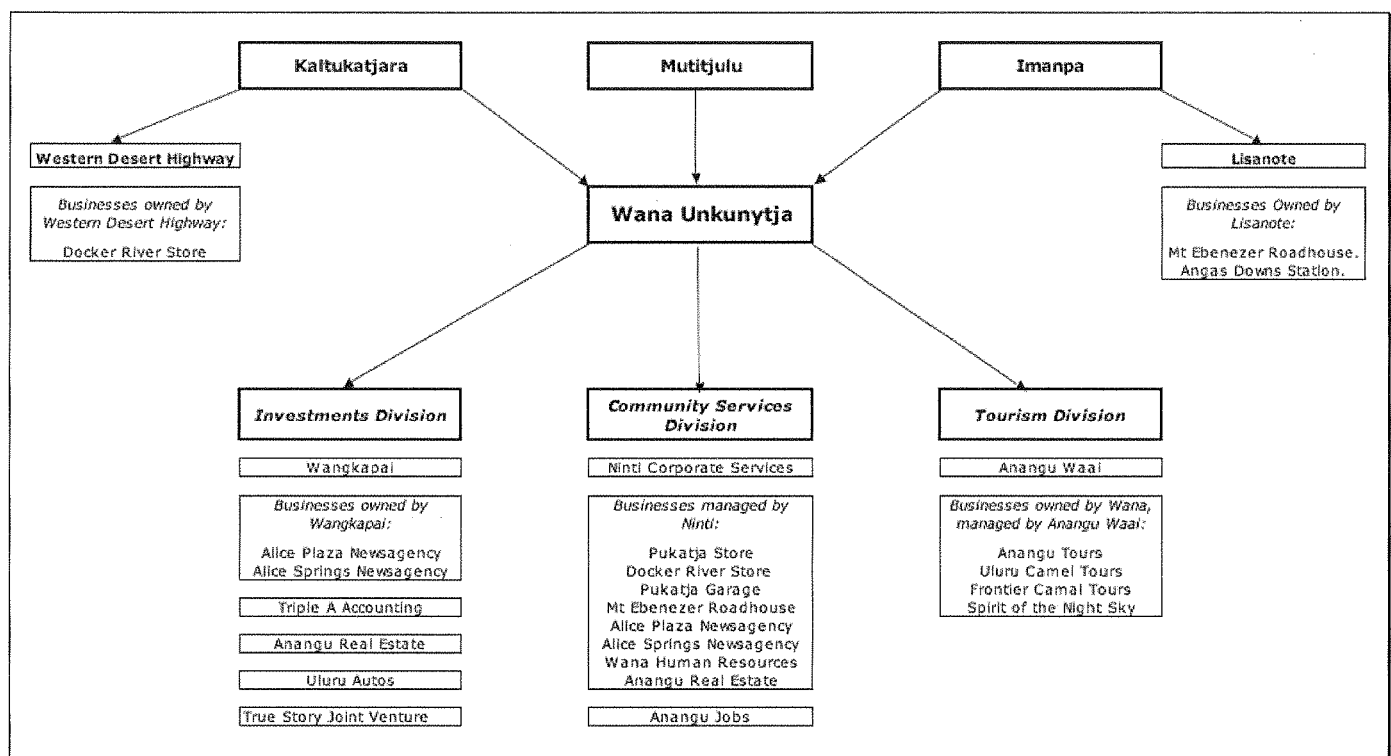




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28 APR 2009

BY: ATSLA

NINTI CORPORATE SERVICES



The Wana Ungkuntja Company structure

Wana Ungkuntja

Wana Ungkuntja is owned by the Nyangatjatjara Aboriginal Corporation, which is owned by Mutitjulu, Imanpa and Kaltukatjara communities. The board of WU has 2 members from each community. Wana Ungkuntja is a Public Benevolent Institution and develops enterprise and employment opportunities for Anangu in the Central Australia Region

Businesses owned by Wana Ungkuntja include

- Anangu Tours at Uluru
- Uluru Camel Tours
- Anangu Accountancy Agency (Triple A)
- Uluru Autos
- Anangu Jobs
- Ninti Corporate Services

All surpluses from WU are returned to the Nyangatjatjara Aboriginal Corporation (50%) and the three member communities (16.6% each) for community development.

Ninti in a Nutshell

Ninti will not take ownership of the store. Ninti simply takes on the management and responsibility of the store and its staff and assets. For this a fee is charged based on gross turnover. Profit made by the store is returned to the community that owns it.

Ninti manages the day-to-day running of the store and will sort out bigger problems such as freezer breakdowns and staff employment (Including relief staff).

Ninti has meetings with the store committee to report store progress, present financial reports and receive community ideas.

Ninti manages several other stores and so buying power is increased giving better product value.

Ninti mark-ups vary but for food items are 70%. Ninti managers concentrate on buying all goods at the cheapest possible prices meaning that the sell price with 70% is often cheaper than a company putting 50%.

In this example for Heinz Spaghetti Ninti's cost is less than the popular wholesaler therefore Ninti's sell price is less with a higher mark-up is more giving the store more profit.

	Cost	Mark-up	Sell	Gross Profit
Ninti	\$1.00	70% (41% Margin)	\$1.70	\$0.70
Other	\$1.20	50% (33% Margin)	\$1.80	\$0.60

Ninti has a pricing policy made to keep good healthy foods cheaper making the difference with higher mark-ups on soft drinks and luxury items. Stores shopping around for good deals results in prices similar to an Alice Springs corner store (as found by a government nutritionist)

Ninti also has a Nutrition policy which biases cheaper prices to healthy foods but stresses that good food should be available at all times (especially in takeaways). A basket of 50 cent fruit available at the till. Good food and drink prominently displayed etc.

Ninti believes in choice and variety. Anything that the community wants the store to sell can be sold. Ninti managers are always looking for new and different products to sell to keep the store interesting.

Ninti encourages local people to work in the store. CDEP is encouraged and the CDEP wage is topped up to make a proper wage. CDEP money is income for the store.

Ninti will learn how the store has run and will adapt its systems to suit. Every store is different but many systems work in the same way.

Ninti would rather utilise what is already in place like POS, fridges and shelving. These are already store assets. We won't spend store money on items that aren't needed.

Ninti works with Triple A accounting to get monthly financial reports. Because the same person manages financials for all Ninti stores any oddities are picked up quickly.

Ninti has a Stores Supervisor who manages the managers of the stores. Regular contact with the managers is essential combined with visits when required.



Store and Takeaway Nutrition policy

The Store will supply a range of good, healthy food options on as many products as possible for all ages at all times. This will include:

- Fresh fruits and vegetables
- Fresh/frozen meats and fish
- Variety of frozen/canned vegetables
- Variety of fruits in cans/tubs
- Foods for babies and young children at each stage of growth
- Fruit juices and bottled water
- Salt reduced products
- Canola margarines and cooking oils
- Lean canned meats with Heart Foundation “Tick” endorsement.
- Wholemeal bread
- Diet cordials and soft drinks
- Hard boiled eggs
- Sandwiches
- Skim/fat reduced milk and cheese products
- A dedicated diabetics food display
- A fruit basket by the checkout to sell fruit singularly and cheaply as an option over sweets.

The store will provide consumer choice, but will promote healthier products by prominent displays, promotions and pricing strategies, such as:

- Healthy foods displayed prominently and within easy reach
- Less healthy products displayed less prominently
- Fresh fruit and vegetables at low or subsidised prices.

The store will provide a range of essential general goods, including:

- Basic first aid and pharmaceutical items
- Goods for personal hygiene
- Inexpensive reading glasses
- Hardware and tools
- Electrical goods
- Household utensils
- White goods and other household items
- Basic motorcar goods; batteries, tyres, tubes and fuses.

The Takeaway will supply a range of good, healthy cooked and fresh food options, including:

- At least one, preferably two, cooked good food dishes at all times, especially biased towards diabetics
- Cook with healthier cooking oils, such as Canola.
- Fresh fruit display basket for selling fruit singularly

- Hard boiled eggs for selling singularly
- Fresh sandwiches
- Fruit juices, bottled water and milk drinks.

The Store and Takeaway will operate to:

- Ensure food safety and hygienic conditions at all times
- Promote nutrition awareness and healthy lifestyle options
- Display prices on all goods sold
- Promote Aboriginal employment and training
- Conduct business within relevant health, safety and trade practices guidelines
- Will not provide goods on credit or “book-up”
- Will maintain six day trading and special occasion trading, with optimum opening hours
- Will maintain equipment and infrastructure in good working order
- Ensure that proper accounting, audits and stock takes are performed
- Ensure that comprehensive insurances are in place
- Will work to provide best practice services to the community and customers
- Minimise cost of goods while maintaining business profitability.



Ninti Store and Takeaway Pricing Policy

- All stock must have a price displayed.
- Pricing and mark-ups are designed to cover all costs associated with business operations and must be adhered to.
- Mark-up percentages will be reviewed and adjusted according to business requirements. If the business over a period of time is not making sufficient money to cover its costs, then prices will be raised. If the cost of goods or operational expenditure is decreased, then the price of goods will decrease.
- Attempts will be made to source external support for the cost of electricity, building/equipment capital, repairs and maintenance and wages support. This will decrease operating costs and allow for a lower cost of essential foods.
- The mark-up on tobacco, fuel and phone-cards is small and will vary according to purchase price.
- Theft and shoplifting directly affect the profitability of the business and all steps will be taken to minimise this occurring.
- Credit and “book up” will not be provided and all sales must be in cash, eftpos, credit card or purchase order.

Mark-ups

- All prices are biased towards healthy foods with luxury items having a higher profit margin. If less is being spent on basic foods, then more money is available for other foods and on desirable luxury and household items.
- The mark-up on GST free goods is **70%**, rounding to the nearest 10 cents.
- Fresh fruit and vegetables are rounded down to the nearest 10 cents, with pieces of fruit available for 50cents apiece, even if this represents a loss, as per nutrition policy.
- Goods classed as Confectionery / takeaway are marked-up at **100%**, although many goods have a much higher mark-up, such as cool drinks. These prices are dictated more by the sell price of surrounding stores. This is to encourage children to eat cheaper healthy foods.
- Health software includes clothes, cleaning products and personal hygiene products. These have a **70%** mark-up.
- Goods in the non-edible category are marked up according to purchase price. Up to \$200.00 purchase price, the mark-up is **100%**. Above \$200.00 it drops to **50%**. This leaves a grey area where imagination is needed. (Example: A stereo bought at \$180.00 would work out more expensive than one bought at \$210.00.) Goods bought in at \$200.00-\$250.00 are rounded up (from 50%) depending on similar goods in store and goods bought at \$150.00-\$200.00 are rounded down (from 100%) to suit.

SAMPLE PRICING POLICY – prepared by the Central Land Council

Category of Goods	Maximum mark-up
Fruit and Vegetables	35%
Other GST Free Goods	55%
Essential Health Items	55%
Variety	150%
Confectionery and Takeaway	100%
Clothing	80%
Other goods up to (and including) \$200 (invoice price delivered into Store)	100%
Other goods above \$200 (invoice price delivered into Store)	50%

For the purposes of this Policy, 'mark-up' refers to the difference between the invoice price of the goods at point of purchase (not including freight or delivery costs) and the sale price of the goods, expressed as a percentage of the invoice price of the goods.

Central Land Council Pricing Policy slightly adjusted after it was copied and pasted from Ninti. This from their submission to the Community Stores Inquiry.

Docker River Store

Docker River Store was deteriorating both financially and operationally in 2001. The community approached Wana Ungkunyntja for assistance. The store was about \$300,000 in debt, the infrastructure neglected with unscrupulous managers running the business.

The community used a Wana Ungkunyntja distribution to repair the store business. New managers and staff were hired and the store improved. New managers were hired again in 2002 with good management consistency since then.

Better customer service included the purchase of an ATM. Docker River Store bought this outright which took bets advantage of the rebates gained from the company for customer transactions. The benefits didn't stop there however. Before the ATM customers would queue at the cash register requiring service for cash withdrawals. The ATM automated this and the need for a second till was reduced saving labour costs. Customers could also see their account balance.

Two new payphones were installed inside the store at store cost as the outside Telstra one was constantly broken. An alarm system, security lighting and clothes tagging security systems were also installed, all at store cost. An unutilised 20foot container was cleaned out and fixed doubling freezer storage space.

In 2003 a community member died within the community which created a situation where most people left the community for some months.

During these early months a lot of research into pricing and suppliers was carried out. It was generally found that prices were cheaper from Alice Springs supermarkets than they were from the wholesalers. A few exception like confectionery and tobacco prices. We found that tobacco could be ordered from the company direct for a cheaper price. Also once we started shopping around, suppliers then came back to us with much better deals.

We were also aware of having enough stock on hand for possible weather conditions which would prevent our regular truck getting through. In 2001 the Docker River road was closed to trucks for nine weeks.

RemoteStoresNewsletter

Welcome to this issue of Remote Stores Newsletter!

RSN is a way of keeping people living in remote Aboriginal communities up to date with what's going on in the food supply in other remote Australian community stores.

The editorial committee aims to publish RSN every 3 months.

Your contributions of stories and experiences working in stores are very welcome.

Please fill out our newsletter fax back to let us know what you think!

Food Security is a term that describes a situation where resources are used efficiently, equitably, and sustainably to ensure the accessibility and availability of nutritionally adequate and culturally acceptable food for all people by socially acceptable means

(G. Marks, 2003)

Don't forget to fill out

Docker River store saves customers money.

By Roy Price

The managers of Docker River Store, Richard and Adriana Bugg, are working hard to save their customers money and make healthy food affordable. The Directors of the Western Desert Highway Inc, owners of the Docker River store, are determined to have food security in their community.

The community is located 700 kms away from Alice Springs, is within 8 kms of the WA border and is one third of the way to Perth from Alice Springs.

Being so far away from Alice Springs, Richard and Adriana have found it difficult to keep prices down and offer good quality healthy food at affordable prices. To try to keep costs down, they experimented with offering less expensive generic branded products on the shelves along with the more expensive branded products. However, like other store managers have found, canned foods that did not have a picture of the food on the label did not sell well, probably because many of the customers can not read the labels.

In the last few months Richard has been stocking generic branded foods that have pictures of the food on the label. These have been well accepted by his customers and many of the generic branded lines are outselling the branded products.

To see what the difference in cost to customers was, the nutrition team at DHCS Alice Springs analysed a basket of healthy foods using products that their customers are now choosing. The results were amazing: by offering cheaper generic branded products that also sell, Richard and Adriana have been able to reduce the cost of a basket of healthy foods by about \$100 or 16%!



Congratulations Richard and Adriana for doing such a great job in difficult circumstances.

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Great Relationships Equal Great Results for Everyone!

By Amanda Justice

Out at Haasts Bluff, the Ikuntji childcare and Kanpaarka store has formed a fantastic relationship, that is ensuring baby food availability and affordability to families at Ikuntji.

Ikuntji Childcare has developed into a very strong community centre and provides childcare to many children under five years old. The childcare has been providing healthy food for babies, and lots of people have been learning about what kinds of food babies should be eating. These foods include baby rice cereal for four months plus (blue box) and both savoury and sweet tinned baby food.

Perhaps because of low demand, there was not a great variety of baby food available in the store, so the childcare asked the store manager if they could start up a special activity to improve the situation. Micheal Lentas, the store manager agreed and the following process is now in place and working very well!

1. Childcare buys the baby food from a supermarket in Alice Springs (savory and sweet - 4 months, 6 months and 9 months, baby rice cereal 4 months, 6 months, 9 months), teething rusks, cloth nappies and other baby needs such as shampoo etc...
2. Childcare transports the items from Alice Springs to Ikuntji Store.
3. Childcare workers use the computer system to register items and then shelve the items in the store.
4. The store purchases items from the childcare at the same price they purchase them from the supermarket.
5. Store puts no mark up on the items

Docker River Store article showing our success in keeping prices low

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Making generic brands work.

By Roy Price and Richard Bugg

(dr_store@bigpond.com

08 8956 7373)

A question perplexing store managers all over remote Australia is: "Should I stock generic branded alternatives? People don't buy them, so what's the point?"

Richard and Adriana Bugg at Docker River Store have successfully increased their sales of generic branded products, which means that they get more food into the mouths of the people for the same dollar turnover. They achieved this by simply supplying a generic range with attractive labels that picture what the package contains. This is essential if customers' English literacy skills are minimal.

Oats, for example, usually retails for \$8.40 per kilo for the branded product, and \$2.40 per kg for the generic branded product. Richard and Adrianna now sell more generic branded oats, and that means that people get more oats for their dollar. This is a good thing because the regular consumption of oats has heart health benefits.

And isn't making healthy food affordable what a community store is supposed to do?

October 2005

Docker River Store article with Roy Price, a government nutritionist outlining the options for generic goods

'The prices at the store are so expensive' was the claim. So I put this claim to the test. On first look Docker River Store wasn't the cheapest or the most expensive when compared with five neighbouring stores on 12 branded popular items like for example Hamper corned beef.

We at Docker River have massively increased the range of products stocked. The biggest change within the grocery lines is the addition of Bilo products. These products are of a huge benefit to this store because of cheaper prices, but also for the pictured labels benefiting those who can't read.

When I compared Bilo verses the traditional branded items the difference of 87% is quite incredible. In the comparison buying a basket of 54 branded items you would spend \$292.60. Buying the same 54 items but Bilo brand would cost \$156.40 a difference of \$136.20.

We stock by far the largest range of generic products out of the six stores compared. From eleven generic items that Docker River has, a neighbouring store only stocked three. In real terms this would mean that you would have to buy branded in that store and therefore spend more.

When comparing the cheapest products, (Cheapest jam verses cheapest jam no matter what the label) between stores Docker River store is the second cheapest store in this area. Buying these goods at the most expensive store would cost 55% more.

Generic products aren't necessarily the most popular. Branded still outsells on some lines. An independent nutritionist carried out his market basket survey of the most popular foods. To gain consistency throughout his survey of approximately 20 stores his comparison only included branded items which largely everyone stocks. At Docker River store the total came to \$673. But where Bilo outsold his branded items and was included in the survey the end result was \$582. A huge difference of \$91.00.

With these cheaper options we have also introduced healthier foods. This has had a direct effect on the local children. Tests were carried out by Docker River clinic on numbers of stunted, under weight, wasted or anaemic children. The numbers were much reduced in April 03 compared to the same tests one year before.

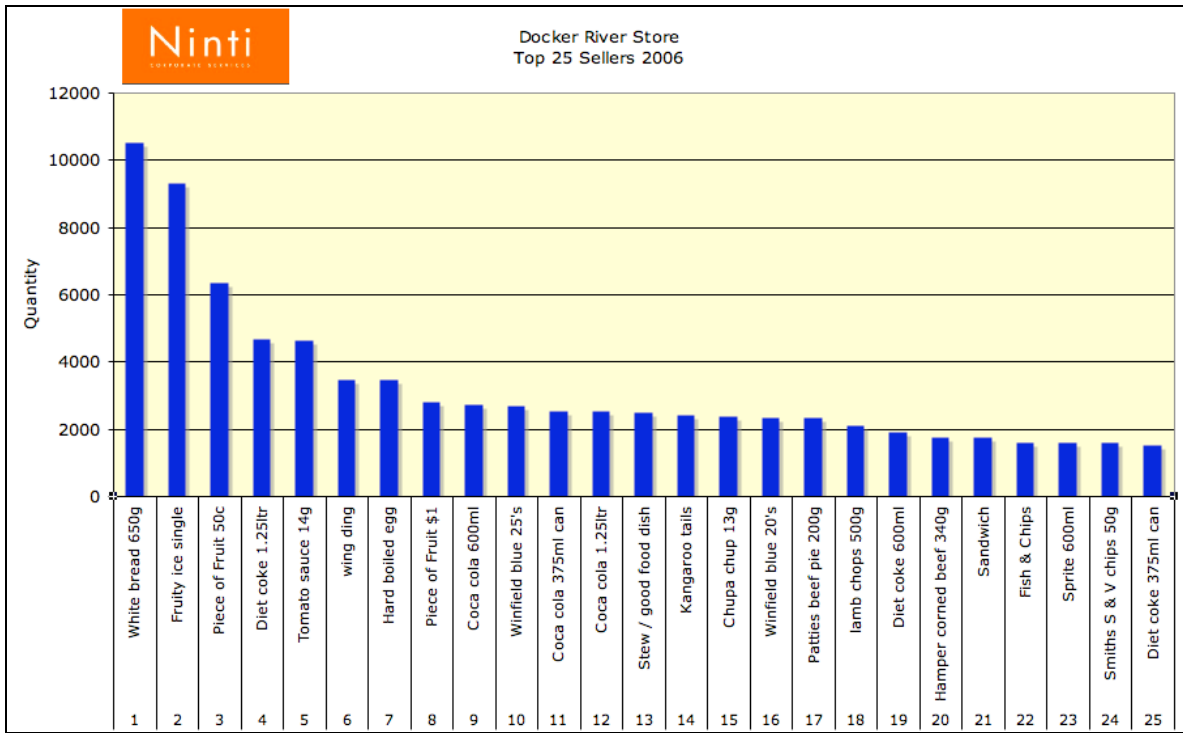
The most important thing is that we offer the choice, branded or generic, we have it all. It's now up to our customers to decide what they'd like put into their baskets and how much they'd like to spend. Some stores offer more choice than others. Docker River store is definitely amongst the more rather than the others.

Richard Bugg

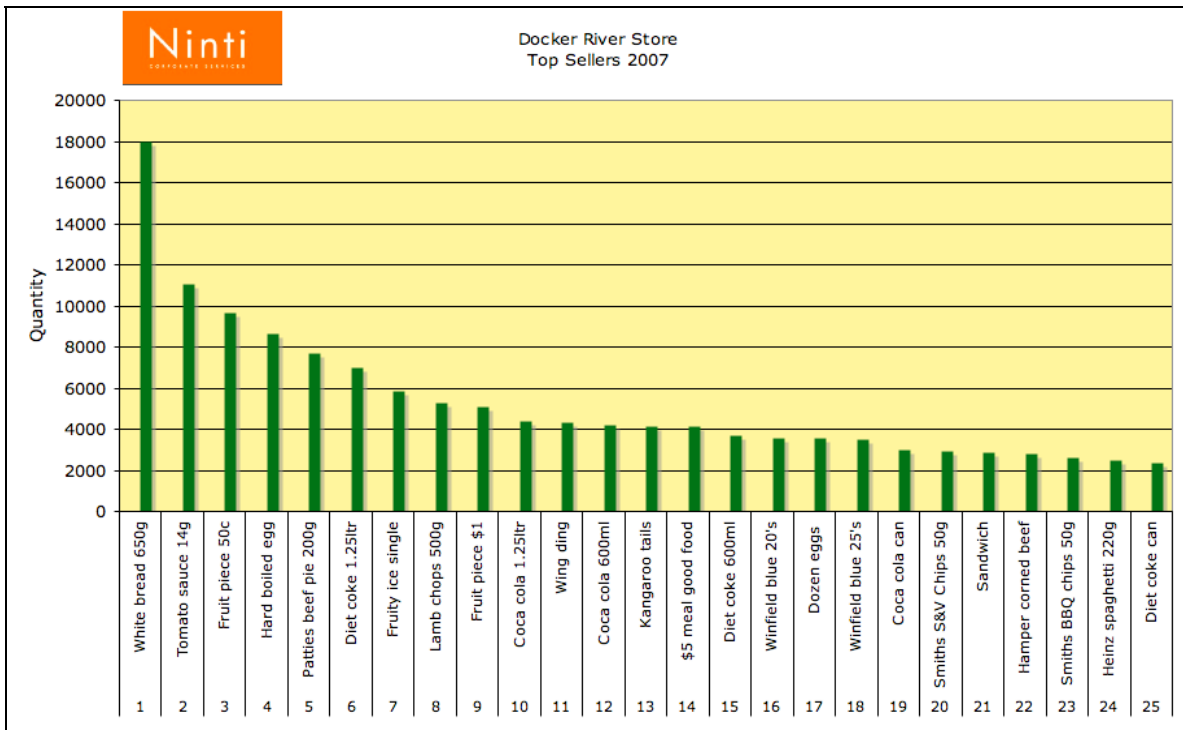
An article written in 2004 for the Remote Stores Newsletter

During 2005 we introduced a new Point of Sale system to replace existing cash registers. We also doubled the size of the takeaway installing industrial stoves and benches. Four new display freezers were put into the store doubling our freezer display. All of this was done from store money.

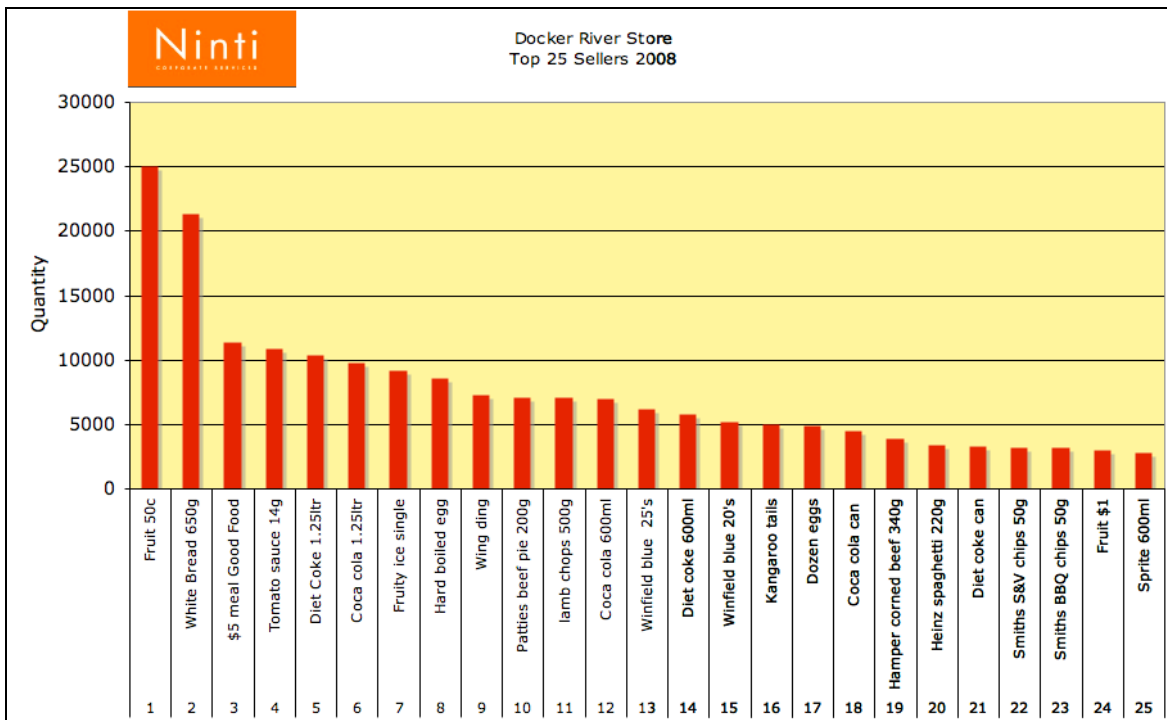
The reports from the POS system showed exactly what was sold enabling us to buy goods in bulk in July knowing that we would sell these goods by June. These goods were naturally bought cheaper. This saving passed on to the customer.



Docker River Store Top 25 selling items 2006. Fruit pieces selling at 50cents each are the 3rd biggest seller; at \$1 each are the 8th. Hard-boiled eggs at 7th place, and good food dish from the takeaway at 13th.



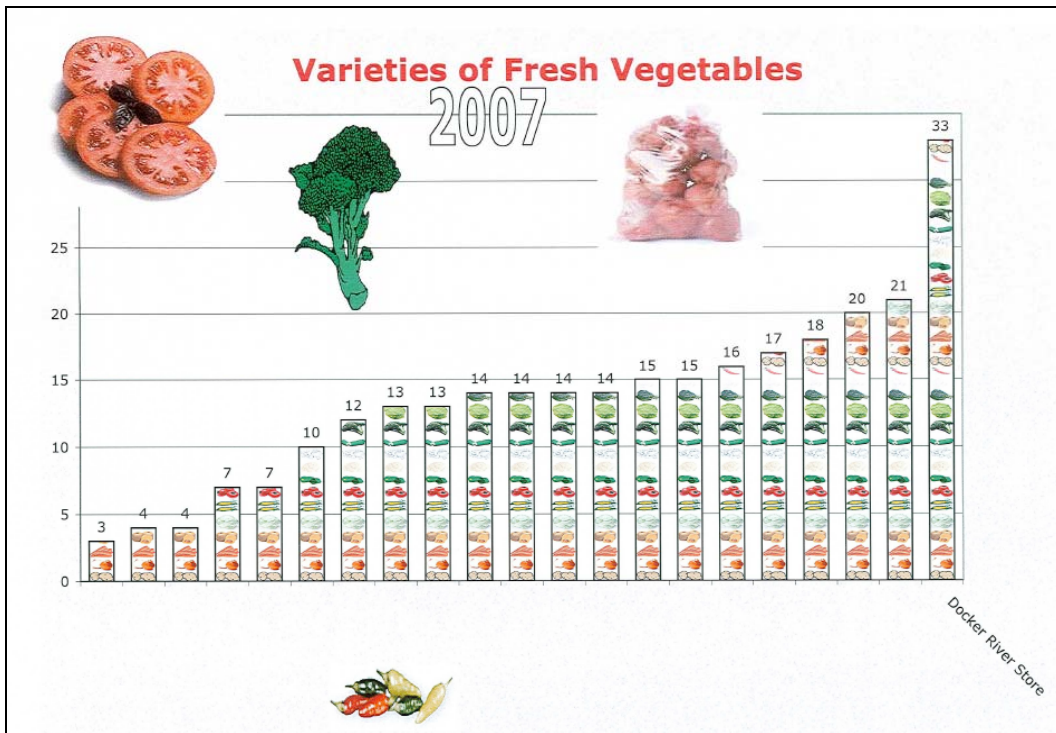
Docker River Store Top 25 selling items for 2006-2007. 50c Fruit piece is the 3rd biggest; \$1 piece is the 9th. Hard-boiled egg at 4th place and a good meal from the takeaway at 14th.



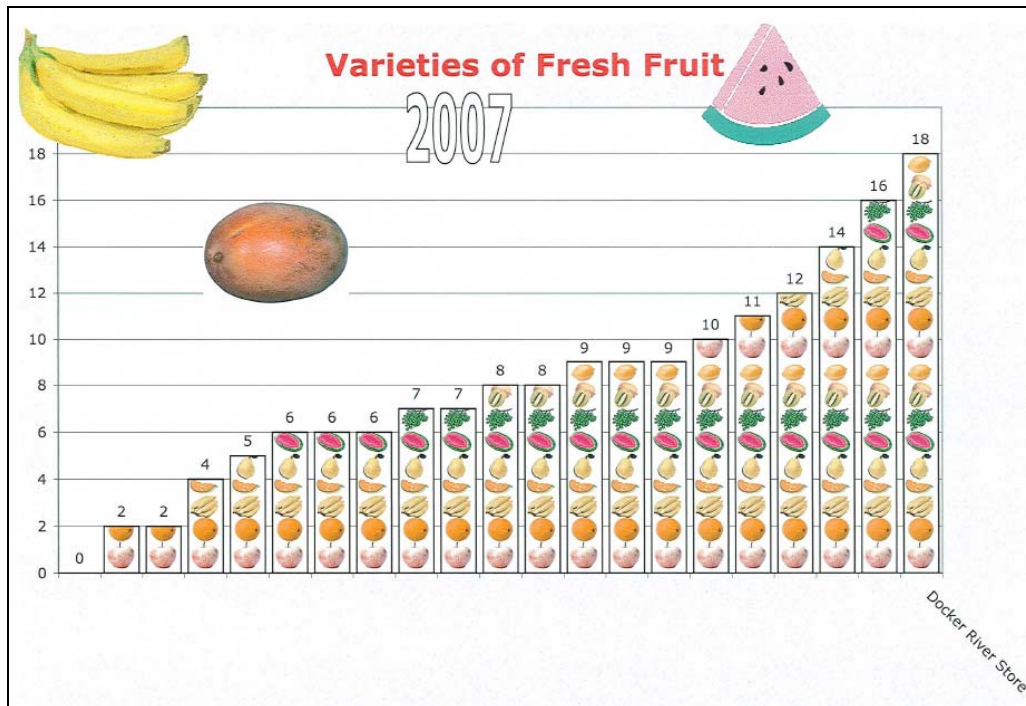
Docker River Store Top 25 selling items for 2007-2008. 50c Fruit piece is now the top selling item. The good food takeaway meal is the 3rd biggest selling item. Hard-boiled egg is 8th and \$1 fruit piece at 24th.

In 2006 new staff accommodation was built within the old store building. This consisted of two one-bedroom units and cost about \$110,000. Within this was a new floor and kitchen for the manager's residence as termites had taken most of the old floor and kitchen. This was paid from store money and was done as the council CEO at the time withdrew council accommodation from the store. We could then carry on trading.

Market Basket Surveys are always used as a good guide to where we stand in the Alice Springs area for prices and quantity of good foods. Over the years the reports show good improvements in all areas. Following is the 2007 report, the latest that I have.



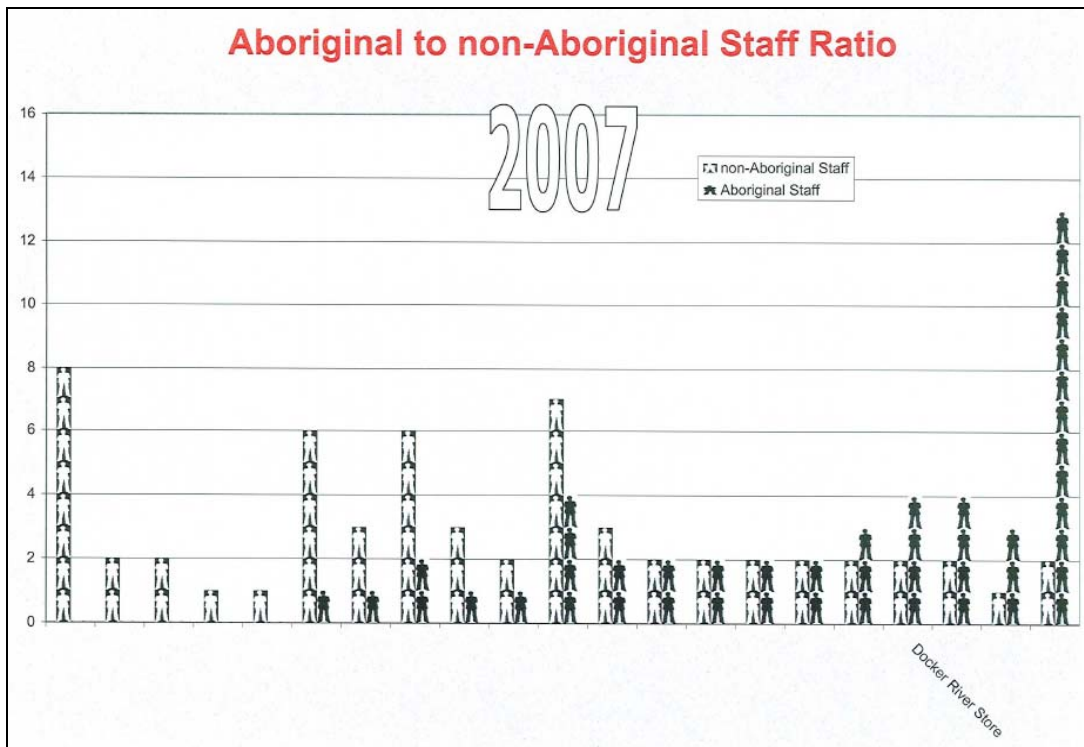
Docker River Store with the most varieties of fresh vegetables



Docker River Store with the most varieties of fruit

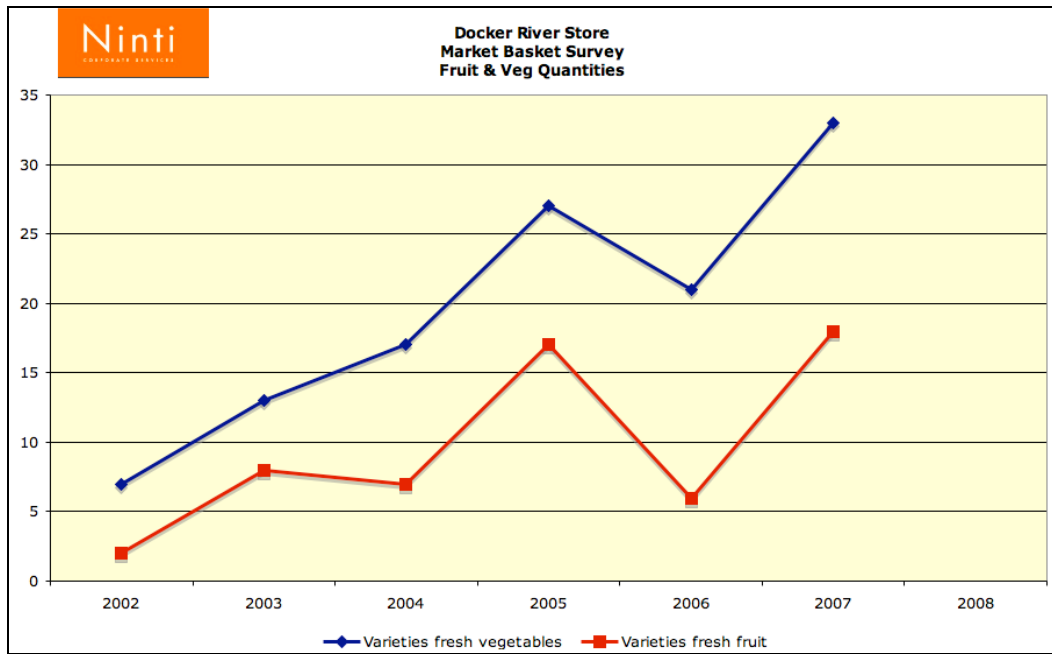


Docker River Store with prices similar to an Alice Springs corner store. Docker River is the most remote of all the stores in this comparison

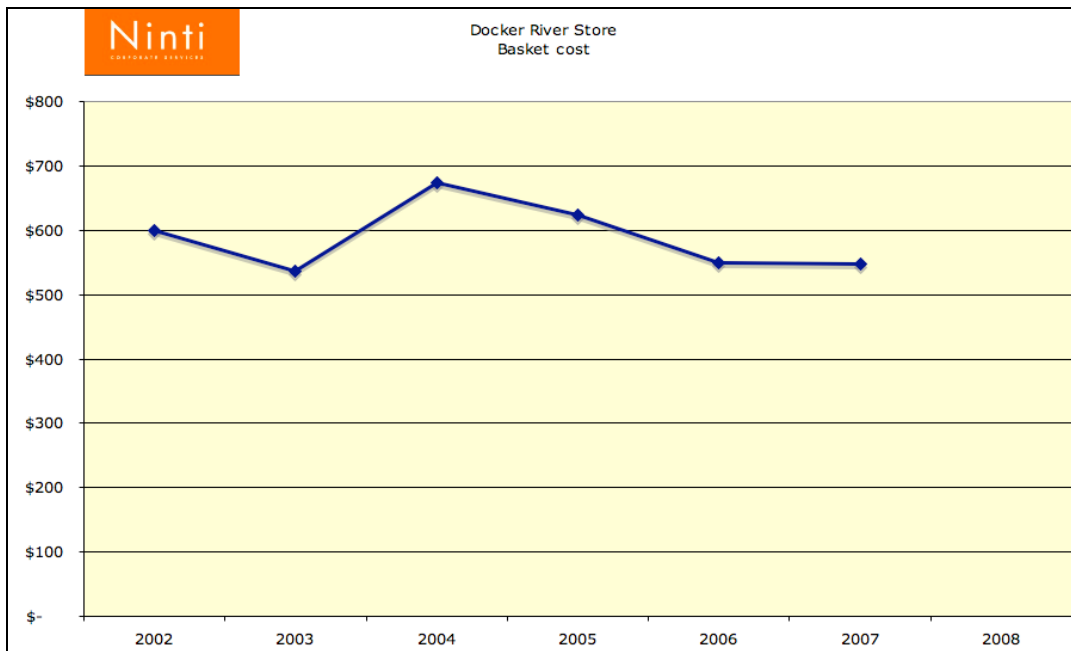


Docker River Store shows number of Aboriginal staff employed, though this varies considerably

Market Basket reports showed us areas of further improvement. The following show the improvements made over the years. Although 2006 shows a drop in fruit and Veg quantities we still had the largest quantity of vegetables at 21 and were half way down the chart on fruit having 6.



Docke River Store Market Basket Survey improvements in Fruit and Veg quantities



Docke River Store Cost of the market basket has dropped

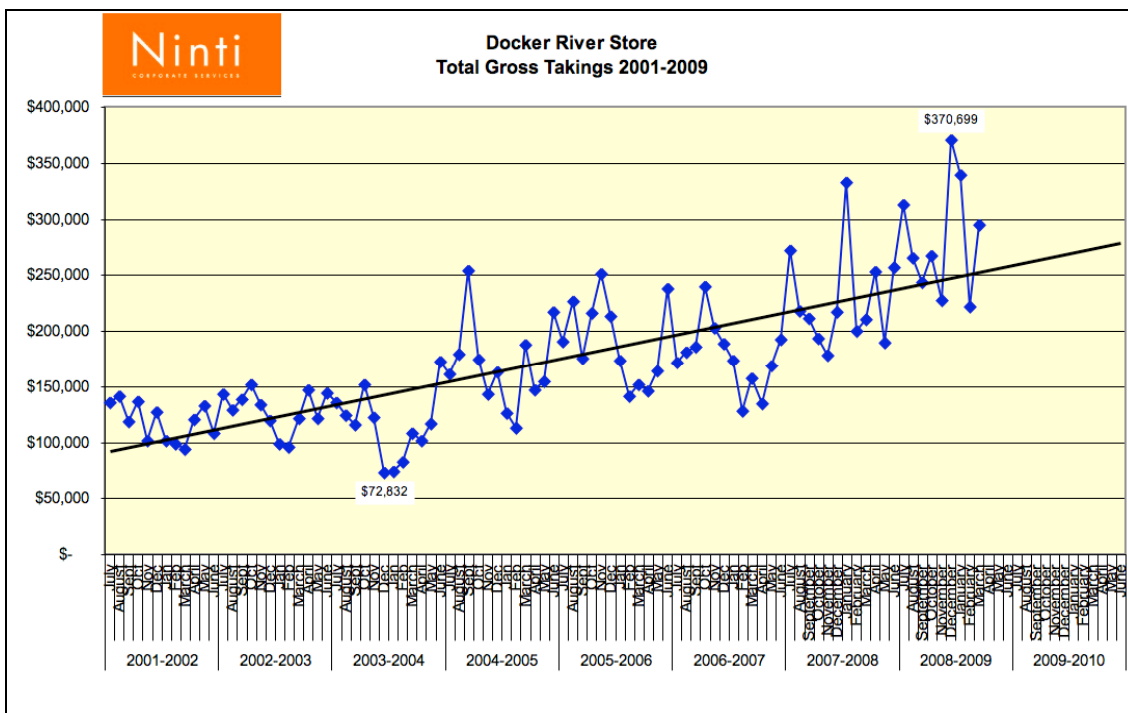
At the end of 2007, the Government Intervention was introduced to the Northern Territory. As Docker River Store was one of the first stores to be involved we were very much the guinea pig. The extra work involved in a continually changing system was huge. The costs put onto the business were not subsidised in any way. Therefore the store paid the cost of the extra computer programming and wages for the manager to sort out the systems.

New air conditioners were installed in 2007 and then a new forty-foot container freezer in 2008 which doubled our freezer storage space.

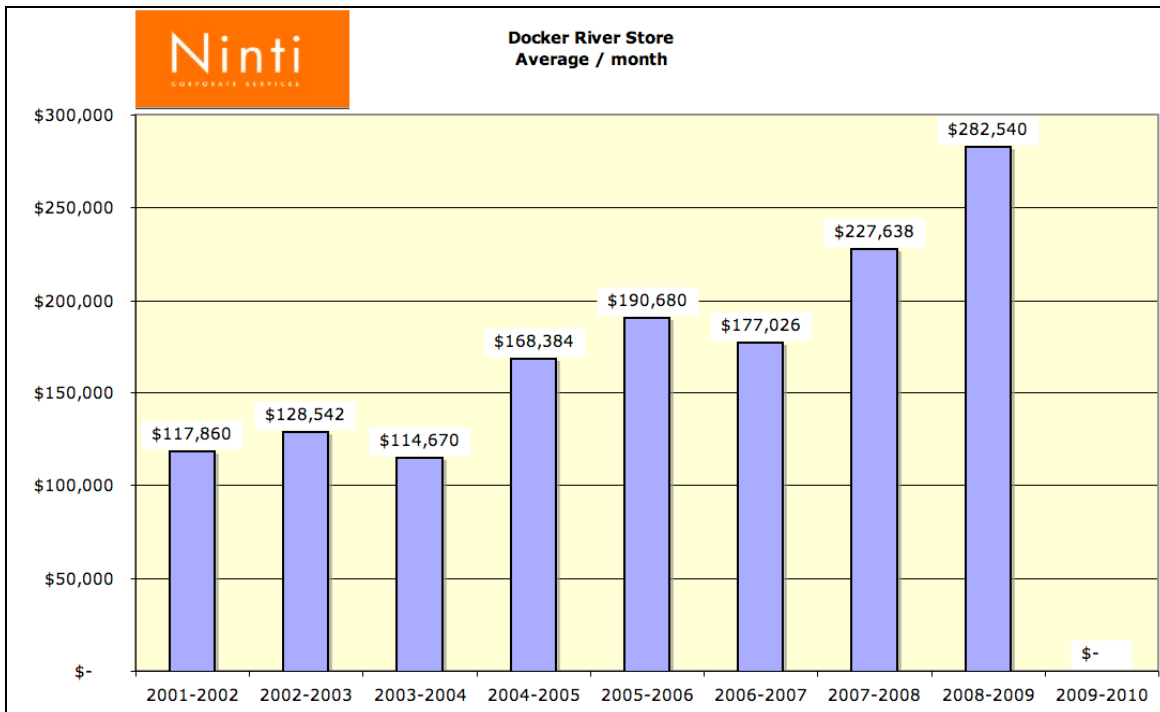
In 2008 the Basics card was introduced and again not subsidised in any way. Yet another system and more expense for the store to cover. We now have eight different systems to balance:

1. Cash
2. ATM
3. Cheques
4. Purchase Orders – Account sales
5. EFTPOS machines
6. Fax advance orders
7. Income management
8. Basics card

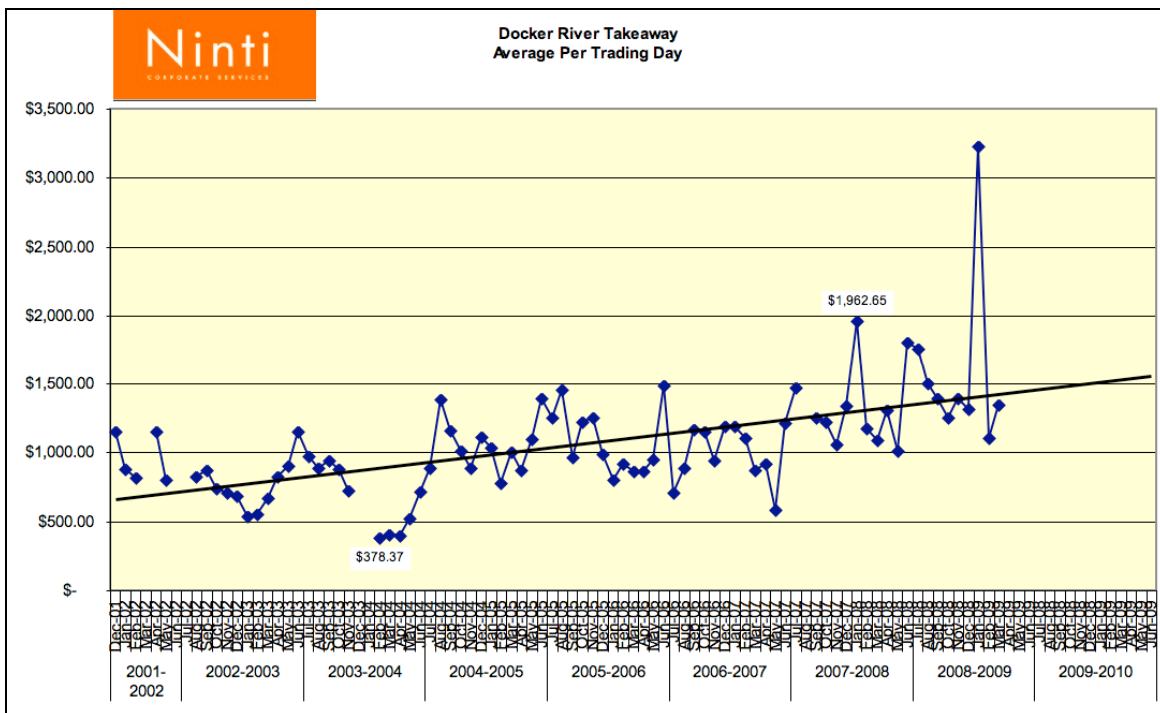
Nevertheless the store continues to grow



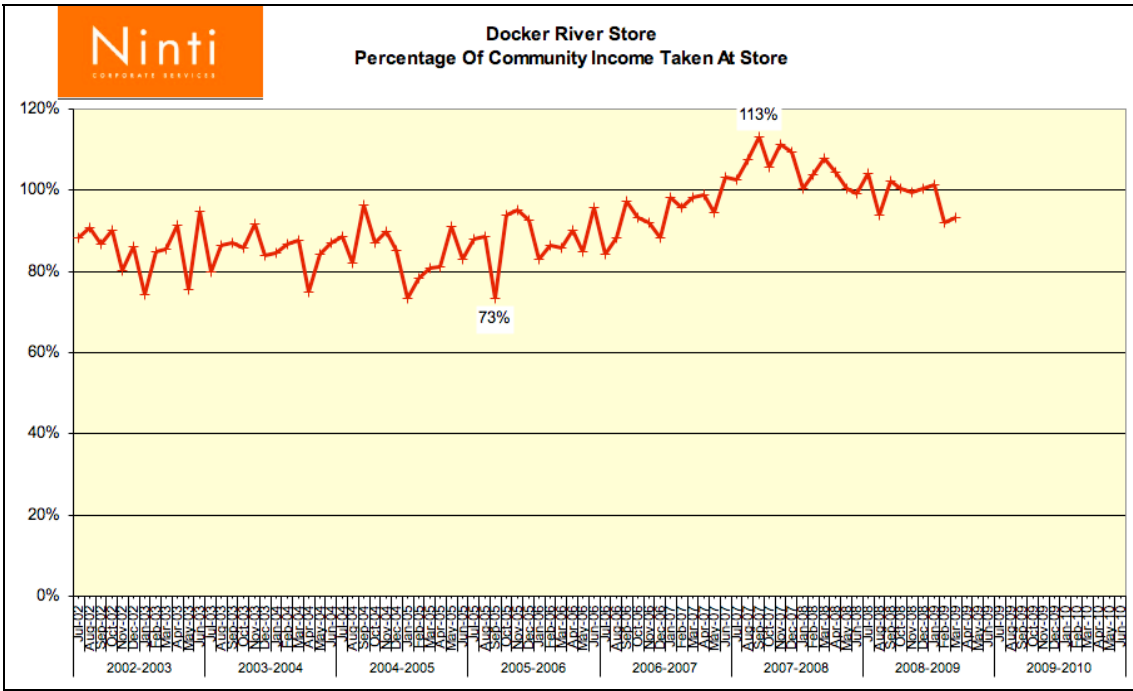
Docker River Store Gross Takings improving with Ninti. The low in 2003 was due to a community tragedy.



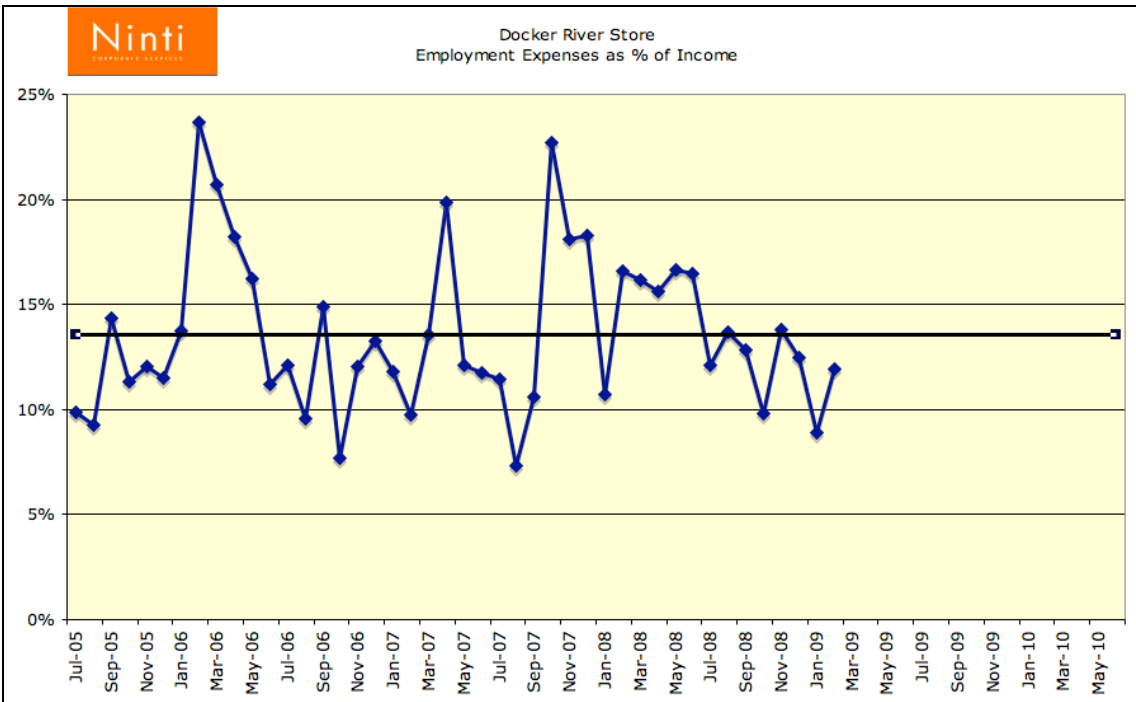
Docked River Store Average Monthly Sales



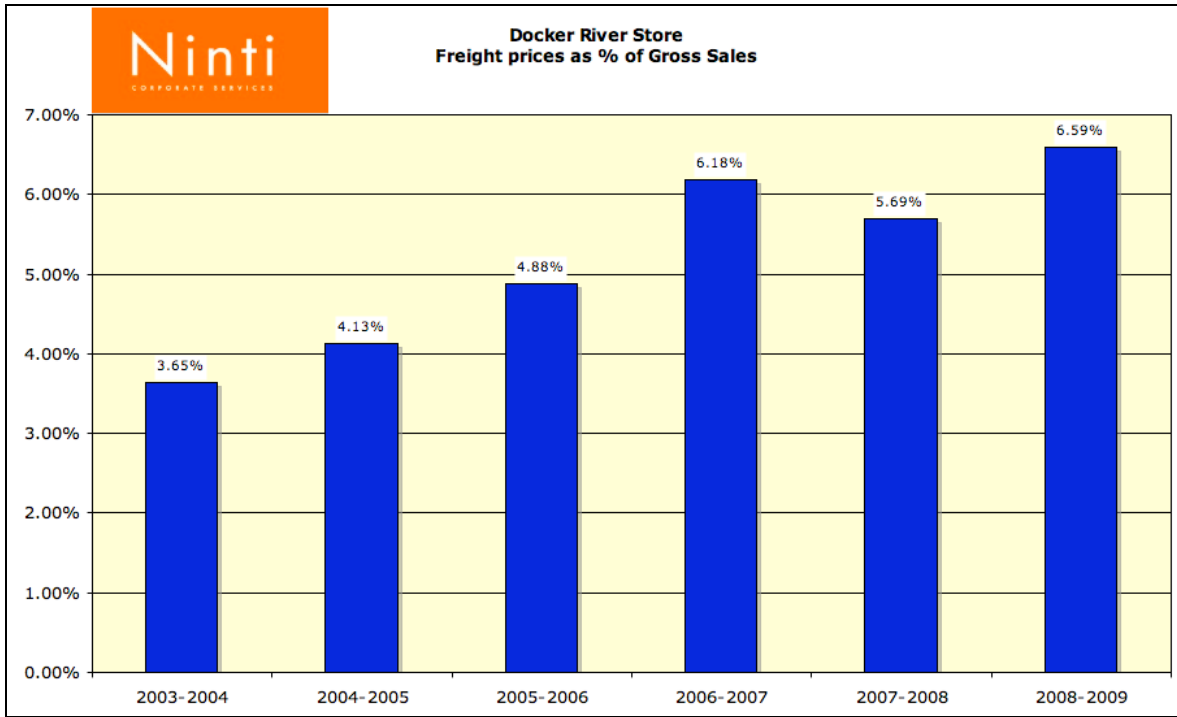
Docked River Store Takeaway Sales



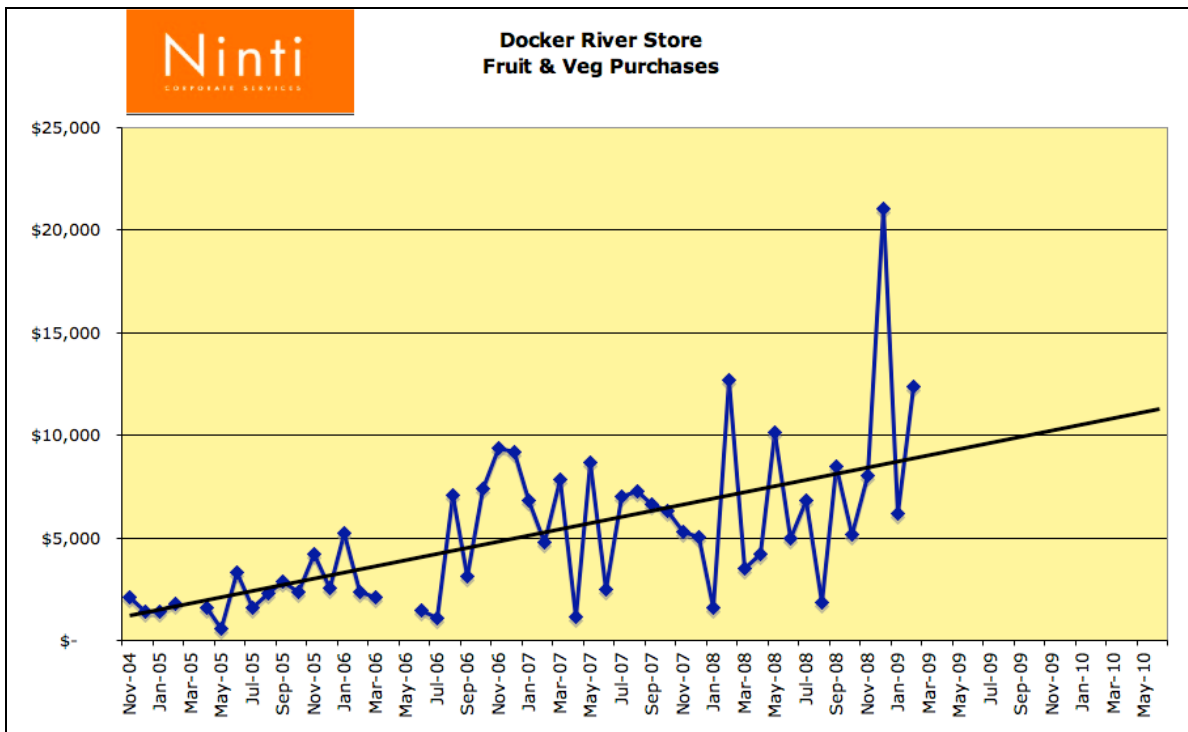
Docker River Store is the only place in the community where the community receive their income – cashing cheques, ATM withdrawals etc. Above 100% means the store is selling to outside communities or other customers like tourists.



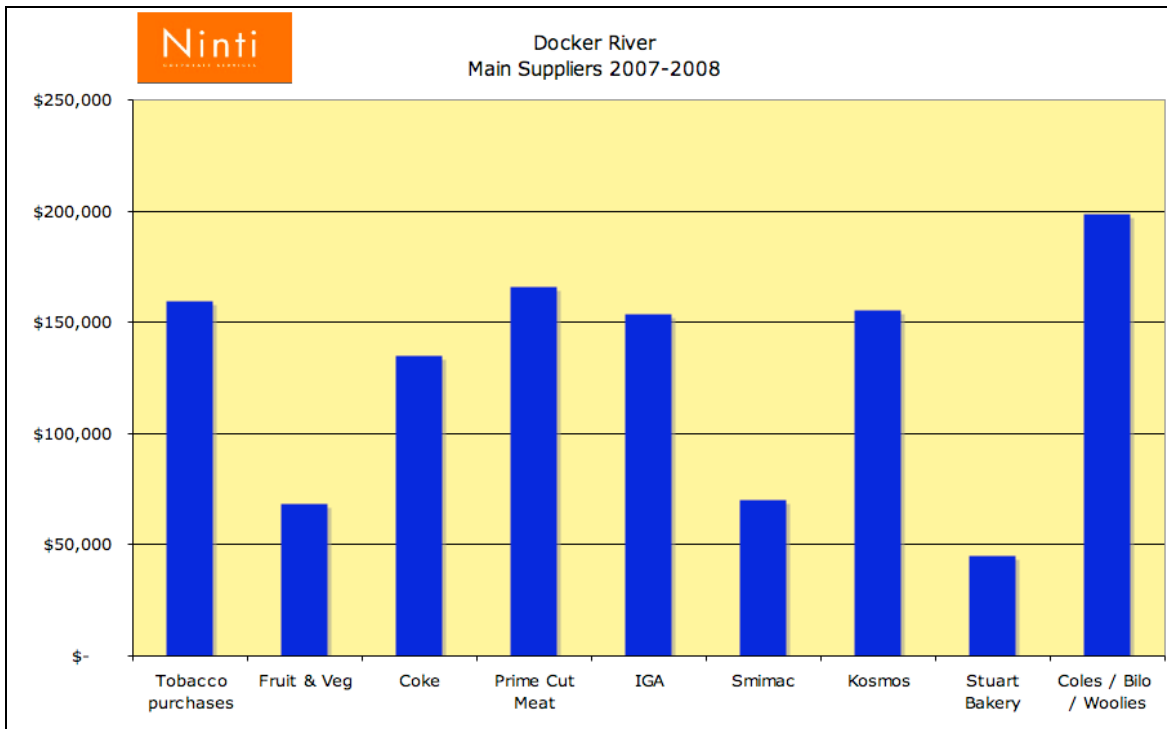
Docker River Store employment expenses have increased, but this graph shows it is in-line with income.



Docked River Store freight costs are going up in relation to income. Costs beyond our control like this will eventually cause mark-ups to increase. In 2005-2007 we were forced to use another freight company. Prices increased dramatically. In 2007 – 2009 we were back with our original company which has saved the store a substantial amount.



Docked River Store Fruit & Veg purchases increasing.



Docker River Store uses a huge variety of suppliers. These are the main ones and shows that no one is preferred. Prices dictate supply.

Store distributions through the Western Desert Highway Trust:

2004	\$75,000
2005	\$70,000
2005	\$43,000
2006	\$10,000
2006	\$13,000
2006	\$25,000
2006	\$100,000
2006	\$3,000
2006	\$40,000
2007	\$46,000
2008	\$46,000

This money was spent on community development and cultural projects.

At the end of 2006 the community decided not to distribute further profits apart from an amount at Christmas time for three years. This money would then be used for a major community project like a swimming pool.

Store donations and sponsorship:

2005	\$15,479	
2006	\$11,805	
2007	\$7,351	
2008	\$15,866	
2009	\$12,525	(to January)

This money was used to sponsor the local football and softball teams and for cultural business.

Photos of the Docker River Store indicate the amount of stock on hand but also the amount of varieties sold. Many community stores have stock, but the shelves and stock are spread out resulting in less choice for the customer.

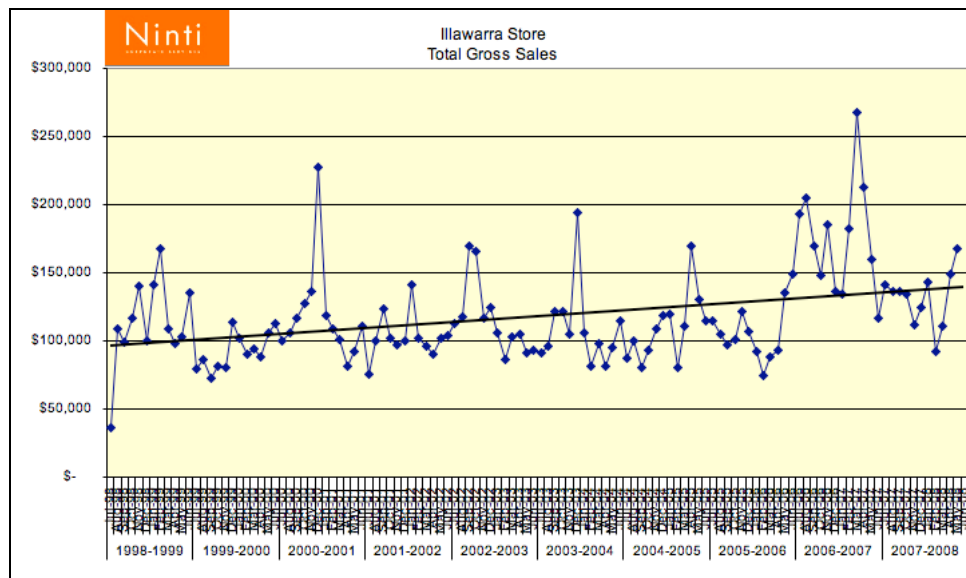




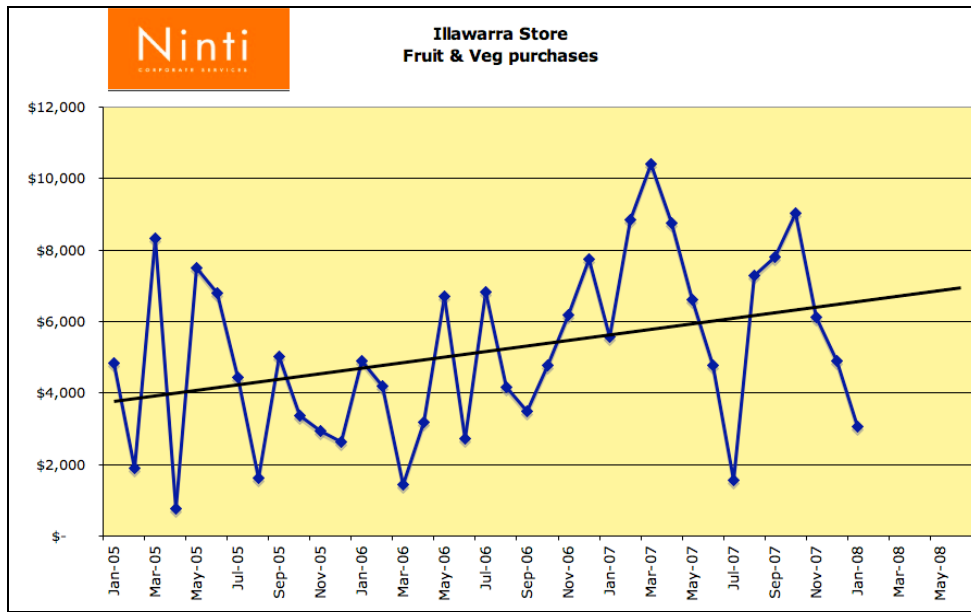
Ninti Corporate Services and Illawarra Store

Ninti Corporate Services was created to provide a service to remote community stores based on the successes at Docker River Store. The CEO of Wana Ungkunyitja was approached in 2005 to manage Illawarra Community Store in Western Australia. We won the contract to manage the store for three years. Ninti was born.

Ninti then put systems in place and implemented its policies which were created at the Docker River Store. Ninti then managed the Illawarra Store to the best it had ever been. The takeaway opened and expanded, the warehouse expanded and refrigeration equipment repaired and utilized. We also gained enough profit to enable a community distribution. All this was done not by raising prices to the customer, but by smarter purchasing – bulk buying and shopping around for the best possible prices. Having the takeaway open also increased turnover.



Illawarra Store Gross Takings showing a great improvement with Ninti's management from January 2006

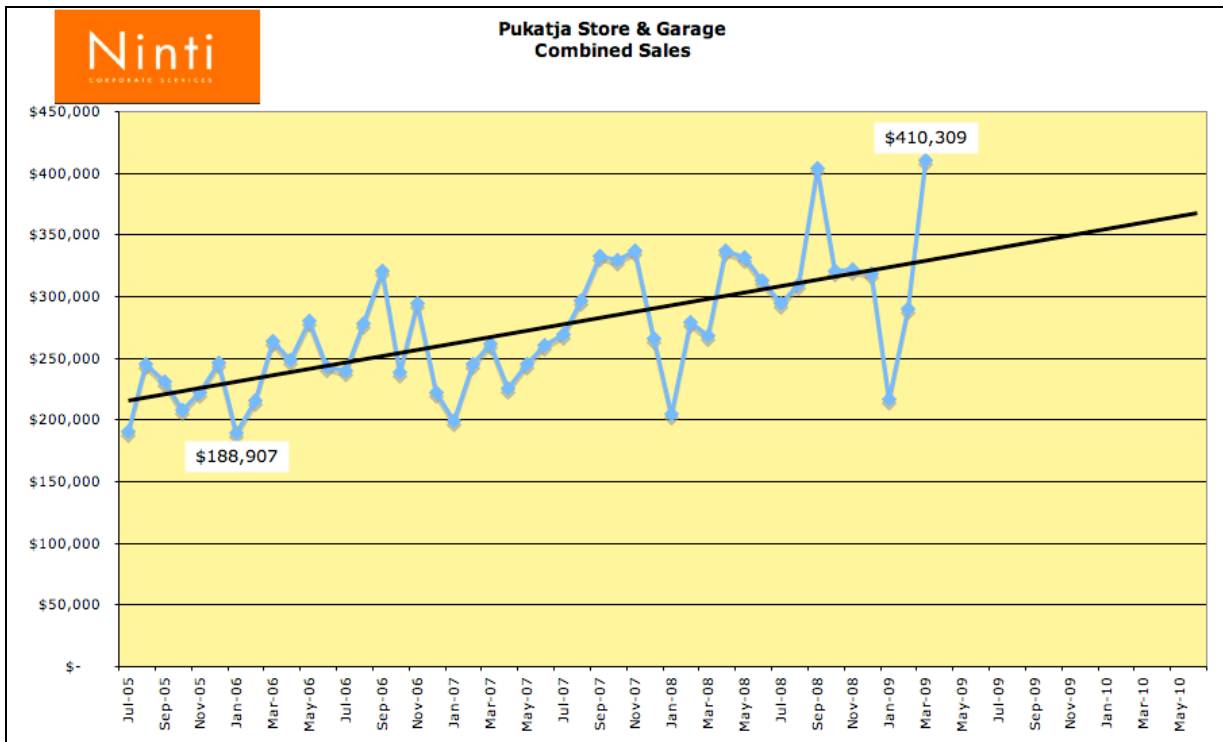


Illawarra Store Fruit & Veg purchases improving under Ninti

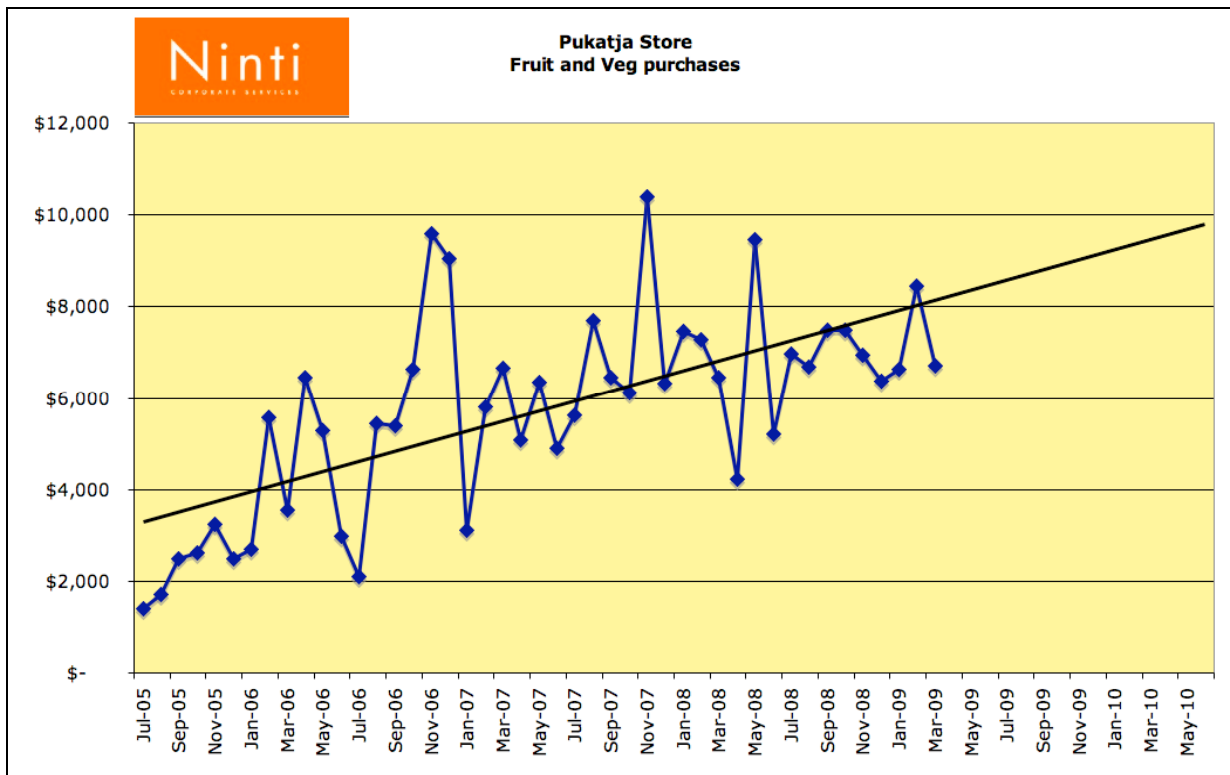
Ninti Corporate Services and Pukatja Community

Ninti was then asked to manage Pukatja Store and Garage. These businesses were deteriorating both financially and operationally. They owed a lot of money to suppliers, thus couldn't buy stock and had a book-up system in place. Wana Ungkunyntja loaned the community \$290,000 to pay the debts and then Ninti to manage both businesses. Ninti won these contracts and we set to work on getting our policies and procedures in place. We always do this being mindful of how the business was working before. Every business is different and allowances have to be made.

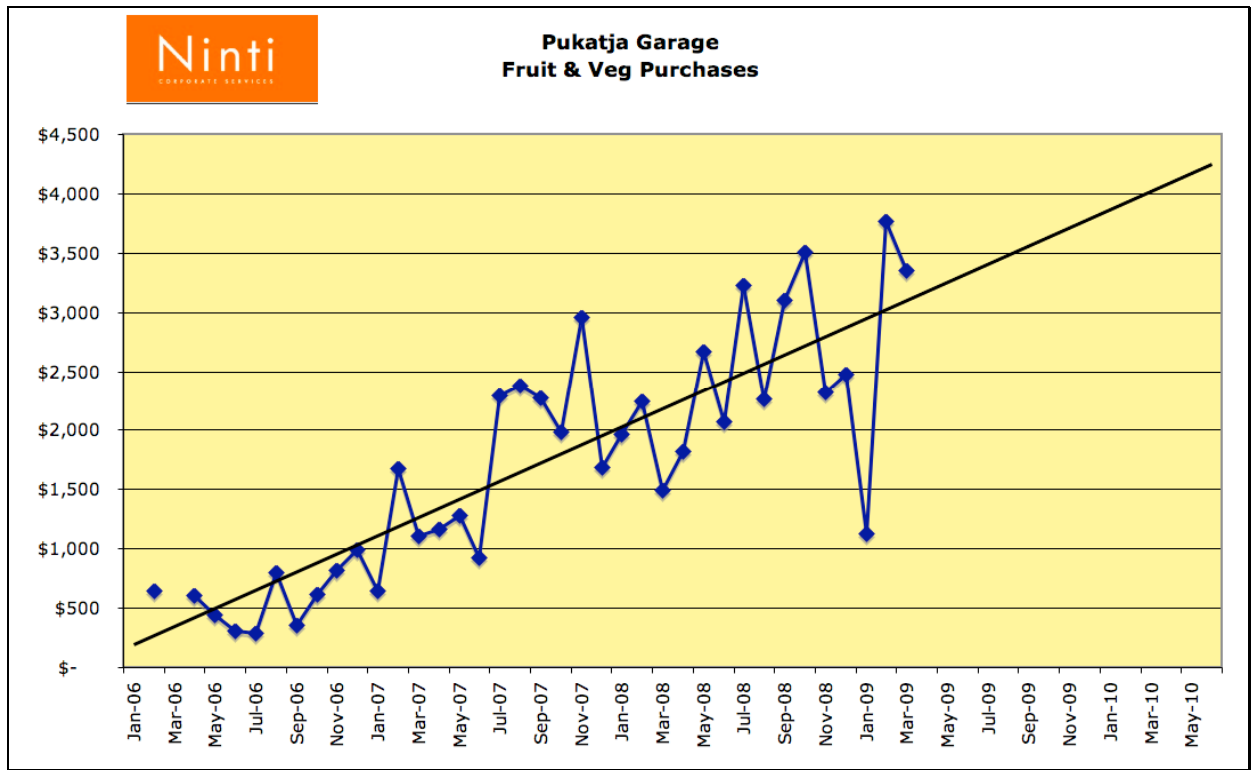
The store was bare. Shelving was required in the warehouse and on the shop floor. Once installed, stock was bought using our usual methods of sourcing the cheapest suppliers. Both businesses are successfully trading their way out of debt. Prices remain competitive. Stock variety has been expanded in all areas and with our Nutrition policy fruit and veg purchases have dramatically improved.



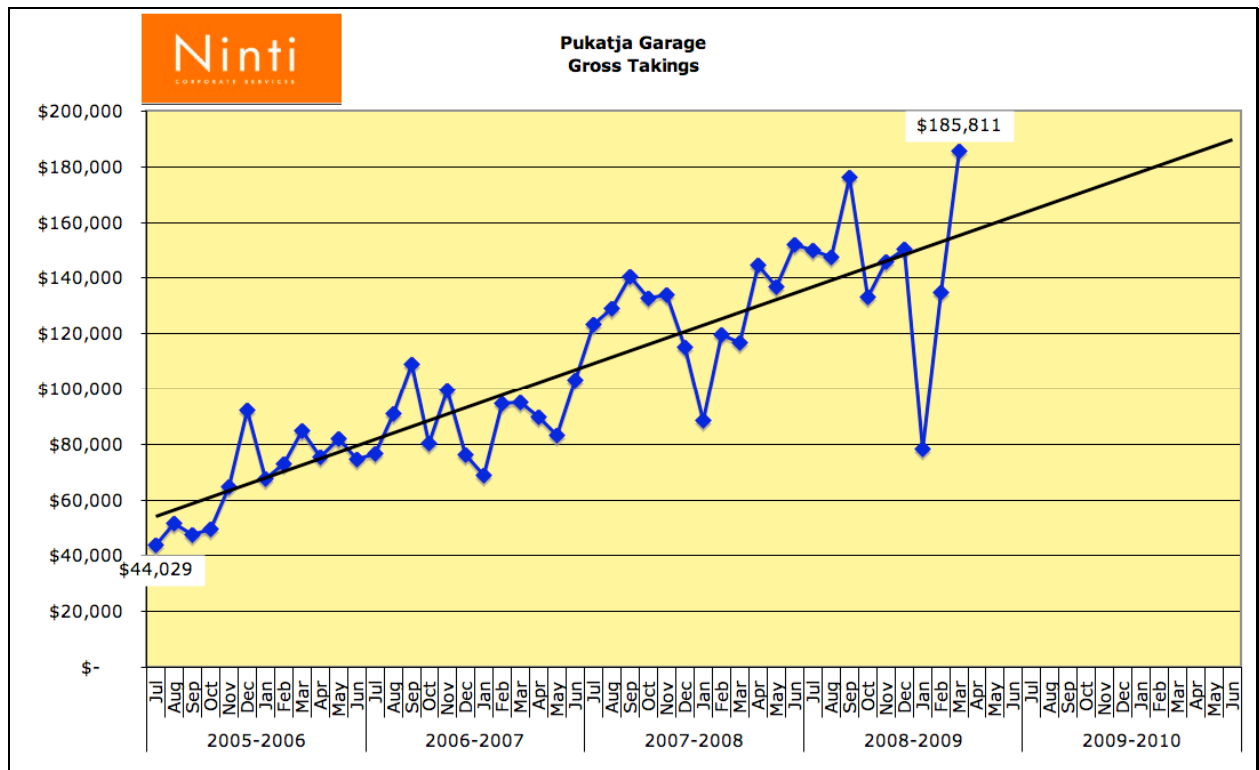
Pukatja Store and Garage showing a combined improvement in Sales under Ninti



Pukatja Store Fruit & Veg purchases improving with Ninti



Pukatja Garage Fruit & Veg purchases improving with Ninti



Pukatja Garage Gross Takings vastly improving with Ninti

Ninti Corporate Services Imanpa Store

In 2005 Imanpa community came to Ninti as their store was in poor condition. They were going to terminate the managers and wanted to start again. In May the store was opened with Ninti managing. As is usual with getting to manage a new store there were many hurdles. Suppliers were reluctant to supply Imanpa store due to its debts. A loan was arranged from Mt Ebenezer Roadhouse, a business owned by the Imanpa Community. This was used to pay suppliers and arrange to purchase new stock.

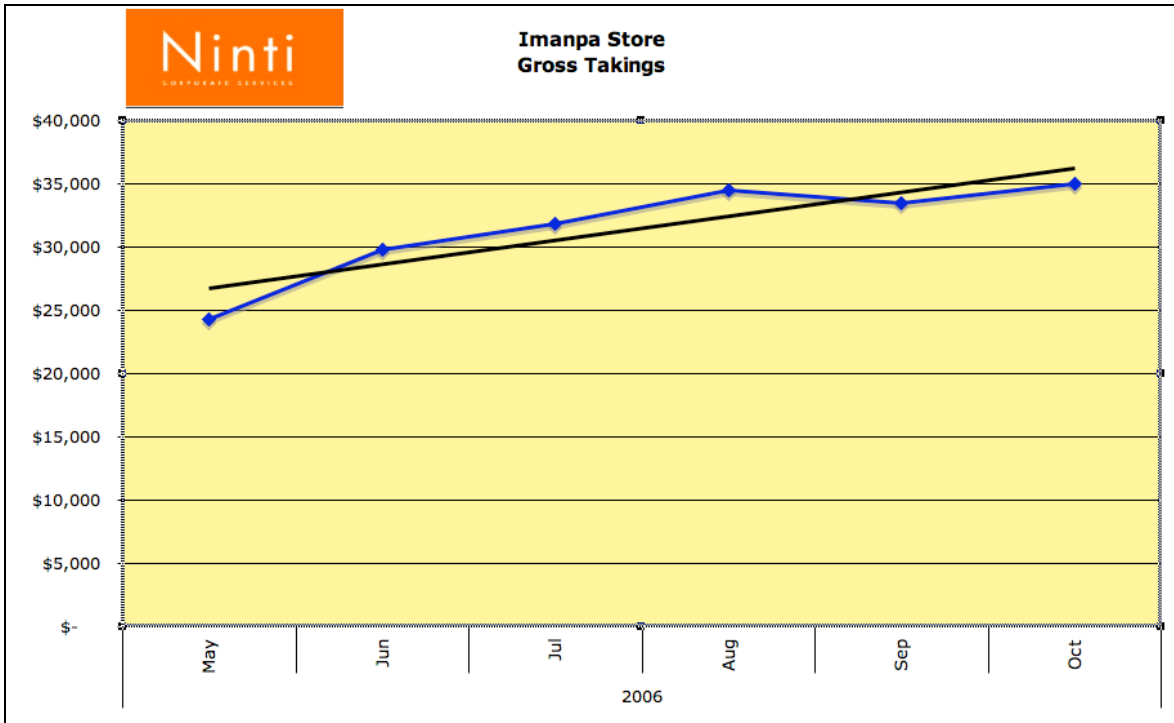
We then set to work refurbishing the store inside and out, painting, installing new shelving, purchasing new stock, fixing the freezer, getting the ATM and EFTPOS machines working and setting up the usual Ninti procedures and policies.

The community was at a low as community members couldn't get supplies within Imanpa and many people had moved away. Ninti recruited new managers to continue running the store. Sales improved over the next few months as people started returning to the community.

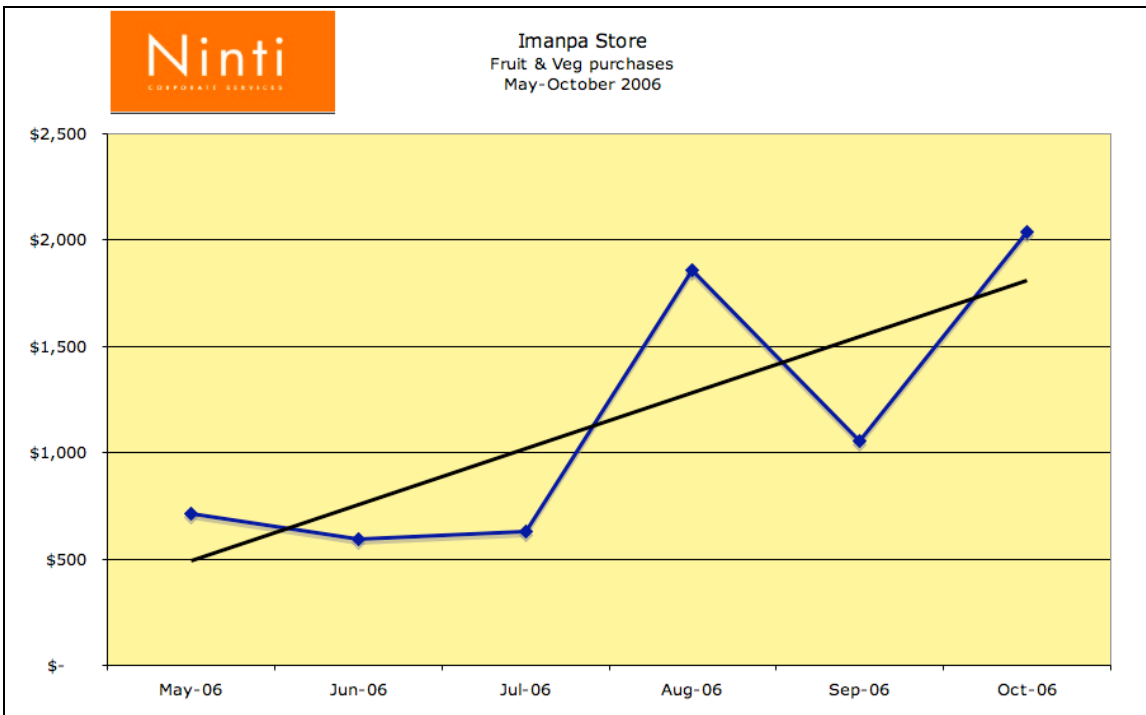
The Central Land Council (CLC) were holding money due to Imanpa Community to be used in conjunction with other monies (Government etc) for the new store to be built. CLC wanted the community to choose a store management company which would give the community the best service and prices. It boiled down to who had the best mark-up's. If Imanpa chose Ninti, CLC would withdraw the funding for the new community store.

Outback Stores were invited and gave their base mark-up of 55%. Because this was less than Ninti's mark-up of 70%, Outback Stores was given the contract. What no one seemed to understand was that Outback Stores don't shop around and so go with their preferred suppliers prices however high they may be.

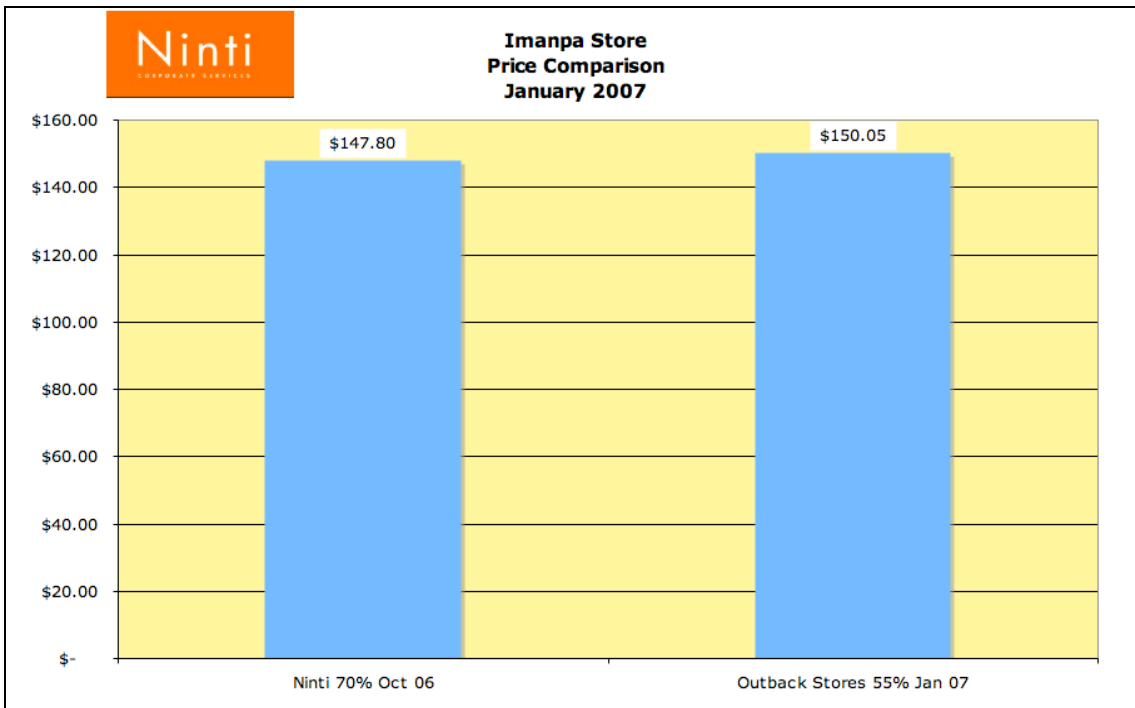
So the product Ninti bought for 90cents, sold at \$1.53 with a good mark-up of 70%. Outback stores bought the same product for \$1.10, marked up 55% and sold for \$1.70. The only winner is the supplier.



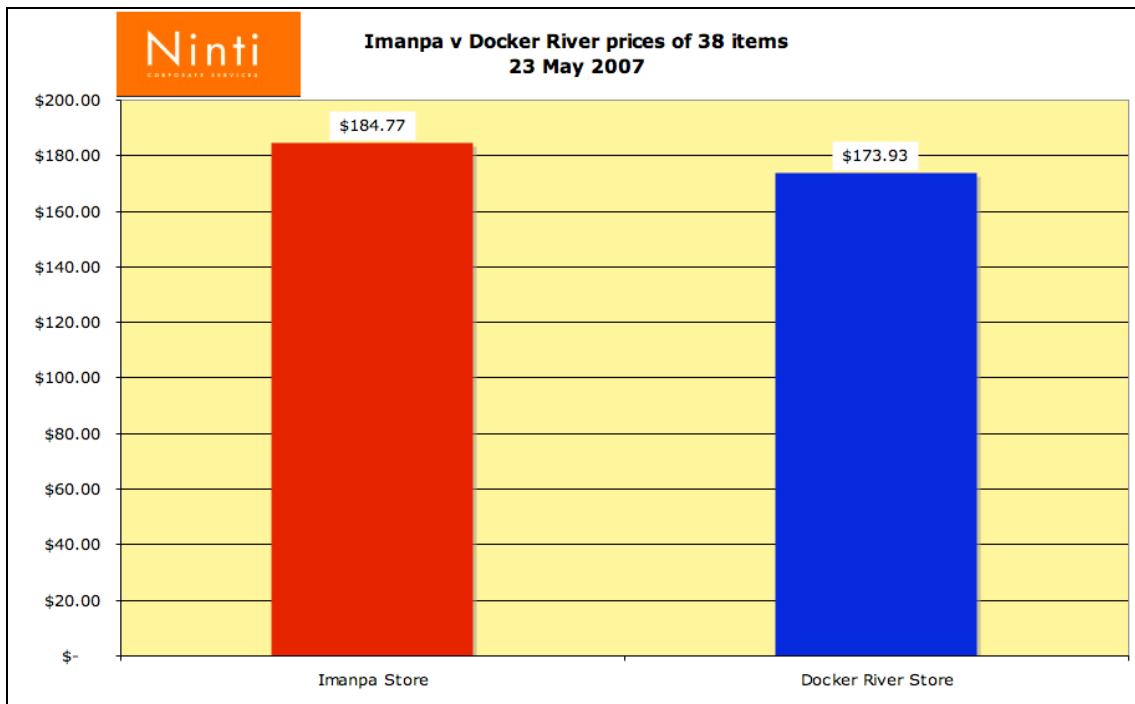
Imanpa Store Gross Sales with Ninti



Imanpa Store Fruit & Veg purchases with Ninti. Positive results within three months.



Imanpa Store Sell prices with Ninti compared to Outback Stores over 33 items. Although the prices for OS are in January, the prices have risen even with their lower 55% mark-up.



Imanpa Store price comparison with Docker River Store over 38 items. Outback stores' lower mark-up clearly isn't working. Docker River store is 450km further from Alice Springs, has higher mark-ups, higher freight costs due to 180kms of dirt road but lower prices.

The CEO of Outback Stores was reluctant for me collecting prices for these comparisons. In fact he told the manager at the time not to allow me to collect the information. I then asked if I could purchase goods? This was allowed which gave me the information required.

Outback Stores also claimed that they were making a profit with Imanpa store as early as January 2007. This though didn't include management and accounting fees and also manager's wages. No financial report was actually available; they just claimed to be doing a good job.

Conclusion

Not all community stores were under performing before the Government stepped in. Now all stores have to abide by the new intervention rules and regulations. All the extra work costs extra money. This money has to come from the business, which is only gained by raising costs to the customer, the very people that the new systems are supposed to help.

Accountability.

Surely all stores should be accountable for their actions in all areas and then penalized if they did something wrong, rather than penalizing all stores whether right or wrong. If all stores (Outback Stores, Ninti and all others) had some benchmarks to aim for they would all be on a level playing field

Who is Outback Stores accountable to? If their prices are high, who regulates that? What if an Outback Store has a low quantity of good food, low quality of fruit and veg? If the managers see lower prices than the preferred supplier do they have to ignore them?

The Market Basket survey is an excellent tool for gauging how stores are doing. What if these figures were shown with all stores identified? This way everyone would see which stores are good.

Food cost and quality.

Ninti shops around for the best deals. We aren't tied to a preferred supplier. For fruit and veg the supplier has changed many times over the years in an effort to maintain a good quality supply.

Outback stores have preferred suppliers. By limiting the suppliers you are susceptible to prices higher than that of other suppliers. This higher price is always passed on to the customer. If the fruit and veg supplier provides low quality goods does Outback Stores then change to another supplier? Outback Stores around Alice Springs are known to use the most expensive supplier of most goods and transports them on the most expensive freight company. Why?

Consistent Supply.

Ninti Store model makes available a good variety of all products. Having consistency in stock levels leads to customers being able to rely on their store. They will therefore use their store. Stock levels are usually kept high to enable supply for any eventuality like a large funeral, cultural business or weather conditions preventing truck deliveries.

Does the Outback Stores model allow for these inconsistencies in trade?

Store Management.

Ninti Stores are managed to make a profit. Each business needs to be self-sustainable. This is required in any business, as it doesn't matter how much good food you sell if the business goes broke. The Ninti model ensures smart management so that the business can trade their way out of debt and pay all suppliers.

What will happen if funding is withdrawn from Outback Stores? Will the stores be able to stand on their own? Would Outback Stores who supply Point of Sale systems then take this and other equipment away with their accounting and management support? Are stores under Outback Stores paying management fees?

Health and Economic outcomes.

Ninti stores have proven that it is possible to run these remote community stores as viable businesses. Just by managing them well ensures good stock variety and consistency. This then has the benefits of better community health by implementing a very basic nutrition policy that everyone can understand. Because the business is well managed it will cover its debts and will continue to run into the future. Surplus can also be used for community projects.