



Service Nova Scotia
and Municipal Relations

Annual Report

Activities of Nova Scotia Co-operatives in 2010

Co-operatives Branch
Program and Registry Management
Prepared January 13, 2014

Co-operatives Annual Report

This report is published by the Co-operatives Branch of Service Nova Scotia and Municipal Relations. It covers the activities of registered co-operatives taken from reports submitted to this office for their financial year ending in 2010. This document provides partial fulfillment of the requirements of the Inspector of Co-operatives pursuant to the *Co-operative Associations Act*, Chapter 98, Acts of 1989. Subsections 5(2)(d) and (e) of the Act require the Inspector to prepare and deliver annual reports to the Minister regarding co-operatives in the Province, including the number in operation and the financial standing of each.

Minister

Honourable Mark Furey

Acting/Deputy Minister

Dan McDougall

Registrar of Joint Stock Companies

Hayley E. Clarke

Inspector of Co-operatives

Audrey Gay

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Useful Links:

- Co-operative's public records: www.rjsc.ca
- Co-operative annual reports: www.accessns.ca/co-op
- The *Co-operative Associations Act*:
www.nslegislature.ca/legc/statutes/co-operative%20associations.pdf
- The *Co-operative Associations Regulations*:
www.gov.ns.ca/just/regulations/regs/coopgen.htm

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Letter to the Minister Responsible for Co-operatives

The Honourable Mark Furey
Minister of Service Nova Scotia and Municipal Relations

Dear Minister Furey:

I am pleased to present the Co-operatives Annual Report for the year 2010, in compliance with the requirements of the *Co-operative Associations Act*. This is the 75th report since 1935 when the first *Act* required the Inspector to report annually to the Minister. Co-operatives remain an important part of the provincial economy as they continue to create jobs and maintain strong communities in Nova Scotia.

Demographic data:

- There were 310 registered co-operatives in Nova Scotia.
- Annual filings were provided by 305 co-operatives from which this report has been prepared.
- Non-profit co-operatives comprised 52 per cent, and 48 per cent were for-profit entities.
- In total, there were 21 new incorporations, which was the same number as last year.
- Two co-operatives were struck from the Registry.
- One organization was formed by the amalgamation of two existing housing co-operatives.
- The co-operative sector employed 3,102 individuals which was a decrease of 19 from the previous year.
- Membership grew to 45,130, which was an increase of 4,908 members from 2009.

Financial data:

- Annual income decreased to \$754 million; however, gross profits increased to \$160 million, and net profits increased to \$10 million.
- Assets increased to \$408 million, liabilities increased to \$285 million, and equity increased to \$123 million.

Co-operative functioning:

- 81 per cent of co-operatives had all board positions filled, and 89 per cent held their required annual general members meeting.
- Most co-operatives held the expected number of board meetings (seven) and the expected number of members' meetings (three).
- On average, six members per co-operative attended educational events.

I trust that this report provides you with a comprehensive overview of the co-operative sector in 2010.

Sincerely,



Audrey Gay
Inspector of Co-operatives

Letter to Nova Scotia Co-operatives

Dear Co-operators:

This is the 75th year that co-operatives have been registered under the *Co-operative Associations Act*. This annual report offers a summary of Nova Scotia co-operatives as they existed in 2010.

The primary responsibility of the Co-operatives Branch is to administer the Act by:

- approving and filing incorporation documents
- processing yearly filing requirements
- approving changes to bylaws, articles of incorporation and other special resolutions
- inspecting or examining the affairs of co-operatives
- overseeing the dissolution process when co-operatives are no longer serving its members

Public information regarding co-operatives is available on our website at www.rjsc.ca and by following the links to “Search Our Database”. As always, this report and other co-operative information is available at www.accessns.ca/co-op. On our website, you will also find standard forms for all of your reporting requirements to the Co-operatives Branch under “Forms and Information”.

During 2010, your co-operatives reported a continued commitment to the co-operative principles by providing board and member education. Almost all co-operatives reported holding an annual general meeting where quorum was met and the members reviewed financial reports.

The staff at Programs and Registry Management would like to thank Lynda Russell for serving as Inspector of Co-operatives during 2010. Lynda replaced Ron Skibbens who was on secondment with the Treasury Board Office. Lynda’s hard work and dedication during this time has been greatly appreciated.

If you have any questions regarding this report or the services of the Co-operatives Branch, please do not hesitate to contact me.

Co-operatively yours,

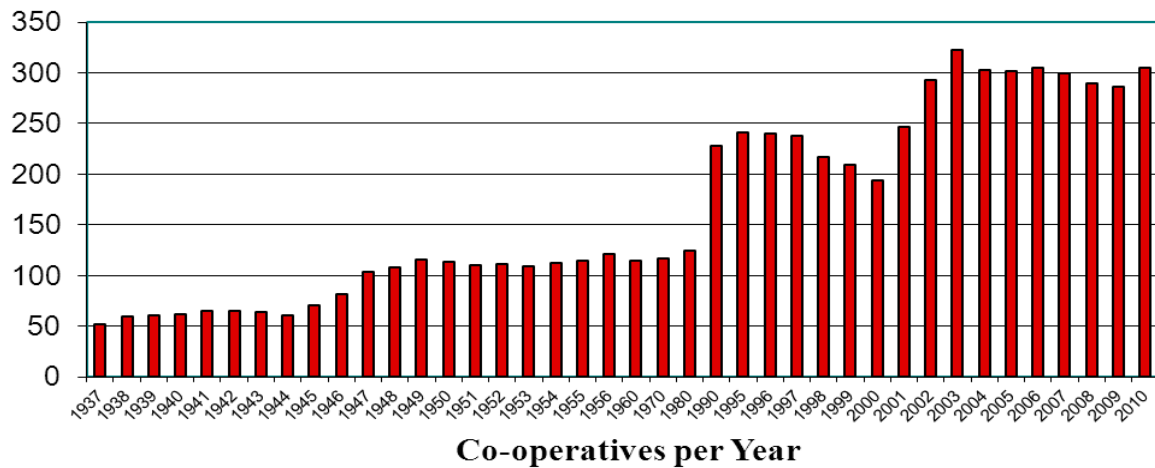


Audrey Gay
Inspector of Co-operatives

Demographic Summary

Number of Co-operatives

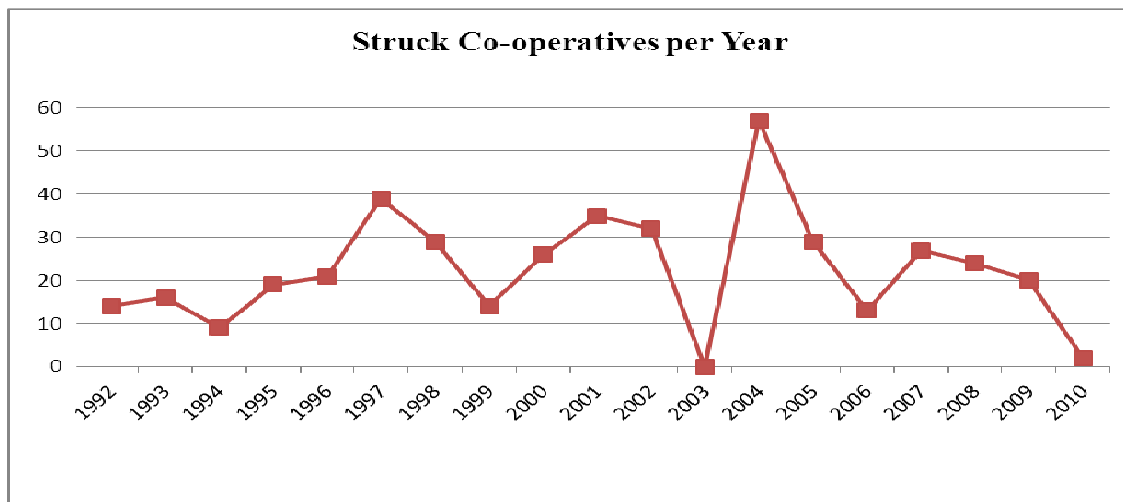
At the end of 2010, there were 310 registered co-operatives in Nova Scotia. Of that number, 305 co-operatives submitted reports to the Co-operatives Branch for their financial year ending in 2010. The five co-operatives that did not submit reports for 2010 were placed in Default Status which initiated the strike-off process. Once co-operatives are struck from the Registry, they are no longer considered legal entities and cannot carry on business in Nova Scotia. This document covers the activities of the 305 registered co-operatives that submitted annual reports for 2010.



Struck Co-operatives

The following two co-operatives, both located in Halifax County, were struck from the Registry:

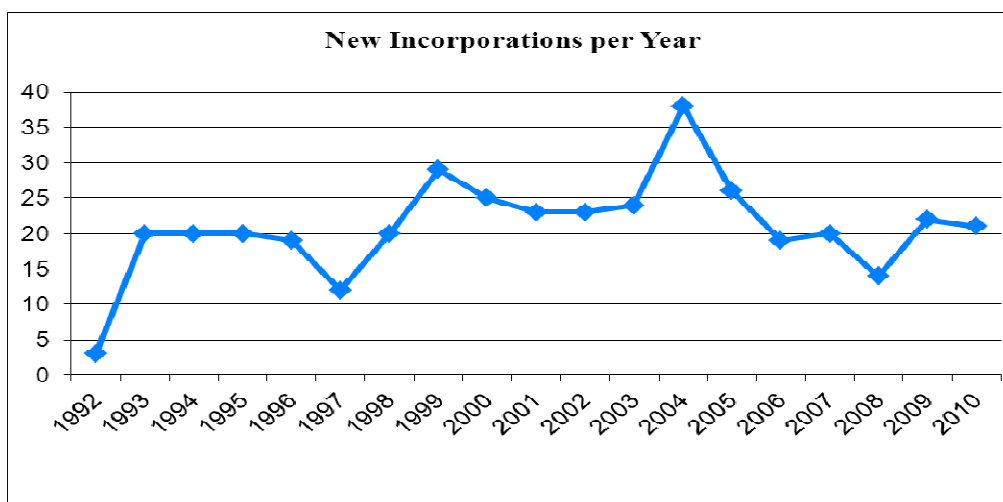
- Coastal Communities Economic Development Co-operative Limited
- Grass Roots Bio Energy Co-operative Limited



Restored Co-operatives – Cape Breton Organic Beekeepers Co-operative Limited, which was previously struck from the Registry, was restored in 2010.

New Co-operatives – There were 21 new incorporations in 2010. The Co-operatives Branch warmly welcomes the following co-operatives to the sector and wishes them every success in their endeavors.

Name	Type	County
Atlantic Council For Community and Social Enterprise Co-op	Non Profit	Annapolis
Ça Cloche Dans Ma Caboché Theatre Co-operative	Non Profit	Halifax
Canadian Edutourism Associates Co-op	Non Profit	Halifax
Cape North Farmers Market Co-operative	Non Profit	Victoria
Central Cape Breton Transact Co-operative	Non Profit	Victoria
East Coast Organic Milk Co-operative	For Profit	Colchester
Gosse Bridge Co-operative	For Profit	Colchester
Historic Farmers Market Co-operative	Non Profit	Halifax
HRM Business Referral Network Co-operative	Non Profit	Halifax
Inverness Early Years Co-op	Non Profit	Inverness
La Co-opérative De Transport De Chéticamp	Non Profit	Inverness
Mahone Bay Farmers' Market Co-operative	For Profit	Colchester
Melville Drive Co-operative	Non Profit	Colchester
Off The Hook Co-operative	For Profit	Halifax
Serving Seniors Alliance Co-operative	Non Profit	Halifax
The Old School Community Gathering Place Co-operative	Non Profit	Halifax
The Scotch Village Co-operative Farm	For Profit	Halifax
Tidnish Bridge Art Gallery Co-op	Non Profit	Cumberland
Tupperville Fruit Company Co-operative	For Profit	Annapolis
Windsor Farmers' Market Co-op	For Profit	Hants
Wolfville Farmers' Market Investment Co-operative	Non Profit	Kings



AIMS & OBJECTIVES

Advocate on behalf of organizations in Atlantic Canada that operate like a business and produce goods and services for the market; however manage operations and redirect surpluses in pursuit of social and environmental goals.

Operate a fine arts retail business and other services complementary to the members' interests and community development.

Promote awareness of the social, economic and geographic benefits of Edu Tourism which is defined as travel for formal or informal learning in unique cultural/geographic environments.

Encourage the production of locally grown food and products while helping farmers to market their products at a reasonable cost. Promote the economic and social viability of rural and urban farmers and artisans.

Operate and develop marketing and branding of organic milk production system for the benefit of producer members in the Atlantic Provinces.

Offer affordable transportation to seniors, disabled individuals and people with low incomes.

Connect Nova Scotia seniors and their families to a group of dedicated professionals who meet regularly and value building education, resources and relationships as a way to better services.

Examples of aims and objectives for the newly incorporated co-operatives are as follows:

Promote the health, well-being and community spirit of children, youth and families in Musquodoboit Harbour and surrounding areas.

Operate an agricultural production unit, primarily focused on organic practices.

Produce and promote works of excellence in theatre in English and French.

Provide and sell local certified organic and conventional fruit products.



Operate a fish marketing and services business for the benefit of the producer members and the community. *Photo courtesy of Off The Hook Co-operative Ltd.*

Anniversaries

OF INCORPORATION FOR 2010

We congratulate the members and boards of directors for their continued commitment to co-operation and member services

70 YEARS

Central Co-operative Society

65 YEARS

Crossroads Co-operative
Nova Scotia Animal Breeder's Co-operative
Pugwash Co-operative

55 YEARS

Cross Roads Blueberry Co-operative

45 YEARS

Digby Co-operative Pasture
Maple Brook Co-operative
Neil's Harbour Co-operative

40 YEARS

Kent Co-operative
Settlement Water Co-operative

35 YEARS

Huntington Point Water Co-operative
OVO Co-operative
Wolfville Habitat Co-operative

30 YEARS

Concession Co-operative
High Hopes Housing Co-operative
Lamplight Housing Co-operative
North West Arm Housing Co-operative

25 YEARS

Brookside Abattoir Co-operative
Ceilidh Fishermen Co-operative
Halifax Builders Co-operative
Wallis Drive Housing Co-operative

20 YEARS

Golden Pond Housing Co-operative
Harbour Greenhouse Co-operative
Village Grocery Workers' Co-operative

15 YEARS

Apaqtaukewaq Fisheries Co-operative
Atlantic Co-operative CED Institute
Broad Horizons Development Co-operative
Cobequid Maple Co-operative

10 YEARS

Barrachois Retreat Co-operative
C.K.D. Fabricators Co-operative
Cape John Community Pasture Co-operative
Heritage Cape Breton Connection Co-operative
La Co-operative Radio Richmond
Valley Funeral Home Co-operative
Viewpoint Gallery Co-operative

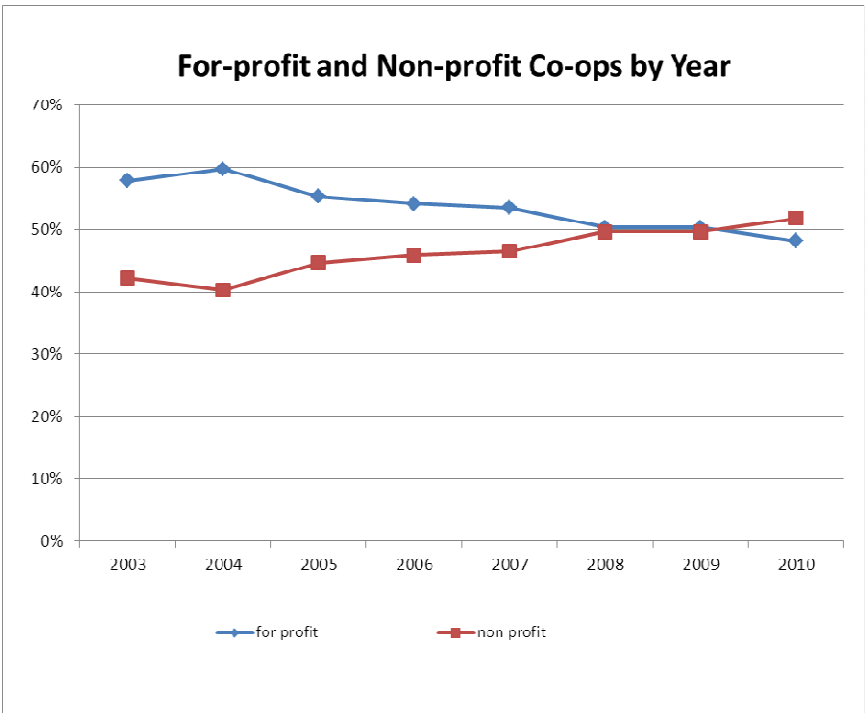
5 YEARS

Crab Quota Co-operative
Equity for Nova Scotia Businesses Co-op
Future Growth Co-operative
Health Informatics Canada Research Lab. Co-op
Healthy Minds Network Co-operative
Shean Investment Co-operative
Sunrise Trail Community Development Co-op
Wolfville Farmers Market Co-operative

Types of Co-operatives (Non-Profit vs. For-Profit)

Co-operatives in Nova Scotia identify themselves in their incorporation documents as either for-profit or non-profit. This choice reflects the founding members’ guiding principles as to whether surpluses are kept with the business (non-profit) or distributed to members (for profit). In 2010, there were 147 for-profit co-operatives and 158 non-profit co-operatives.

Co-operatives are also grouped into two types: consumer and marketing. Consumer co-operatives are organized for the benefit of buyers and marketing co-operatives are organized for the benefit of sellers. Both consumer and marketing co-operatives are divided into further categories as outlined in the Distribution Chart on page 13.



There has been a shift toward non-profit incorporations.

As shown in the table below, the vast majority of non-profit co-operatives are consumer groups. Of the 158 non-profit co-operatives, 73 are housing co-operatives that provide affordable housing to members and their families.

	<i>For profit</i>	<i>Non-profit</i>	<i>Total</i>
Marketing	79 (25.9%)	41 (13.4%)	120 (39.3%)
Consumer	68 (22.3%)	117 (38.4%)	185 (60.7%)
Total	147 (48.2%)	158 (51.8%)	305 (100%)

Co-operative Employees

	Full- Time	Part- Time	Total Employees
Annapolis	0	1	1
Antigonish	13	7	20
Cape Breton	20	39	59
Colchester	18	34	52
Cumberland	30	39	69
Digby	2	162	164
Guysborough	15	8	23
Halifax	478	190	668
Hants	0	1	1
Inverness	93	86	179
Kings	380	123	503
Lunenburg	2	8	10
Pictou	657	355	1,012
Queens	0	7	7
Richmond	31	38	69
Shelburne	0	0	0
Victoria	210	27	237
Yarmouth	15	13	28
Total 2010	1,964	1,138	3,102
Total 2009	2,088	1,033	3,121
Difference	-124	105	-19

*The total number of employees in 2010 was **3,102** with 1,964 being employed on a full-time basis and 1,138 employed part-time.*

Pictou County had the most employees at 1,012.

The statistics from 2009 indicate a decrease of 19 employees.



Co-operative Members

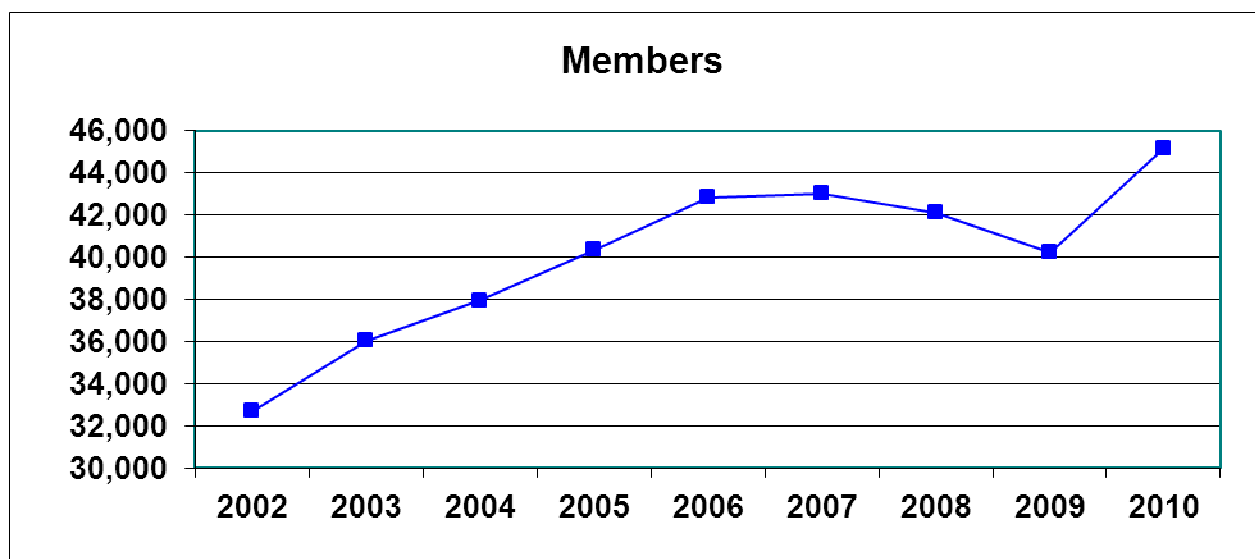
Membership

Annapolis	16
Antigonish	441
Cape Breton	2,560
Colchester	3,652
Cumberland	4,756
Digby	211
Guysborough	584
Halifax	8,329
Hants	78
Inverness	8,645
Kings	5,266
Lunenburg	869
Pictou	2,133
Queens	427
Richmond	1,314
Shelburne	0
Victoria	4,540
Yarmouth	1,309
Total 2010	45,130
Total 2009	40,222
Difference	4,908

*The total number of members in 2010 was **45,130**.*

Inverness moved into first place with 8,645 members, and Halifax is in second place with 8,329 members.

The statistics from 2009 indicate an increase of 4,908 members.



Distribution of Co-operatives by Type and County

COUNTY	Housing	Investment	Retail	Service	Total Customer	Agriculture	Craft	Fishery	Timber	Worker	Total Marketing	Total Co-ops
Annapolis	0	0	0	1	1	2	0	0	0	1	3	4
Antigonish	4	0	1	2	7	2	0	1	0	0	3	10
Cape Breton	5	4	1	6	16	2	0	0	1	5	8	24
Colchester	2	7	2	8	19	10	2	0	1	4	17	36
Cumberland	1	0	3	3	7	3	1	0	2	1	7	14
Digby	1	1	1	1	4	1	0	2	0	0	3	7
Guysborough	0	0	1	1	2	0	0	2	0	0	2	4
Halifax	47	3	3	18	71	7	2	1	0	11	21	92
Hants	0	0	0	1	1	2	0	0	1	1	4	5
Inverness	2	2	5	8	17	1	1	2	0	5	9	26
Kings	3	1	1	7	12	8	1	0	0	9	18	30
Lunenburg	1	0	2	1	4	1	1	0	2	2	6	10
Pictou	3	1	0	0	4	2	1	1	1	1	6	10
Queens	1	0	0	1	2	0	0	0	0	1	1	3
Richmond	0	0	2	4	6	0	0	2	0	2	4	10
Shelburne	0	0	0	0	0	0	0	0	0	0	0	0
Victoria	0	1	4	2	7	1	1	1	1	2	6	13
Yarmouth	3	0	2	0	5	0	0	2	0	0	2	7
TOTAL 2010	73	20	28	64	185	42	10	14	9	45	120	305
Total 2009	73	20	28	52	173	33	9	13	9	49	113	286
Difference	0	0	0	12	12	9	1	1	0	-4	7	19

The above demographic data shows that the largest number of co-operatives is in Halifax County followed by Colchester County and then Kings County. Overall, housing co-operatives were the largest sub-type followed by service co-operatives and then worker co-operatives. In 2010, the number of service co-operatives increased by 12, and the number of worker co-operatives decreased by four.

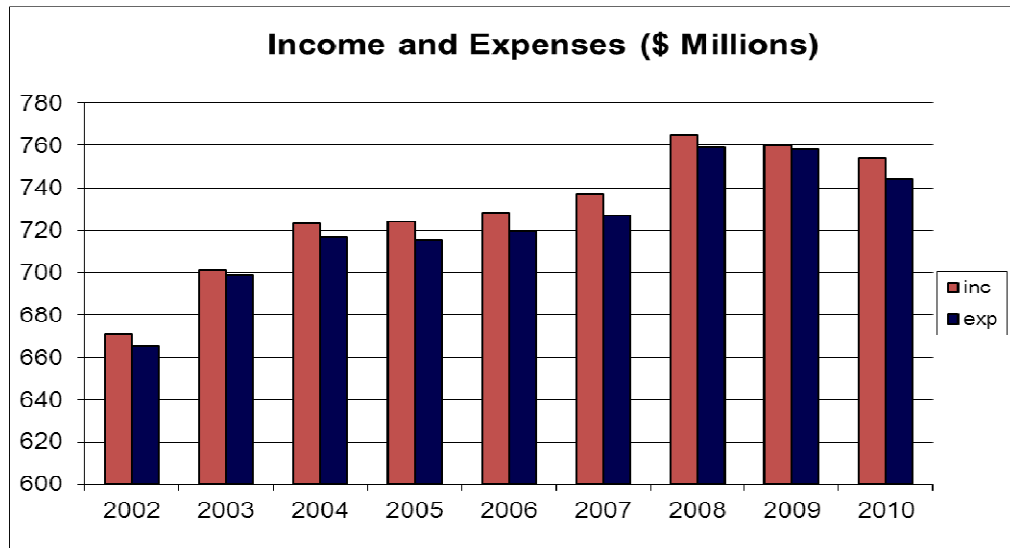
Financial Summary

Income and expenses showed a downward trend in 2010 as compared to the past two years. In 2010, co-operatives reported total revenue of \$754 million – a decrease of \$6 million from 2009. The total expenses reported in 2010 were \$744 million which was a decrease of \$14 million from 2009. Net profits (income less expenses) were \$10 million in 2010, which was an increase of \$7 million.

70 Year Operating Results Summary (all financial data rounded to nearest million)											
Year	Total Co-ops	Reporting Co-ops		Sales	Other Income	Total Income	Cost of Goods Sold	Other Expenses	Total Expenses	Net Income	Gross Margin
1940	62			3				1		0	
1950	113			14				2		0	
1960	114			21				5		1	
1970	117			79				14		1	
1980	124			302				57		4	
1990	228			512				120		4	
1995	241			609				133		2	
2000	194			612				138		8	
2001	247			663				143		9	
2002	293	193	66%	648	23	671	540	125	665	6	108
2003	323	256	79%	676	25	701	570	128	699	2	105
2004	303	285	94%	696	27	723	583	134	717	6	113
2005	302	291	96%	697	27	724	578	137	715	9	119
2006	305	291	95%	699	29	728	577	143	720	7	122
2007	300	280	93%	708	29	737	584	143	727	10	124
2008	290	271	93%	731	34	765	605	154	759	6	126
2009	287	287	100%	722	38	760	572	185	758	3	150
2010	310	305	98%	712	42	754	552	192	744	10	160

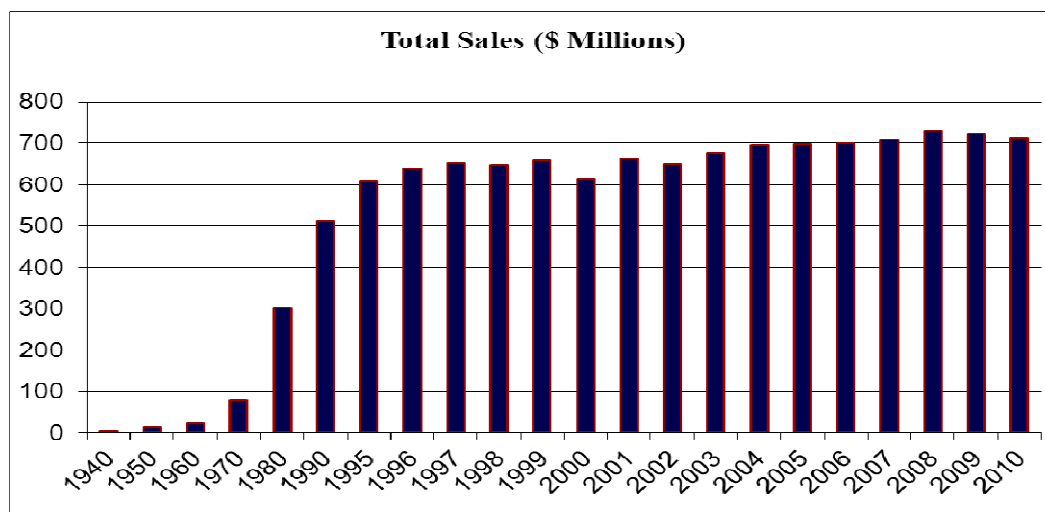
Income and Expenses

The following chart shows income and expenses from 2002 to 2010 as outlined in the 70 Year Operating Results Summary on page 14.



Sale of Goods

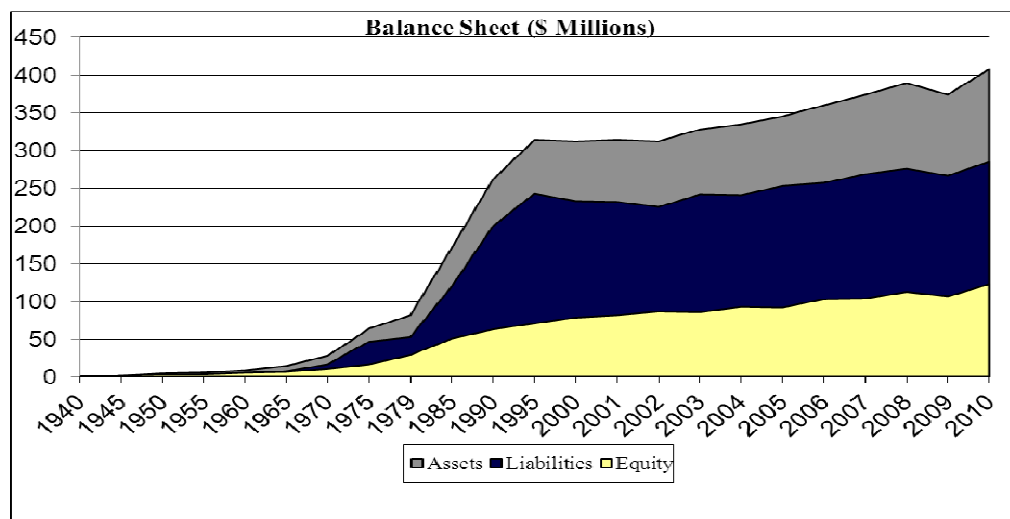
As reflected in the 70 Year Operating Results Summary on page 14, most of the co-operatives' income was derived from the sale of goods. In 2010, co-operatives reported \$712 million in total sales which was down by \$10 million from the previous year. Gross margins (sales less the cost of sales) were \$160 million in 2010, and this was an increase of \$10 million. The following chart shows total sales from 1940 to the present.



70-Year Balance Sheet Summary

The table and chart below summarize the balance sheet information from co-operatives over the past 70 years. In 2010, assets increased by \$34 million, liabilities increased by \$18 million, and the total equity increased by \$16 million from the previous year.

	Assets	Liabilities	Equity
	<i>in millions of dollars</i>		
1940	1	0	1
1945	2	1	2
1950	5	2	3
1955	6	2	4
1960	9	3	6
1965	15	8	7
1970	28	17	11
1975	64	47	17
1979	82	53	29
1985	171	120	51
1990	262	200	63
1995	314	243	71
2000	312	233	79
2001	314	232	82
2002	312	225	87
2003	328	242	86
2004	335	241	93
2005	345	253	92
2006	360	257	103
2007	374	269	103
2008	389	276	113
2009	374	267	107
2010	408	285	123



Co-operative Functioning Summary

The questions that co-operatives must answer and submit to the Co-operatives Branch during annual renewal are designed to provide information on board complements, meetings and the number of educational events attended by members. The Annual Renewal form is available on our website at www.gov.ns.ca/snsmr/pdf/ans-rjsc-co-op-annual-renewal.pdf. The questions are based on the seven principles of co-operation (see page 18 for details), and they help to identify problems that may be developing within co-operatives.

The table below shows that the majority of co-operatives had their board positions filled. 89 per cent of the co-operatives held annual general meetings, and 98 per cent of those met quorum. In all, 91 per cent presented financial reports to the members for approval. On average the number of members who attended educational events in 2010 was six.

	For Profit	Non-Profit	Combined Total
All board positions were filled	88%	74%	81%
An AGM was held in the past fiscal year (or past 12 months)	89%	88%	89%
Quorum was established at the AGM	98%	97%	98%
A financial report was approved by the members at the AGM	92%	90%	91%
Average number of members who attended an educational event	5	7	6

Co-operatives also reported the number of meetings held during 2010. The following table shows the average number of meetings that were held to conduct the business of co-operatives.

	For Profit	Non Profit	Average for Both
Average number of board meetings	7	7	7
Average number of members' meetings	3	4	3

The International Co-operative Alliance Statement Co-operative Identity, Values & Principles

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

Values

Co-operatives are based on the values of **self-help**, **self-responsibility**, **democracy**, **equality**, **equity** and **solidarity**. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Co-operation among Co-operatives
7. Concern for Community

For full text, please visit the International Co-operative Alliance website at:

www.ica.coop/en/what-co-op/co-operative-identity-values-principles

In closing, we encourage co-operatives to contact the following organizations. They offer excellent services and support to co-operatives, as well as a wide range of workshops and educational events.

Nova Scotia Co-operative Council

P.O. Box 1872
347C Willow Street
Truro, NS B2N 6C7
Phone: 902-893-8966
Fax: 902-895-0109
www.novascotia.coop

Co-operative Housing Federation of Canada

Nova Scotia Office
202 Brownlow Avenue
Tower 1, Suite 300
Dartmouth, NS B3B 1T5
Phone: 902-423-7119
Fax: 902-423-7058
www.chfcanada.coop

If you have any questions or concerns, please contact the

Co-operatives Branch

Service Nova Scotia and Municipal Relations
15 Alderbrook Drive
Truro Heights, NS B6L 0C4

Phone: (902) 893-6190

Fax: (902) 893-6264

Email: nscoop@gov.ns.ca

Our visit us on-line at www.accessns.ca/co-op



**Service Nova Scotia
and Municipal Relations**