


**PENNSYLVANIA DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

<input type="checkbox"/> Return document by mail to: Name _____ Address _____ City _____ State _____ Zip Code _____ <input type="checkbox"/> Return document by email to: <u>steven@sng-law.com</u>	Annual Benefit Report Benefit Limited Liability Company DSCB:15-8898 (2/2017)  8898
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Read all instructions prior to completing.

Fee: \$70

In compliance with the requirements of 15 Pa.C.S. § 8898 (relating to annual benefit report), the undersigned benefit company hereby states that:

1. The name of the limited liability company is:

Groovy Greens, LLC

2. Complete part (a) or (b) – not both:

(a) The address of this limited liability company’s current registered office in this Commonwealth is

3235 Route 212 Springtown PA 18081 Bucks
Number and Street City State Zip County

(b) The name of this limited liability company’s commercial registered office provider and the county of venue is:

c/o: _____
Name of Commercial Registered Office Provider County

3. A narrative description of:

(i) the ways in which the benefit company pursued general public benefit during the year and the extent to which general public benefit was created;

1. Food donations to low-income persons 2. Environmental preservation 3. Promoting good health (see Addendum for more)

(ii) the ways in which the benefit company pursued any specific public benefit that the certificate of organization states is the purpose of the benefit company to create and the extent to which that specific public benefit was created;

Groovy Greens, LLC did not state any specific public benefit in its Certificate of Incorporation

(iii) any circumstances that have hindered the creation by the benefit company of general or specific public benefit; and

The COVID-19 pandemic limited the number of participants in gardening classes (educational benefits)

(iv) the process and rationale for selecting or changing the third-party standard used to prepare the benefit report.

Groovy Greens, LLC selected the Food Alliance standards, chosen for their applicability to the company's activities.

4. An assessment of the overall social and environmental performance of the benefit company against a third-party standard applied consistently with any application of that standard in prior benefit reports or accompanied by an explanation of the reasons for any inconsistent application.

Aggregate score of 86% in Food Alliance Whole Farm and Nursery/Greenhouse Production Tools and Improvement Goals

5. A statement of any connection between the organization that established the third-party standard, or its directors, officers or any holder of 5% or more of the governance interests in the organization, and the benefit company or its members, managers or officers or any holder of 5% or more of the outstanding interests in the benefit company, including any financial or governance relationship which might materially affect the credibility of the use of the third-party standard.

None

IN TESTIMONY WHEREOF, the undersigned benefit limited liability company has caused this Annual Benefit Report to be signed by a duly authorized officer this 31 day of May, 2022.

GROOVY GREENS, LLC

Name of Company

L. Hearwood

Signature

Co Owner / Managing Member

Title

Groovy Greens, LLC

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Since form 15-8898 itself has limited space for text we have chosen to expand on the information included on the form in this document. The ***headings in bold and italic reflect form 15-8898***. The *underlined and italic headings reflect the statute which defines specific public benefits*.

3. (i) A narrative description of the ways in which the benefit company pursued general public benefit during the year and the extent to which general public benefit was created.

During 2021, Groovy Greens, LLC created public benefit in the following ways:

(1) providing low-income or underserved individuals or communities with beneficial products or services:

- The Groovy Greens formed and operated "Springtown Community Farm Stand" is located on the same property as Groovy Greens in the center of the village of Springtown. During 2021, a new location at the Springtown Post Office was opened for donations of dry goods. The purpose of the Farm Stand is to provide fresh produce to low income and needy families either directly through donations of produce from patrons' gardens or indirectly via donations paid for produce at the stand. Through these efforts, during 2021, Groovy Greens donated a total of \$420 to local Food Banks, specifically Quakertown Food Bank, the Lord's Pantry in Ottsville and the New Jerusalem Food Pantry of Hellertown.
- Groovy Greens donated a total of 30 lbs of excess fresh produce to local Food Banks worth \$195. In addition 7lbs of fresh produce was donated to the Trellis for Tomorrow community youth program worth \$77.

(2) promoting economic opportunity for individuals or communities beyond the creation of jobs in the normal course of business:

- Groovy Greens provided farm-related skills learning opportunities for two volunteers in 2021.

(3) preserving the environment:

- Adaptive re-use of buildings & materials
 - Groovy Greens operations are carried out in buildings and greenhouses previously used as a garden center. By re-using existing infrastructure we are reducing the impact on the environment.
 - Raised beds were made from old fencing and garden soil from a landscaping customer.
 - Tables used at the previous garden center were modified for growing greens.

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- Minimizing non-renewable resource use
 - We elected to use coconut fiber and rice hulls, both waste products in our growing media in place of peat and vermiculite, both essentially non-renewable resources. We compost and re-use all our growing media with the goal of reducing off-farm inputs over time.
 - We provide returnable packaging to the majority of our customers in the form of organic cotton bags and recyclable plastic containers.
- Minimizing waste
 - All organic materials including greens and growing tray wastes are recycled via on-site composting and vermicomposting.
 - Groovy Greens provides a local hub to enable customers and local residents a place to recycle hard to recycle items such as well used food containers via Terracycle, a national recycling company.
- Minimizing chemical use
 - Groovy Greens employs organic growing methods, although not certified organic, we use natural fertilizers, soil amendments and pesticides. We are working on reducing the quantity of these substances by improving the biology in the growing media and soil.

(4) improving human health:

- Groovy Greens provides fresh local produce to the community; which due to its freshness, variety and organic growing methods, is more healthy than typical store-bought salad greens.
- Groovy Greens' focus is on increasing the nutrient density of the food grown and we are constantly working on improving the taste and quality of our greens.

(5) promoting the arts, sciences or advancement of knowledge:

- Groovy Greens held a series of eight gardening classes during 2021. Attendance was limited by COVID restrictions.

(6) promoting economic development through support of initiatives that increase access to capital for emerging and growing technology enterprises, facilitate the transfer and commercial adoption of new technologies, provide technical and business support to emerging and growing technology enterprises or form support partnerships that support those objectives:

- Not applicable

(7) increasing the flow of capital to entities with a public benefit purpose:

- Not applicable

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(8) the accomplishment of any other particular benefit for society or the environment:

- One of our stated goals is to “foster community spirit”, we feel we have benefited our customers and community by offering in-person pick up where customers interact with Groovy Greens staff and experience chance encounters with other customers.
- In conjunction with Painted Earth, Groovy Greens held a customer appreciation social event in June 2021 which was attended and enjoyed by around thirty customers.

3. (ii) the ways in which the benefit company pursued any specific public benefit that the certificate of organization states is the purpose of the benefit company to create and the extent to which that specific public benefit was created:

There is no specific public benefit stated on the certification of organization for Groovy Greens, LLC, however, on our website we state the following:

“In addition to growing and selling our food in an environmentally conscious manner, our stated public benefits are as follows:

- To provide healthy, delicious and nutrient dense food for local people, including those in need
- To provide educational opportunities for local people to learn about growing food, composting and improving soil health
- To foster community spirit”

We have accomplished these purposes by the activities set forth at 3(i), above.

(iii) any circumstances that have hindered the creation by the benefit company of general or specific public benefit:

- As referenced at 3(i), the COVID-19 pandemic reduced the number of students in the gardening classes but in general a lot better year than 2020 for fostering community spirit!

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3. (iv) the process and rationale for selecting or changing the third-party standard used to prepare the benefit report:

Groovy Greens is an urban-style farm growing salad greens on tables in a small greenhouse and in ground beds at two locations. In selecting our third-party standard in 2020, we reviewed a number of standards, including B-Corp and Rodale's Regenerative Agriculture standards. The Food Alliance standards were chosen since they were found they are the most suitable for our operation.

The Food Alliance certifies agricultural operations, food processors and distributors that ensure:

- Safe and fair working conditions.
- The health and humane treatment of farm animals.
- Reduced risk from pesticides and other toxic or hazardous materials.
- Protection and enhancement of wildlife habitat and biodiversity.
- Conservation of soil, water, and energy, and reduction and recycling of waste.
- Transparent and traceable supply chains.
- Food product integrity, with no genetically engineered or artificial ingredients.
- Continual improvement of management practices.

Food Alliance is a non-profit organization, its certification body has clear, publicly available standards and is a credible and effective way for producers and food companies to demonstrate their commitment to sustainable management practices.

The Food Alliance has several different sustainability standards, one of which, the Whole Farm Evaluation Tool, is for crop producers which covers all fruit, vegetable, nut, cereal, pulse and other crops. This is the main standard against which Groovy Greens operations are assessed. The Operational Efficiencies section from the Food Alliance's Nursery Greenhouse's Evaluation Tool was also utilized in order to capture some important environmental measures such as energy and resource use not included in the Whole Farm Evaluation Tool.

It is important to note that whilst Groovy Greens operations were assessed against these Food Alliance standards, it was a self-evaluation and has not been audited or certified by a third-party standards provider. (This is allowable by law as set out in Chapter 15 section § 8898). The Benefits Director making the Annual Compliance Statement is independent of operations at Groovy Greens.

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4. An assessment of the overall social and environmental performance of the benefit company against a third-party standard applied consistently with any application of that standard in prior benefit reports or accompanied by an explanation of the reasons for any inconsistent application.

Overall Evaluation Score: 86% (including fixed criteria)

The Table below shows a summary of scores (self-evaluated by the Benefits Officer and checked by the Benefits Director).

Section Heading	Food Alliance Evaluation Tool	
	Whole Farm Evaluation Tool	Nursery Greenhouse Production Evaluation Tool
Integrated Pest, Disease and Weed Management, and Pesticide Risk Reduction	89%	
Soil and Water Conservation	89%	
Wildlife Habitat and Biodiversity Conservation	66%	
Safe and Fair Working Conditions (for Employees)	N/A	
Operational Efficiencies		88%
Fixed Criteria (no GMOs and no Prohibited Pesticides)	100%	
OVERALL EVALUATION SCORE 86%		

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Key areas for Improvement identified using the Food Alliance Evaluation and other Tools for 2021 are shown in the table below with associated 2021 implementation notes and actions for 2022.

Food Alliance KPIs	Status (2021 Notes)	2022 Actions
Reduce no. of pests and use of pesticides	<p>Our goal is to grow the most healthy plants that are virtually immune to insects and diseases by balancing minerals and improving soil biology.</p> <p><i>During 2021:</i></p> <ul style="list-style-type: none"> <i>Cabbage moths were vastly decreased compared to 2020</i> <i>Flea beetles and fungus gnats were controlled by Diatomaceous Earth and Bacillus thuringiensis respectively by - both are organic pesticides.</i> 	<ol style="list-style-type: none"> Continue to work on improving soil and plant health Experiment with foliar sprays to provide extra nutrients when plants are in sub-optimal health due to soil deficiencies or stress-inducing environmental conditions such as extreme heat.
Reducing towns water use	<p>In progress - unable to measure directly</p> <ul style="list-style-type: none"> <i>Reduced length and frequency of watering GG raised beds</i> 	<ol style="list-style-type: none"> Install gutter and rain barrels to collect rainwater for use in hand watering and foliar applications
Reducing energy use	<p>In progress - unable to measure directly</p> <ul style="list-style-type: none"> <i>Reduced use of heat mats for seed starting</i> 	
Writing and implementing a Biodiversity & Wildlife Plan	<p>In progress</p> <ul style="list-style-type: none"> <i>No written plan for 2021</i> <i>Increased native planting area at WLA</i> 	<ol style="list-style-type: none"> Write a Biodiversity and Wildlife Plan
Increasing biological activity in soils and growing media	<p>In progress</p> <ul style="list-style-type: none"> <i>Soils were monitored throughout the season, the biology is good but has room for improvement.</i> <i>Vermicast was used when transplanting all lettuce and other vegetable seedlings.</i> 	<ol style="list-style-type: none"> Add perennial plants to the greenhouse and in ground beds to encourage fungal populations. Add compost tea to soil drenches for greenhouse beds. Trial "no till" changeover in greenhouse beds by using organic soluble fertilizers.

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Non-Food Alliance KPIs	Status (2021 Notes)	2022 Actions
Reduction in use of off-farm sources of growing media, nutrients and amendments	In progress <ul style="list-style-type: none"> • <i>Soils were monitored throughout the season, the cation balance was found to be ideal in 2021, however the nitrogen levels were too high.</i> 	<ol style="list-style-type: none"> 1. Reduce the quantity of nitrogen fertilizer used in greenhouse beds 2. Reduce the quantity of solid amendments in greenhouse beds. 3. Trial using compost made at GG for growing microgreens instead of imported coconut coir.
Monitoring use of local suppliers and materials	In progress <ul style="list-style-type: none"> • <i>64% of supplies purchased (by value) was from either regional or local vendors.</i> 	<ol style="list-style-type: none"> 1. Evaluate source of raw materials on local, regional or further scale. 2. Increase proportion of purchases from local vendors. 3. Use locally sourced repurposed growing media for new outdoor table beds.
Increasing Community Farm Stand use and Food Bank donations	In progress <ul style="list-style-type: none"> • <i>Added a new location of Farm Stand at the Post Office for increased visibility</i> • <i>Advertised Farm Stand in Penny Power</i> 	<ol style="list-style-type: none"> 1. Contact churches and other community groups regarding Farm Stand.
Increasing public education benefit	In progress <ul style="list-style-type: none"> • <i>Eight gardening classes ran in 2021, educating a total of three people</i> 	<ol style="list-style-type: none"> 1. Offer fewer but more in depth gardening classes in 2022 2. Hold an Open House event that includes educational opportunities for attendees

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Benefit Director Statement

Although not required of Benefit Companies, Groovy Greens, LLC has opted to elect a Benefit Director, whose annual statement appears below:

STATEMENT OF BENEFIT DIRECTOR

By providing healthy, delicious, and nutrient-dense food to local food banks and families, using organic growing methods, repurposing materials, and reducing waste, Groovy Greens, LLC is having a positive impact on both society and the environment.

Sincerely,



Lynn Prior
Benefit Director