

Fort St. John Co-operative Association
Financial Statements
January 31, 2022

Management's Responsibility

To the Members of Fort St. John Co-operative Association:

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.

e-Signed by Brad Lussier
2022-05-19 16:56:08:08 MDT

General Manager

To the Members of Fort St. John Co-operative Association:

Opinion

We have audited the financial statements of Fort St. John Co-operative Association (the "Co-operative"), which comprise the balance sheet as at January 31, 2022, and the statements of net savings, 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 January 31, 2022, 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.

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.

Red Deer, Alberta

May 19, 2022

MNP LLP

Chartered Professional Accountants

Fort St. John Co-operative Association
Balance Sheet
As at January 31, 2022

	2022	2021
Current assets		
Cash and cash equivalents	\$ 486,701	\$ 1,703,000
FCL special deposit (Note 4(a))	14,390,532	9,200,741
Accounts receivable - Customer (Note 5)	10,593,911	6,755,102
- Other	1,791,367	2,998,706
Income taxes recoverable	870,050	1,100,792
Inventories	2,092,295	2,023,111
Prepaid expenses	99,624	73,633
Current portion long-term receivable (Note 6)	19,190	3,272
	30,343,670	23,858,357
 Long-term receivable (Note 6)	 40,123	 72,388
 Investments		
Federated Co-operatives Limited (Note 4(b))	16,420,897	15,666,641
Other organizations	271	268
 Property, plant and equipment (Note 7)	 13,063,445	 14,233,950
Total assets	\$ 59,868,406	\$ 53,831,604
 Current liabilities		
Accounts payable and trust liabilities (Note 8)	\$ 9,951,422	\$ 6,239,848
Customer prepaid accounts	77,141	99,998
Total liabilities	10,028,563	6,339,846
 Members' equity		
Share capital (Note 9)	11,179,829	10,694,281
Reserves and retained savings (Note 10)	38,660,014	36,797,477
	49,839,843	47,491,758
Total liabilities and members' equity	\$ 59,868,406	\$ 53,831,604

Subsequent events (Note 17)

Approved on behalf of the Board of Directors

e-Signed by Bruce Chisholm
2022-05-19 21:21:52:52 MDT

Director

e-Signed by Don McMillian
2022-05-19 21:21:56:56 MDT

Director

The accompanying notes are an integral part of these financial statements



Fort St. John Co-operative Association
Statements of Net Savings and Retained Savings
For the Year Ended January 31, 2022

	2022	%	2021	%
Sales (Note 11)	\$ 94,469,785	100.0	\$ 62,725,564	100.0
Cost of goods sold	<u>89,015,492</u>	<u>94.2</u>	<u>58,013,787</u>	<u>92.5</u>
Gross margin	<u>5,454,293</u>	<u>5.8</u>	<u>4,711,777</u>	<u>7.5</u>
Expenses				
Operating and administration	7,056,728	7.5	5,028,527	8.0
Net interest (Note 13)	<u>(415,656)</u>	<u>(0.4)</u>	<u>(393,530)</u>	<u>(0.6)</u>
	<u>6,641,072</u>	<u>7.1</u>	<u>4,634,997</u>	<u>7.4</u>
Savings (loss) from operations	(1,186,779)	(1.3)	76,780	0.1
FCL loyalty program (Note 4(d)(iii))	3,097,945	3.3	2,688,508	4.3
Patronage refunds	<u>3,771,279</u>	<u>4.0</u>	<u>180,722</u>	<u>0.3</u>
Savings before income taxes	5,682,445	6.0	2,946,010	4.7
Income tax expense (Note 15)	<u>505,132</u>	<u>0.5</u>	<u>29,088</u>	<u>-</u>
Net savings	<u>\$ 5,177,313</u>	<u>5.5</u>	<u>\$ 2,916,922</u>	<u>4.7</u>
Retained savings, beginning of year	\$ -		\$ -	
Net savings	5,177,313		2,916,922	
Transfer to general reserve (Note 10)	(1,823,209)		(605,175)	
Patronage allocation to members (Note 9)	<u>(3,354,104)</u>		<u>(2,311,747)</u>	
Retained savings, end of year (Note 10)	<u>\$ -</u>		<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements



Fort St. John Co-operative Association
Statement of Cash Flows
For the Year Ended January 31, 2022

	2022	2021
Operating activities		
Net savings	\$ 5,177,313	\$ 2,916,922
Adjustments for:		
Depreciation	1,758,311	1,330,221
FCL patronage refund	(3,771,276)	(180,722)
Gain on the disposal of property, plant and equipment	(8,961)	(46,545)
Changes in non-cash operating working capital:		
Accounts receivable	(2,631,470)	640,971
Income taxes recoverable	230,742	(691,424)
Inventories	(69,184)	90,343
Prepaid expenses	(25,991)	(12,758)
Long-term receivables	16,347	(30,990)
Accounts payable and trust liabilities	3,711,574	(2,046,801)
Customer prepaid accounts	(22,857)	18,529
Cash provided by operating activities	4,364,548	1,987,746
Investing activities		
Redemption of FCL shares	3,017,020	162,650
Additions to property, plant and equipment	(620,171)	(5,826,130)
Proceeds from the disposal of property, plant and equipment	41,326	197,693
Investment in other organizations	(3)	(3)
Cash (used for) provided by investing activities	2,438,172	(5,465,790)
Financing activities		
Share capital issued	4,172	1,553
GST on allocation	104,231	140,886
Redemption of share capital	(2,937,631)	(3,433,729)
Cash used for financing activities	(2,829,228)	(3,291,290)
Net increase (decrease) in cash and cash equivalents	3,973,492	(6,769,334)
Cash and cash equivalents, beginning of year	10,903,741	17,673,075
Cash and cash equivalents, end of year	\$ 14,877,233	\$ 10,903,741
Cash and cash equivalents are comprised of:		
Cash and cash equivalents	\$ 486,701	\$ 1,703,000
FCL special deposit	14,390,532	9,200,741
	\$ 14,877,233	\$ 10,903,741

The accompanying notes are an integral part of these financial statements



Fort St. John Co-operative Association
Notes to the Financial Statements
For the Year Ended January 31, 2022

1. Incorporation and operations

Fort St. John Co-operative Association ("the Co-operative") was incorporated under the Co-operatives Act of British Columbia on July 26, 1944. The primary business of the Co-operative is operating retail petroleum outlets in Fort St John, British Columbia and surrounding 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, goodwill, income taxes, asset retirement obligations, and accrued liabilities. 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 January 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 the first-in first-out method. Inventories are stated at the lower of cost and net realizable value.

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).



Fort St. John Co-operative Association
Notes to the Financial Statements
For the Year Ended January 31, 2022

(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:

Buildings	Straight-line & declining balance	20 & 25 years & 10%
Pavement	Declining balance	8%
Fence	Declining balance	10%
Tanks	Declining balance	10% & 20%
Furniture & equipment	Straight-line & declining balance	5 years & 20% - 100%
Vehicles	Declining balance	15% - 30%

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) 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.



Fort St. John Co-operative Association
Notes to the Financial Statements
For the Year Ended January 31, 2022

(h) 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 earned by the Co-operative.

(i) 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.

(j) Government assistance

The Co-operative recognizes government assistance when there is a reasonable assurance that it will comply with the conditions required to qualify for the assistance, and that the assistance will be received. The Co-operative recognizes government assistance related to the Canada Emergency Wages Subsidy ("CEWS") and the Temporary Wage Subsidy ("TWS") as a reduction to the expense which the assistance program is meant to fund. Government assistance in the form of forgivable loans is recognized as other income in the year that the forgivable loan is received.

3. Financial instruments and risk management

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

(a) Credit risk

The Co-operative is exposed to credit risk on the accounts receivable from its customers. The Co-operative manages the 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 and funds on deposit. The Co-operative manages its exposure to interest rate risk through floating rate deposits and borrowings.

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

(a) FCL special deposit

Amounts held by FCL as special deposits earn interest at rates based on prime rates.



Fort St. John Co-operative Association
Notes to the Financial Statements
For the Year Ended January 31, 2022

(b) Patronage refund

The Co-operative, along with other Co-operatives in Western Canada, owns 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, 2021 the Co-operative purchased goods amounting to \$64,871,958 (2020 - \$48,447,375) 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:

	2022	2021
Opening investment balance	\$ 15,666,641	\$ 15,648,569
Patronage refund	3,771,276	180,722
Share redemptions	<u>(3,017,020)</u>	<u>(162,650)</u>
Closing investment balance	<u>\$ 16,420,897</u>	<u>\$ 15,666,641</u>

(c) 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 three sites under this program. Management believes that due diligence has been exercised and that the impact of the asset retirement obligation to the Co-operative's financial statements is not significant.

(d) Petroleum purchase commitment

(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 August 2018. Failure to meet this commitment would require the Co-operative to pay immediately 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 \$3,977,525 (2021 - \$3,957,577). 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 July 2017. 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.



Fort St. John Co-operative Association
Notes to the Financial Statements
For the Year Ended January 31, 2022

5. Accounts receivable - customer

Shown net of an allowance for doubtful accounts of \$968,600 (2021 - \$1,300,000).

6. Long-term receivable

	2022	2022	2021	2021
Total	Current Portion	Deferred Portion	Current Portion	Deferred Portion
Petroleum tanks	\$ 59,313	\$ 19,190	\$ 3,272	\$ 72,388

The Co-operative has long-term interest free receivables covering petroleum tank equipment which are recoverable over 3 years. The receivables are secured by the petroleum tank equipment.

7. Property, plant and equipment

	Original Cost	Accumulated Depreciation	2022 Book Value	2021 Book Value
Land	\$ 2,355,542	\$ -	\$ 2,355,542	\$ 2,355,542
Buildings	4,769,805	1,047,117	3,722,688	3,716,398
Pavement	2,661,984	961,200	1,700,784	1,848,679
Fence	35,701	16,275	19,426	21,584
Tanks	3,124,883	1,901,062	1,223,821	1,306,212
Furniture & equipment	7,055,028	4,070,536	2,984,492	3,605,370
Vehicles	4,087,973	3,031,281	1,056,692	1,380,165
	<u>\$ 24,090,916</u>	<u>\$ 11,027,471</u>	<u>\$ 13,063,445</u>	<u>\$ 14,233,950</u>

Depreciation for the current year included in operating and administration expense was \$1,758,311 (2021 - \$1,330,221).

8. Accounts payable and trust liabilities

	2022	2021
FCL payables	\$ 9,478,486	\$ 5,405,882
Other payables	454,077	818,360
Trust liabilities:		
Payroll deductions	212	-
Provincial sales tax	18,647	15,606
	<u>\$ 9,951,422</u>	<u>\$ 6,239,848</u>



Fort St. John Co-operative Association
Notes to the Financial Statements
For the Year Ended January 31, 2022

9. Share capital

Authorized, unlimited @ \$5	2022	2021
Balance, beginning of year	\$ 10,694,281	\$ 11,677,933
Allocation to members	3,354,104	2,311,747
Cash from new members	4,172	1,553
GST on allocation	104,231	140,886
Shares transferred from reserves	8,096	9,277
	<u>14,164,884</u>	<u>14,141,396</u>
General repayment	2,603,697	2,783,799
Shares transferred to reserves	47,424	13,386
Withdrawals and retirements	38,388	239,176
Withholding tax	295,546	410,754
	<u>2,985,055</u>	<u>3,447,115</u>
Balance, end of year	<u>\$ 11,179,829</u>	<u>\$ 10,694,281</u>

10. Reserves and retained savings

	General Reserve	Retained Savings	2022	2021
Balance, beginning of year	\$ 36,797,477	\$ -	\$ 36,797,477	\$ 36,188,193
Net savings distributed to retained savings	-	5,177,313	5,177,313	2,916,922
Patronage allocation	-	(3,354,104)	(3,354,104)	(2,311,747)
Shares transferred	39,328	-	39,328	4,109
Reserve transfers	<u>1,823,209</u>	<u>(1,823,209)</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 38,660,014</u>	<u>\$ -</u>	<u>\$ 38,660,014</u>	<u>\$ 36,797,477</u>

11. Sales

The Co-operative's business operations consist of one segment. All sales are to external customers and no single customer accounts for more than 10% of sales.



Fort St. John Co-operative Association
Notes to the Financial Statements
For the Year Ended January 31, 2022

12. Government assistance

In response to the negative economic impact of COVID-19 the Government of Canada has announced the TWS program in March 2020 and the CEWS program in April 2020. TWS and CEWS provide wage subsidies on eligible remuneration, subject to limits per employee, to eligible employers based on certain criteria, which for CEWS includes demonstration of revenue declines as a result of COVID-19.

The Co-operative has determined that it has qualified for the CEWS. The Co-operative has applied for and has recorded \$144,676 (2021 - \$720,000) which has been reflected as a reduction to operating and administration expenses.

13. Net interest

	2022	2021
Interest expense on		
- Short term debt	\$ 1,775	\$ 1,638
Interest revenue	<u>(417,431)</u>	<u>(395,168)</u>
	<u>\$ (415,656)</u>	<u>\$ (393,530)</u>

14. 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 \$73,004 (2021 - \$74,865) of expense relating to the plan. There were no significant changes to the rate of employer contributions during the year.



Fort St. John Co-operative Association
Notes to the Financial Statements
For the Year Ended January 31, 2022

15. Income taxes

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 income tax rates as set out below:

	2022	2021
Savings before income taxes	\$ 5,682,445	\$ 2,946,010
Expected income tax expense at the combined tax rate of 27.0% (2021 - 27.0%) net of the small business deduction	1,534,260	795,423
Decrease in income tax expense resulting from:		
Non-taxable income and non-deductible expense	2,207	(11,631)
Patronage allocation to members of \$3,354,104 (2021 - \$2,311,747)	(905,608)	(624,172)
Income or expenses claimed in different periods for income tax purposes:		
Capital cost allowance in excess of depreciation	55,656	(311,930)
Other items that impact income taxes:		
Patronage dividends available for carryforward	-	181,398
Patronage dividends carryforward used	(181,394)	-
Prior year tax adjustment	11	-
	<u>505,132</u>	<u>29,088</u>
Income tax expense	<u>\$ 505,132</u>	<u>\$ 29,088</u>

16. Economic conditions

In March 2020, 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. The Co-operative's operations were impacted by COVID-19 due to increased customer demand in some circumstances as well as supply chain disruptions. The impact of COVID-19 has been partially offset by available government programs for which the Co-operative was eligible. The future impact the COVID-19 outbreak may have on the Co-operative is unknown as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence.

17. Subsequent events

(a) Patronage allocation to members

Subsequent to January 31, 2022 the Board of Directors approved a patronage allocation to members in the amount of \$3,354,154 (2021 - \$2,311,165).



Fort St. John Co-operative Association
Notes to the Financial Statements
For the Year Ended January 31, 2022

(b) Share redemption

Subsequent to January 31, 2022 the Board of Directors approved the redemption of shares in the amount of \$2,629,318 (2021 - \$2,603,951).



Fort St. John Co-operative Association
Unaudited Statistical Information
For the Year Ended January 31, 2022

Record of Sales and Net Savings

	<u>Year</u>	<u>Sales</u>	<u>Net Savings</u> ⁽¹⁾	<u>%</u>
From Date of Incorporation, July 26, 1944 to January 31,	2013	\$ 864,330,860	\$ 52,074,296	6.0
	2014	81,657,976	6,807,860	8.3
	2015	101,755,140	7,235,257	7.1
	2016	74,103,648	5,311,233	7.2
	2017	60,731,665	3,179,544	5.3
	2018	85,958,496	4,706,258	5.5
	2019	95,281,532	8,619,889	9.0
	2020	83,642,047	6,618,864	7.9
	2021	62,725,564	2,916,922	4.7
	2022	94,469,785	5,177,313	5.5
		<u>\$ 1,604,656,713</u>	<u>\$ 102,647,436</u>	<u>6.4</u>

⁽¹⁾ 2012 and prior years - savings is before income taxes and patronage refund to members.

Membership

Members purchasing during the year	5,214
Inactive members	<u>1,225</u>
Total members	<u>6,439</u>



Fort St. John Co-operative Association
Directors and Officers
For the Year Ended January 31, 2022

<u>Position</u>	<u>Name</u>	<u>Address</u>	<u>Year Term Expires</u>
President	Bruce Chisholm	Fort St. John, B.C.	2022
Vice-President	Connie Chilcott	Fort St. John, B.C.	2023
Director	Don McMillan	Fort St. John, B.C.	2023
Manager	Brad Lussier	Fort St. John, B.C.	
Secretary	Miranda Flury	Fort St. John, B.C.	2024
Director	David Mengerling	Fort St. John, B.C.	2023
Director	Murray Bennett	Charlie Lake, B.C.	2022
Director	Bruce Baxter	Montney, B.C.	2022

