 Saskatchewan businesses ranking.

SUSTAINABILITY

For us, sustainability means looking through the lens of the social, economic, and environmental effects of our business as we plan and make decisions to ensure profitable operations while having a positive impact on the people and communities we serve. This is also referred to as the triple bottom line. It represents shared value – the idea that the success of our Co-op and health of our communities are mutually dependent.

In Prairie North Co-op, sustainability drives the facilities decisions that we make around environmental practises, waste reduction and energy efficiency. Sustainability also drives our Ag Division’s recycling efforts for pesticide and seed containers, used oil and empty oil containers, tires, and batteries. It is our Food Division’s adoption of the LOOP program for food waste diversion and our commitment to sourcing local food suppliers to reduce the environmental impacts of transportation. Sustainability is the choice of chemicals we use in our car wash in Melfort and how the water used is treated before it returns to the municipal system. And sustainability is employing local people and supporting local projects and organizations so that our members take pride in being a part of our co-operative and our customers feel good about supporting us.

2020 saw a number of the events that we typically would have sponsored cancelled as a result of public health orders relating to gathering sizes. However; we were proud to be in a position to partner with several local organizations and community groups to soften the blow of the pandemic for our community’s most vulnerable. In total, \$114,900 was donated to 220 charities and non-profits.





Terry Tremblay, General Manager

292 dedicated, hardworking employees and managers; and the 12,812 member owners of Prairie North Co-op. Thank you from the bottom of my heart.

The work done in 2019 strengthened the foundation on which we have been able to face 2020's challenges. I am proud to say that we have continued to build on that foundation and are well positioned for growth in 2021-2022. We are proud. We are local. We are Co-op. We are locally invested, community minded and offer a lifetime of benefits.

Sincerely,
Terry Tremblay

LISTED ARE JUST SOME OF THE COMMUNITY-BASED ORGANIZATIONS TO HAVE RECEIVED OUR SUPPORT OVER THE LAST YEAR:

- | | |
|---------------------------------|--|
| Archerwill Centennial Centre | Melfort Crockicurl |
| Archerwill Rodeo Grounds | Naicam Golf Course |
| Habitat for Humanity | Naicam Playground |
| Kelvington Food Bank | Naicam Senior Vikings Hockey |
| Kelvington Grow Field Project | Naicam Curling Rink |
| Kelvington Swimming Pool | North Central Health Care Foundation Melfort Hospital Heliport build |
| Kelvington KidSport | North East Outreach and Support Services (NEOSS) |
| Kelvington High School | NE SPCA |
| Kelvington Rodeo | Okla Community Hall |
| Klinger's Trail | Salvation Army |
| Lintlaw Memorial Christmas Tree | St. Front Curling Rink |
| Melfort Canada Day Fireworks | Spalding Library |
| Melfort Food Bank | St. Brieux Theatre |
| Melfort Museum | STARS AIR Ambulance |
| Melfort Mustangs | |

AUDITED FINANCIAL STATEMENTS

PEOPLE

By living our values of service, integrity, and unity, I am proud of the entire team for working together and supporting each other throughout the COVID-19 pandemic. This level of support enabled our business to respond quickly to changing circumstances. Kudos go to those team members who were willing to move from our gas bars and home centres to support our food store staff. At three different times throughout the year our people were surveyed to determine how they felt about their Co-op and each time the trust and satisfaction levels were high.

IN CLOSING

I understand that none of the many successes we achieve as an organization are possible without the

Management's Responsibility

To the Members of Prairie North Co-operative Limited:

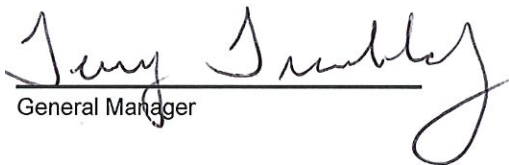
Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for private enterprises. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Co-operative. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management, internal auditors, and external auditors. The Board is also responsible for recommending the appointment of the Co-operative's external auditors.

MNP LLP is appointed by the members to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Board and management to discuss their audit findings.

April 27, 2021


General Manager

Independent Auditor's Report



To the Members of Prairie North Co-operative Limited:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Prairie North Co-operative Limited (the "Co-operative"), which comprise the balance sheet as at December 31, 2020, and the statements of net savings and retained savings and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Co-operative as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Co-operative in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of the auditor's report is information included in the 2019 Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Co-operative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Co-operative or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Co-operative's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Co-operative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Co-operative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

As required by paragraph 11 of the Co-operatives Regulations, 1998, we report that, in our opinion, Canadian accounting standards for private enterprises have been applied on a basis consistent with that of the preceding year.

Melfort, Saskatchewan

April 27, 2021

MNP LLP

Chartered Professional Accountants

Prairie North Co-operative Limited Balance Sheet As at December 31, 2020

	2020	2019
Current assets		
Cash and cash equivalents	\$ 3,352,532	\$ 242,985
Accounts receivable - Customer (Note 5)	3,282,200	5,104,148
- Other	521,912	288,211
Income taxes recoverable	-	458,266
Inventories (Note 6)	21,547,954	20,851,739
Prepaid agriculture suppliers	2,830,477	723,879
Prepaid expenses	316,773	242,632
Current portion long-term receivable (Note 7)	234,580	106,633
	<u>32,086,428</u>	<u>28,018,493</u>
Long-term receivable (Note 7)	194,562	22,029
Investments		
Federated Co-operatives Limited (Note 4(a))	14,662,360	14,464,969
Other organizations	5,005	5,005
Property, plant and equipment (Note 8)	17,540,066	17,955,005
Intangible assets (Note 9)	565,000	495,000
Total assets	<u>\$ 65,053,421</u>	<u>\$ 60,960,501</u>
Current liabilities		
Line of credit (Note 10)	\$ 3,205,270	\$ 6,555,995
Accounts payable and trust liabilities (Note 11)	10,661,903	12,690,099
Customer prepaid accounts	5,929,175	1,751,390
Income taxes payable	974,624	-
Current portion of long-term debt (Note 12)	899,877	532,171
	<u>21,670,849</u>	<u>21,529,655</u>
Long-term debt (Note 12)	466,667	1,370,277
Asset retirement obligation (Note 4(b))	186,253	180,050
Total liabilities	<u>22,323,769</u>	<u>23,079,982</u>
Members' equity		
Share capital (Note 13)	16,470,303	16,443,928
Reserves and retained savings (Note 14)	26,259,349	21,436,591
	<u>42,729,652</u>	<u>37,880,519</u>
Total liabilities and members' equity	<u>\$ 65,053,421</u>	<u>\$ 60,960,501</u>

Subsequent event (Note 21)
Commitment (Note 22)
Contingent liability (Note 23)

Approved on behalf of the Board of Directors


Director


Director

The accompanying notes are an integral part of these financial statements

MNP



Prairie North Co-operative Limited
Statement of Net Savings and Statement of Retained Savings
For the Year Ended December 31, 2020

	2020	%	2019	%
Sales (Note 15)	\$ 115,314,746	100.0	\$ 108,410,994	100.0
Cost of goods sold	<u>96,911,323</u>	<u>84.0</u>	<u>93,606,799</u>	<u>86.4</u>
Gross margin	<u>18,403,423</u>	<u>16.0</u>	<u>14,804,195</u>	<u>13.6</u>
Expenses				
Operating and administration	19,421,048	16.8	17,352,876	16.0
Net interest (Note 16)	<u>(23,848)</u>	<u>-</u>	<u>(62,280)</u>	<u>(0.1)</u>
	<u>19,397,200</u>	<u>16.8</u>	<u>17,290,596</u>	<u>15.9</u>
Loss from operations	<u>(993,777)</u>	<u>(0.8)</u>	<u>(2,486,401)</u>	<u>(2.3)</u>
FCL loyalty program (Note 4(c)(iii))	1,480,722	1.3	188,800	0.2
Patronage refunds	<u>1,975,907</u>	<u>1.7</u>	<u>5,324,262</u>	<u>4.9</u>
Savings before gain on acquisition and income taxes	2,462,852	2.2	3,026,661	2.8
Gain on acquisition (Note 17)	<u>5,147,064</u>	<u>4.4</u>	<u>-</u>	<u>-</u>
Savings before income taxes	7,609,916	6.6	3,026,661	2.8
Income tax expense (Note 19)	<u>1,393,080</u>	<u>1.2</u>	<u>351,030</u>	<u>0.3</u>
Net savings	<u>\$ 6,216,836</u>	<u>5.4</u>	<u>\$ 2,675,631</u>	<u>2.5</u>
Retained savings, beginning of year	\$ -		\$ -	
Net savings	6,216,836		2,675,631	
Transfer to statutory reserve (Note 14)	(444,631)		(290,567)	
Transfer to general reserve (Note 14)	(4,264,096)		(842,331)	
Patronage allocation to members (Note 13)	<u>(1,508,109)</u>		<u>(1,542,733)</u>	
Retained savings, end of year (Note 14)	<u>\$ -</u>		<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements



Prairie North Co-operative Limited
Statement of Cash Flows
For the Year Ended December 31, 2020

	2020	2019
Operating activities		
Net savings	\$ 6,216,836	\$ 2,675,631
Adjustments for:		
Depreciation	1,946,222	1,793,299
Accretion	6,203	5,963
FCL patronage refund	(1,973,907)	(5,322,262)
Gain on the disposal of property, plant and equipment	(72,774)	(151,825)
Changes in non-cash operating working capital:		
Accounts receivable	1,588,247	(1,242,806)
Income taxes recoverable	458,266	(74,019)
Inventories	(696,215)	(4,526,147)
Prepaid agriculture suppliers	(2,106,598)	1,088,650
Prepaid expenses	(74,141)	(37,205)
Long-term receivables	(300,480)	42,654
Intangible assets	(70,000)	(495,000)
Accounts payable and trust liabilities	(2,028,196)	6,526,679
Customer prepaid accounts	4,177,785	402,458
Income taxes payable	974,624	-
Asset retirement obligation	-	24,213
Cash provided by operating activities	<u>8,045,872</u>	<u>710,283</u>
Investing activities		
Redemption of FCL shares	1,776,516	4,257,810
Additions to property, plant and equipment	(1,778,857)	(2,049,319)
Proceeds from the disposal of property, plant and equipment	<u>320,348</u>	<u>176,995</u>
Cash provided by investing activities	<u>318,007</u>	<u>2,385,486</u>
Financing activities		
Change in line of credit	(3,350,725)	1,261,725
Change in long-term debt - FCL line of credit	(535,903)	(2,880,681)
Equity cheques transferred from Archerwill	112,854	-
Share capital issued	2,985	5,235
GST on allocation	42,958	58,789
Redemption of share capital	<u>(1,526,501)</u>	<u>(1,771,002)</u>
Cash used for financing activities	<u>(5,254,332)</u>	<u>(3,325,934)</u>
Net increase (decrease) in cash and cash equivalents	3,109,547	(230,165)
Cash and cash equivalents, beginning of year	<u>242,985</u>	<u>473,150</u>
Cash and cash equivalents, end of year	<u>\$ 3,352,532</u>	<u>\$ 242,985</u>

The accompanying notes are an integral part of these financial statements



1. Incorporation and operations

Prairie North Co-operative Limited ("the Co-operative") was incorporated under the Co-operatives Act of Saskatchewan on June 22, 1914. The primary business of the Co-operative is operating retail agricultural, food, and petroleum outlets in Melfort, Saskatchewan and area.

2. Significant accounting policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for private enterprises. A precise determination of many assets and liabilities is dependent upon future events and consequently, the preparation of these financial statements involves the use of estimates and approximations. Areas subject to estimation include valuation of accounts receivable, inventory, useful life of property, plant and equipment, impairment of long-lived assets, income taxes, asset retirement obligations, accrued liabilities and potential contingencies. These estimates also affect the disclosure of contingencies at the date of the financial statements and the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from those estimates.

These financial statements have been prepared to reflect the following significant accounting policies:

(a) Definition of financial year

The Co-operative's financial year ends on the Saturday closest to December 31.

(b) Cash and cash equivalents

Cash and cash equivalents are defined as cash and investments with an initial maturity of less than three months.

(c) Inventories

Inventories are valued using a weighted average formula, first-in first-out method, and the retail method. Inventories are stated at the lower of cost and net realizable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories by the most appropriate method for that particular inventory class.

The Co-operative estimates net realizable value as the amount that inventories are expected to be sold for, taking into consideration fluctuations of retail price due to seasonality less estimated costs necessary to make the sale. Inventories are written down to net realizable value when the cost of inventories is determined to be not recoverable due to obsolescence, damage or permanent declines in selling prices.

(d) Investments

The Co-operative's investments are accounted for using the cost method. Accordingly, the investments are recorded at acquisition cost, less any provisions for permanent impairment or adjustments for patronage refunds or share redemptions. All transactions with FCL are disclosed in a separate note (Note 4).



(e) Financial instruments

Financial instruments are recorded at fair value on initial recognition and are subsequently recorded at amortized cost, unless management has elected to carry the instruments at fair value. The Co-operative has not elected to carry any such financial instruments at fair value. Financial instruments, which are subsequently measured at amortized cost, are adjusted by transaction and financing costs incurred on acquisition.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Co-operative determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Co-operative could realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is taken over the estimated useful lives of the assets using the following methods and rates:

Pavement	Declining balance	8%
Fences	Declining balance	10%
Tanks	Declining balance	10% & 20%
Buildings	Straight-line & declining balance	3 - 25 years & 4% - 20%
Vehicles	Declining balance	15% & 30%
Computer equipment	Straight-line & declining balance	5 years & 30% - 55%
Furniture & equipment	Straight-line & declining balance	3 years & 20%
Asset retirement cost	Straight-line	25 - 35 years

Expenditures for maintenance and repairs are charged to operating expenses as incurred. Significant expenditures for improvements are capitalized. Gains or losses realized on the disposal of property, plant and equipment are reflected in operations in the year of disposition.

Claims for assistance under various FCL programs are recorded as a reduction of the cost of related assets in the period in which eligible expenditures are incurred, with any depreciation calculated on the net amount.

An impairment loss is recognized when the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. No such impairment loss was recorded during the year.

(g) Asset retirement obligation

The Co-operative has a liability for an asset retirement obligation in the period in which a legal liability is incurred. The liability is based on management's best estimate. The liability is subsequently adjusted for the passage of time, which is recognized as an accretion expense in the statement of operations. The liability is also adjusted due to revisions in either the timing or the amount of the original estimated cash flows associated with the liability. Actual costs incurred upon settlement of the asset retirement obligations are charged against the asset retirement obligation to the extent of the liability recorded.



(h) Share capital

The Co-operative approves an allocation to members subsequent to year end. The amount is recorded as an addition to share capital and a reduction in retained savings. The Co-operative records the redemption of shares that is to be paid to members at the time it has been approved by the Board of Directors.

(i) Revenue recognition

The Co-operative recognizes revenue when evidence of an arrangement exists, delivery or change of ownership has occurred, the price has been determined, and collection is reasonably assured. Patronage allocations are recognized in earnings when allocated to the Co-operative.

(j) Income taxes

The Co-operative follows the taxes payable method whereby only current income tax assets and liabilities are recognized to the extent they remain unpaid or are recoverable. In addition, the benefit relating to a tax loss incurred in the current period and carried back to prior periods is recognized as a current asset. Current income tax assets and liabilities are measured using substantively enacted tax rates and laws expected to apply when the tax liabilities or assets are to be either settled or realized.

(k) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment losses, if any. Indefinite life intangible assets are not amortized. An impairment loss is recognized when the carrying amount of an intangible asset is not recoverable and exceeds its fair value. No such impairment loss was recorded during the year.

(l) Business combinations

Business combinations are accounted for using the acquisition method. The application of this method requires certain estimates and assumptions especially concerning the determination of the fair value of the acquired intangible assets, property, plant and equipment, as well as the liabilities assumed at the date of the acquisition, based on information available at that date.

At the acquisition date, the Co-operative recognizes, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the subsidiary. Identifiable assets acquired and liabilities assumed are measured at their acquisition-date fair values. Any non-controlling interest in a subsidiary is measured either at fair value or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets.

The consideration transferred for each acquisition is measured as the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred, and equity instruments issued by the Co-operative to obtain control of the subsidiary.



3. Financial instruments and risk management

The significant financial risks to which the Co-operative is exposed are credit risk, interest rate risk, liquidity risk, and commodity price risk.

(a) Credit risk

The Co-operative is exposed to credit risk on accounts receivable from its customers. The Co-operative manages credit risk through an active credit management program. The Co-operative does not have a significant exposure to any individual customer.

(b) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in interest rates. Changes in market interest rates may have an effect on cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Co-operative's sensitivity to fluctuations in interest rates is limited to its cash, line of credit, and debt. The Co-operative manages its exposure to interest rate risk through floating rate deposits and borrowings.

(c) Liquidity risk

Liquidity risk is the risk that the Co-operative will encounter difficulty in meeting obligations associated with financial liabilities. The Co-operative is exposed to liquidity risk arising primarily from the current obligations and long-term debt. The Co-operative's ability to meet obligations depends on funds generated by its operations.

(d) Commodity price risk

The Co-operative enters into transactions to purchase crop production products, for which market prices fluctuate. The nature of the Co-operative's activities exposes it to risk of changes in commodity prices related to crop inputs that may occur between the time products are received from the supplier and actual date of sale to customers. To mitigate a portion of this risk, the Co-operative enters into contracts with the supplier to purchase the product at specified prices.



4. Transactions with Federated Co-operatives Limited (FCL)

(a) Patronage refund

The Co-operative, along with other Co-operatives in Western Canada, own FCL. At the end of each year, FCL divides a substantial portion of its net savings among these retail Co-operatives in proportion to the business done by each with FCL. During FCL's fiscal year ended October 31, 2020, the Co-operative purchased goods amounting to \$86,114,648 (2019 - \$83,811,155) from FCL in the normal course of operations.

These purchases resulted in a patronage refund from FCL which was received as non-cash consideration in the form of additional shares in FCL. FCL, based on its available cash flow, redeemed an amount of FCL shares held by the Co-operative. The amounts of the patronage refund and shares redeemed are as follows:

	2020	2019
Opening investment balance	\$ 14,464,969	\$ 13,400,517
Patronage refund	1,973,907	5,322,262
Share redemptions	<u>(1,776,516)</u>	<u>(4,257,810)</u>
Closing investment balance	<u>\$ 14,662,360</u>	<u>\$ 14,464,969</u>

(b) Asset retirement obligation

The Co-operative participates in a contaminated site management program established by FCL to manage its asset retirement obligations. This program limits the Co-operative's liability to \$25,000 per site as long as the Co-operative continues to exercise due diligence. The Co-operative has 11 sites under this program. Management believes that due diligence has been exercised. At year end, the Co-operative has accrued a liability in the amount of \$186,253 (2019 - \$180,050). A corresponding amount has been capitalized as an asset retirement cost. Accretion for the current year included in operating and administration expense was \$6,203 (2019 - \$5,963).

The Co-operative has three fertilizer sites that are covered under the contaminated site management program established by FCL. Management cannot make a reasonable estimate of the future asset retirement obligation due to the uncertainty of the environmental impact from its fertilizer division.

(c) Purchase commitments

(i) Under the terms of the agreement with FCL, the Co-operative has committed to purchase petroleum products, at market price, from FCL for its gas bar and cardlock operations over a ten year period commencing from December 2011. Failure to meet this commitment would require the Co-operative to immediately pay outstanding gas bar and cardlock loan balances owed to FCL, plus repay any gas bar and cardlock grants received, including interest on the grants compounded annually at 10% from the grant date. Total grants received during this period amounted to approximately \$1,791,965 (2019 - \$1,803,418). Management intends to fulfill all existing contracts with FCL.

(ii) Under the terms of the agreement with FCL, the Co-operative has committed to purchase petroleum products, at market price, from the FCL corporate bulk plant over a ten year period commencing from December 2012. Failure to meet this commitment would require the Co-operative to pay a portion of the capital costs of the bulk plant to FCL determined by a formula based upon usage. Management intends to fulfill all existing contracts with FCL.



(iii) Under the terms of the agreement with FCL, the Co-operative has committed to purchase at least 90% of its total goods from FCL and commits, to the best of its ability, to use FCL's services. If the eligibility requirements are met, FCL will pay the Co-operative, on a quarterly basis, a Loyalty Payment based on cents per litre. The Loyalty Payment revenue is accrued as earned.

(iv) Under the terms of the agreement with FCL, the Co-operative has committed to purchase fertilizer products, at market price, from FCL over a five year period commencing from July 2019. Failure to meet this commitment would require the Co-operative to pay a termination charge to FCL determined by a formula based on purchases and years remaining in the contract. Management intends to fulfill all existing contracts with FCL.

(v) Under the terms of the agreement with FCL, the Co-operative has committed to purchase agriculture and home centre products, from FCL and continue to operate certain food stores over periods of 10 to 30 years commencing from April 2016. Failure to meet this commitment would require the Co-operative to repay the assistance received on a prorated basis. Total assistance that would be repayable if commitments were not met without FCL approval as at December 31, 2020 amounted to \$879,480 (2019 - \$879,480). Management intends to fulfill all commitments with FCL.

5. Accounts receivable - customer

Shown net of an allowance for doubtful accounts of \$500,000 (2019 - \$155,000).

6. Inventories

	2020	2019
Raw material	\$ 4,307,012	\$ 5,261,893
Goods for resale	<u>17,240,942</u>	<u>15,589,846</u>
	<u>\$ 21,547,954</u>	<u>\$ 20,851,739</u>

The cost of inventories recognized as an expense during the year was \$96,856,348 (2019 - \$93,568,035).

7. Long-term receivable

	Total	2020 Current Portion	2020 Deferred Portion	2019 Current Portion	2019 Deferred Portion
Petroleum tanks	<u>\$ 429,142</u>	<u>\$ 234,580</u>	<u>\$ 194,562</u>	<u>\$ 106,633</u>	<u>\$ 22,029</u>

The Co-operative has long-term interest free receivables covering petroleum tank equipment which are recoverable over three years. The receivables are secured by the petroleum tank equipment.



Prairie North Co-operative Limited
Notes to the Financial Statements
For the Year Ended December 31, 2020

8. Property, plant and equipment

	Original Cost	Accumulated Depreciation	2020 Book Value	2019 Book Value
Land	\$ 1,946,736	\$ -	\$ 1,946,736	\$ 1,955,166
Pavement	1,249,833	576,019	673,814	732,406
Fences	66,812	43,597	23,215	15,733
Tanks	3,853	1,419	2,434	2,894
Buildings	17,430,874	7,010,280	10,420,594	10,769,323
Vehicles	4,409,363	3,178,982	1,230,381	911,550
Computer equipment	932,537	871,949	60,588	96,466
Furniture & equipment	10,279,581	7,201,828	3,077,753	3,100,389
Asset retirement cost	152,030	66,896	85,134	97,650
Under construction	19,417	-	19,417	273,428
	<u>\$ 36,491,036</u>	<u>\$ 18,950,970</u>	<u>\$ 17,540,066</u>	<u>\$ 17,955,005</u>

Depreciation for the current year included in operating and administration expense was \$1,946,222 (2019 - \$1,793,299).

9. Intangible asset

	Original Cost	Accumulated Amortization	2020 Book Value	2019 Book Value
Liquor permits	<u>\$ 565,000</u>	<u>\$ -</u>	<u>\$ 565,000</u>	<u>\$ 495,000</u>

The Co-operative owns four commercial liquor permits that have indefinite lives.

10. Line of credit

In the prior year, the Co-operative had a \$7,000,000 line of credit with Affinity Credit Union, of which \$6,555,995 was drawn at the end of fiscal 2019. During 2020, the Co-operative closed this line of credit and all security was released.

The Co-operative has a line of credit with Federated Co-operatives Limited for up to \$15,000,000 between the months of May and July and \$10,750,000 from August to April. \$3,205,270 has been drawn as at December 31, 2020 (2019 - \$nil). Interest on the line of credit is at prime rate (2.45%). The line of credit is subject to certain measurable covenants. As at December 31, 2020, the Co-operative is in compliance with such covenants.



Prairie North Co-operative Limited
Notes to the Financial Statements
For the Year Ended December 31, 2020

11. Accounts payable and trust liabilities

	2020	2019
FCL payables	\$ 8,881,929	\$ 5,869,478
Payable to Archerwill Co-op for purchase of assets	-	5,090,879
Other payables	1,416,436	1,566,828
Trust liabilities:		
Payroll deductions	99,885	-
Provincial sales tax	123,044	70,786
Federal fuel charge	116,756	78,989
Liquor consumption tax	23,853	13,139
	<u>\$ 10,661,903</u>	<u>\$ 12,690,099</u>

12. Long-term debt

	Total	2020 Current Portion	2020 Deferred Portion	2019 Current Portion	2019 Deferred Portion
FCL line of credit	<u>\$ 1,366,544</u>	<u>\$ 899,877</u>	<u>\$ 466,667</u>	<u>\$ 532,171</u>	<u>\$ 1,370,277</u>

The above line of credit balances include both Melfort Home Centre and Kelvington Home Centre loans. The loans bear interest at prime rate (2.45% as at December 31, 2020), repayable via an annual reduction in available credit. The loans are subject to certain non-financial covenants. The Co-operative believes it is in compliance with these covenants as at year-end and has been in compliance since the loan start date. Security for the credits is a Business Security Agreement and a General Security Agreement. The available line of credit decreases as follows:

Melfort Home Centre	
October 1, 2020 - September 30, 2021	\$ 436,944
Kelvington Home Centre	
May 1, 2020 - April 30, 2021	\$ 929,600
May 1, 2021 - April 30, 2022	466,667

The scheduled principal repayments on the long-term debt for the next two years are as follows:

2021	\$ 899,877
2022	466,667
	<u>\$ 1,366,544</u>



Prairie North Co-operative Limited
Notes to the Financial Statements
For the Year Ended December 31, 2020

13. Share capital

	2020	2019
Authorized, unlimited @ \$1		
Balance, beginning of year	\$ 16,443,928	\$ 16,599,323
Allocation to members	1,508,109	1,542,733
Cash from new members	2,985	5,235
Shared acquired from Archerwill	112,855	-
GST on allocation	42,958	58,789
Shares transferred from reserves	2,883	11,912
	<u>18,113,718</u>	<u>18,217,992</u>
General repayment	828,727	1,206,643
Shares transferred to reserves	116,914	3,062
Withdrawals and retirements	547,122	345,008
Withholding tax	150,652	219,351
	<u>1,643,415</u>	<u>1,774,064</u>
Balance, end of year	<u>\$ 16,470,303</u>	<u>\$ 16,443,928</u>

14. Reserves and retained savings

	Statutory Reserve	General Reserve	Retained Savings	2020	2019
Balance, beginning of year	\$ 3,924,508	\$ 17,512,083	\$ -	\$ 21,436,591	\$ 20,312,543
Net savings distributed to retained savings	-	-	6,216,836	6,216,836	2,675,631
Patronage allocation	-	-	(1,508,109)	(1,508,109)	(1,542,733)
Shares transferred	114,031	-	-	114,031	(8,850)
Reserve transfers	444,631	4,264,096	(4,708,727)	-	-
Balance, end of year	<u>\$ 4,483,170</u>	<u>\$ 21,776,179</u>	<u>\$ -</u>	<u>\$ 26,259,349</u>	<u>\$ 21,436,591</u>



Prairie North Co-operative Limited
Notes to the Financial Statements
For the Year Ended December 31, 2020

15. Sales

	2020	2019
Agro division	\$ 33,822,005	\$ 29,409,450
Food division	34,272,497	27,984,073
Gas bar	15,677,628	17,646,346
Hardware and building supplies	14,259,513	11,761,874
Petroleum division	17,283,103	21,609,251
	<u>\$ 115,314,746</u>	<u>\$ 108,410,994</u>

All sales are to external customers and no single customer accounts for more than 10% of sales.

16. Net interest

	2020	2019
Interest expense on		
- Short-term debt	\$ 82,984	\$ 158,513
- Long-term debt	116,852	124,435
Interest revenue	<u>(223,684)</u>	<u>(345,228)</u>
	<u>\$ (23,848)</u>	<u>\$ (62,280)</u>

17. Business combination

On March 30, 2019, the Co-operative acquired the assets of Archerwill Co-operative Association Limited. Total cash consideration was \$7,793,749. The Co-operative determined the acquisition constituted a business combination and applied the acquisition method to record the transaction. The businesses have been integrated and are reported within the Agro, Food, and Gas Bar division segments from the date of acquisition. On November 3, 2020, Archerwill Co-operative Association Limited legally dissolved and \$5,147,064 was paid to Prairie North Co-operative Limited which is recorded as a gain on acquisition. In addition, \$112,855 of member's equity that was unable to be returned to Archerwill members, and the related cash, was transferred to Prairie North. The amounts were subsequently transferred to the statutory reserve of Prairie North.

The purchase price allocation was as follows:

Land	\$ 9,900
Buildings	777,981
Fixtures and equipment	322,119
Inventories	6,492,749
Net working capital	191,000
Total cash consideration	<u>\$ 7,793,749</u>
Cash received upon dissolution	5,147,064
Total assets acquired	<u>\$ 12,940,813</u>



18. Pension plan

The Co-operative participates in a multi-employer defined contribution plan whereby the Co-operative and participating employees contribute equal amounts up to the maximum allowed under the Income Tax Act. The Co-operative has no unfunded liability under this plan. During the year, the Co-operative recorded \$439,016 (2019 - \$397,277) of expense relating to the plan. There were no significant changes to the rate of employer contributions during the year.

19. Income tax expense

The Co-operative accounts for income taxes using the taxes payable method. As a result, the Co-operative's income tax expense varies from the amount that would otherwise result from the application of the statutory

	2020	2019
Savings before income taxes	\$ 7,609,916	\$ 3,026,661
Expected income tax expense at the combined tax rate of 27.0% (2019 - 27.0%) net of the small business deduction	2,054,677	817,198
Increase (decrease) in income tax expense resulting from:		
Non-taxable income and non-deductible expense	(162,807)	(27,151)
Patronage allocation to members of \$1,508,109 (2019 - \$1,542,733)	(407,189)	(416,538)
Income or expenses claimed in different periods for income tax purposes:		
Capital cost allowance in excess of depreciation	(54,023)	(27,788)
Other items that impact income taxes:		
Manufacturing and processing investment tax credit	(21,375)	(5,663)
Prior year tax adjustment	(16,203)	10,972
Income tax expense	\$ 1,393,080	\$ 351,030

20. Economic conditions

During the year, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Co-operative as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.



21. Subsequent event

Patronage allocation to members

Subsequent to December 31, 2020 the Board of Directors approved a patronage allocation to members in the amount of \$1,508,109 (2019 - \$1,542,733).

22. Commitment

The Co-operative is committed to the upgrade of a fertilizer plant. The estimated total cost of the project is \$400,000. This project will be financed with internally generated cash flows and FCL line of credit.

23. Contingent liability

The Co-operative operates fertilizer properties that may require remediation. The likelihood and amount of any such obligation has not been determined.



Prairie North Co-operative Limited
Audited Statistical Information
For the Year Ended December 31, 2020

Record of Sales and Net Savings

	<u>Year</u>	<u>Sales</u>	<u>Net Savings</u>	<u>%</u>
From Date of Incorporation, June 22, 1914 to December 31,	2011	\$ 773,830,406	\$ 36,594,107	4.7
	2012	70,888,726	2,361,146	3.3
	2013	73,984,505	2,834,843	3.8
	2014	75,126,433	1,966,510	2.6
	2015	70,117,989	1,694,007	2.4
	2016	70,049,957	1,081,017	1.5
	2017	72,397,960	1,393,258	1.9
	2018	98,606,058	7,804,445	7.9
	2019	108,410,994	2,675,631	2.5
	2020	115,314,746	6,216,836	5.4
		<u>\$ 1,528,727,774</u>	<u>\$ 64,621,800</u>	<u>4.2</u>

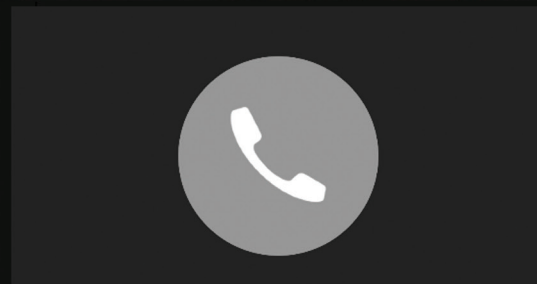
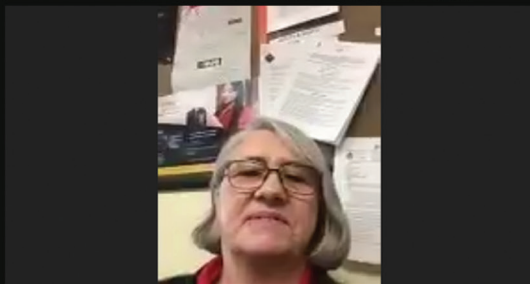
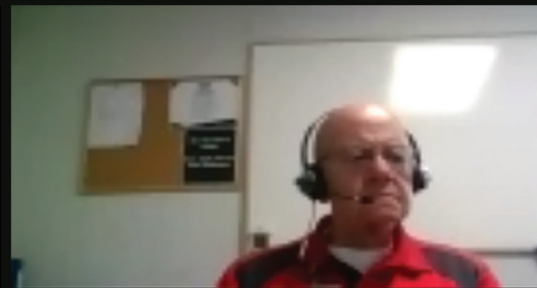
Membership

Members purchasing during the year	10,859
Inactive members	<u>1,724</u>
Total members	<u>12,583</u>



**SUSTAINABILITY
REPORT
2020**

Copies available in Food Stores or online at
prairienorthco-op.crs



For more information, please contact:

Box 1450
Melfort, SK,
S0E 1A0

PHONE: (306) 752-9381

FAX: (306) 752-5166

WEBSITE: www.prairienorthco-op.crs