

February 2021

Note – The cooperative clubs

The cooperative clubs have always been traditional places for meeting and socialising, and still play an important role today.

The clubs have the objective of meeting the needs for the socialising and solidarity of workers, pensioners, young people, the socially excluded and the weaker social groups, often found in the outer city suburbs or in small municipalities. They play both an economic and social role, increasingly becoming multi-purpose places where the elderly and youth can find the opportunity not only for recreational but also socially useful activities.

Moreover, the more active clubs show they are able to offer new social services to their members and regular visitors, and new opportunities of work for the younger co-operators.

The aim of this note is to map the cooperative clubs belonging to Legacoop, presenting the most important data, little known up to today.

There are 675 Legacoop cooperative club members registered with a present legal status and balance available on the Legacoop Area Studi database (Tab.1).

The data reveals an overall consistency in the clubs analysed concerning the capital invested (€232 mln), with more than 80% from fixed assets (€189 mln), mainly involving tangibles (€176 mln).

The tangible fixed assets data can be almost totally attributed to the real estate property of the clubs. However, this patrimony appears to be, to a large extent, underestimated in what is reported in the historical cost balance. In fact, the number of clubs which have revalued their property over the years is very low.

The data on their net equity is also quite significant – almost €139 mln – and also for members – almost 100,000.

Eighty clubs receive member loans which amount to a total of almost €17 mln.

Tab. 1: Cooperative clubs belonging to Legacoop

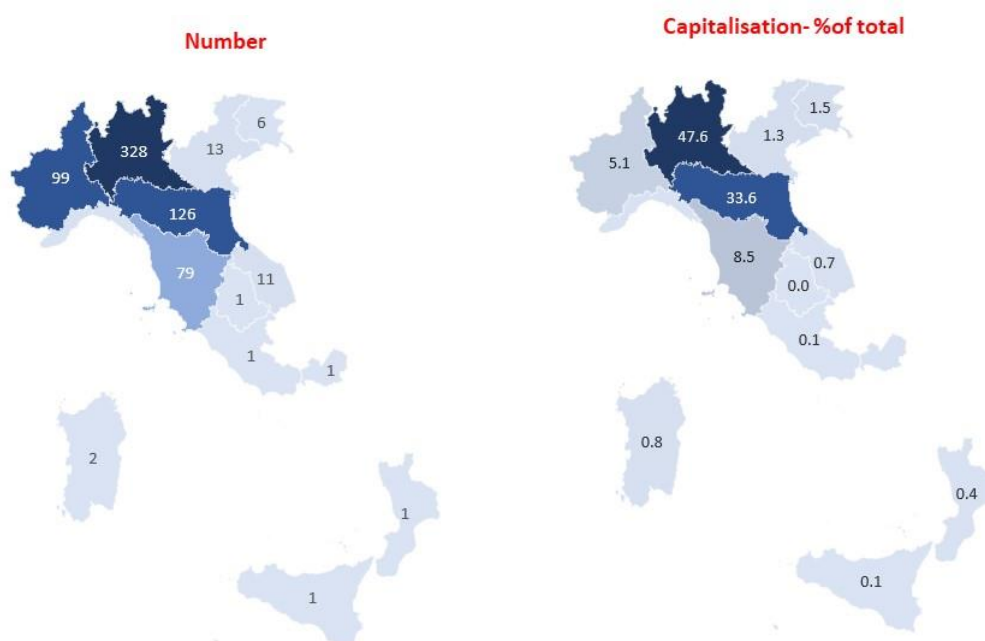
No.	675
Production Volume	50,351,207
Fixed assets	188,574,284
- no. of tangible fixed assets	176,131,694
Capital invested	231,948,237
Net equity	138,853,304
Member loans*	16,820,736
Operating income	-988,231
Members	99,959
Employees	341

**from 80 cooperatives*

Source: Legacoop AreaStudi databank

The geographical distribution of the cooperative clubs is quite concentrated in some areas of the country. 94% of the clubs can be found in just four regions - Lombardy, Emilia Romagna, Piedmont and Tuscany.

If we consider the clubs with the highest equity, the distribution becomes even more concentrated, given that in only two regions – Lombardy and Emilia Romagna – the clubs make up more than 81% of the net equity of all those analysed (Tab. 2).



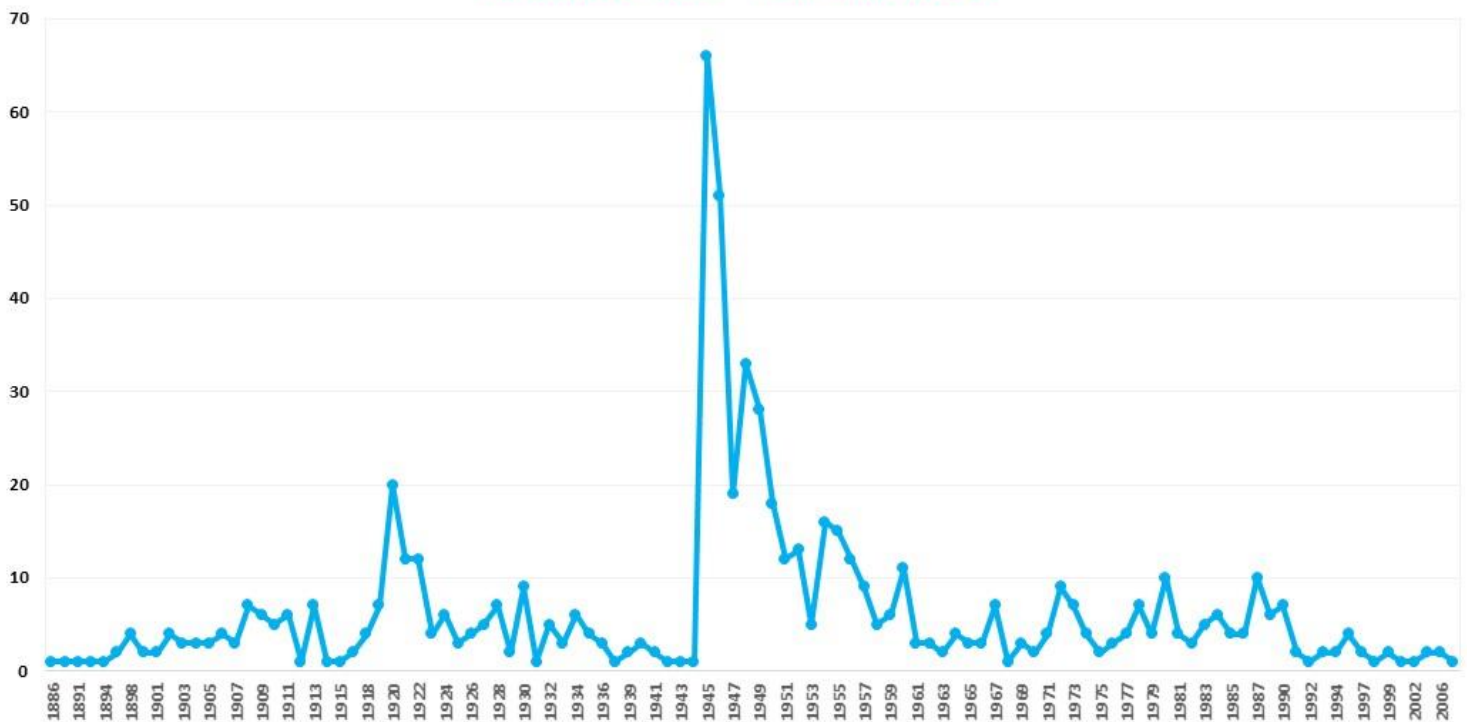
Tab. 2 Legacoop cooperative clubs by region

	No.	Production Volume	Fixed assets	no. of tangible fixed assets	Capital invested	Net equity	Operating income	Members	Employees
Piedmont	99	3,416,332	7,310,607	7,151,307	10,092,460	7,050,782	-114,333	9,830	16
Lombardy	328	22,212,642	77,086,197	71,686,158	96,226,557	66,072,944	-350,297	43,648	174
Liguria	6	853,292	417,061	314,678	980,297	319,908	97,361	1,719	4
Friuli Venezia Giulia	6	1,291,243	2,383,338	2,378,368	4,094,382	2,095,475	121,483	1,291	17
Veneto	13	1,017,132	2,859,839	2,808,054	3,587,444	1,764,819	-45,953	909	9
Emilia Romagna	126	12,303,781	75,247,896	69,162,109	86,858,002	46,690,436	-629,497	31,771	46
Tuscany	79	7,131,386	19,841,282	19,307,304	24,788,558	11,853,670	-113,555	8,824	61
Lazio	1	261,957	182,985	160,368	332,107	71,085	2,405	9	4
Umbria	1	152,374	6,183	6,183	47,913	2,059	-543	4	5
Marche	11	286,310	846,426	773,305	1,188,352	919,403	-9,170	1,036	0
Molise	1	1,186,685	293,859	289,779	1,259,198	236,204	60,352	5	5
Calabria	1	52,631	342,230	337,705	542,055	525,289	-70	39	0
Sardinia	2	145,181	1,643,643	1,643,643	1,827,280	1,140,294	1,010	511	0
Sicily	1	40,261	112,738	112,733	123,632	110,936	-7,424	363	0
Total	675	50,351,207	188,574,284	176,131,694	231,948,237	138,853,304	-988,231	99,959	341

Source: Legacoop AreaStudi databank

Legacoop cooperative clubs, as already mentioned, have a strong historical tradition. This can be seen in the following graph where, in the decade 1945-1955, 276 cooperative clubs (41%) were set up, with almost 200 already founded in the previous decades. ?

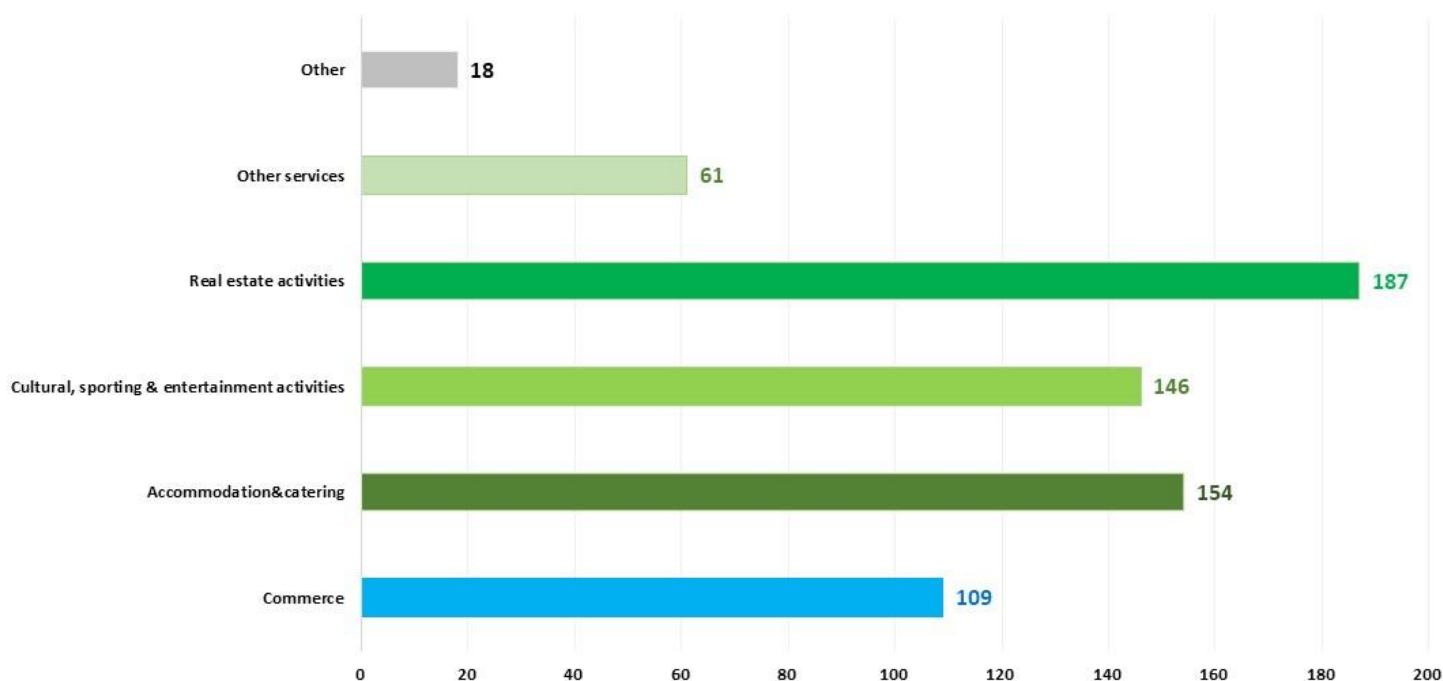
Cooperative clubs – year of setting up



Where the sector distribution of the cooperative clubs is concerned, according to the ATECO classification, even considering the known limitations of this criterion, there is an evident presence in the services with 548 clubs (81%).

The highest share of clubs is found in those involved in housing, followed mainly by accommodation and catering, then cultural, sporting and entertainment, and commerce (109 clubs).

Cooperative clubs by sector (ATECO)



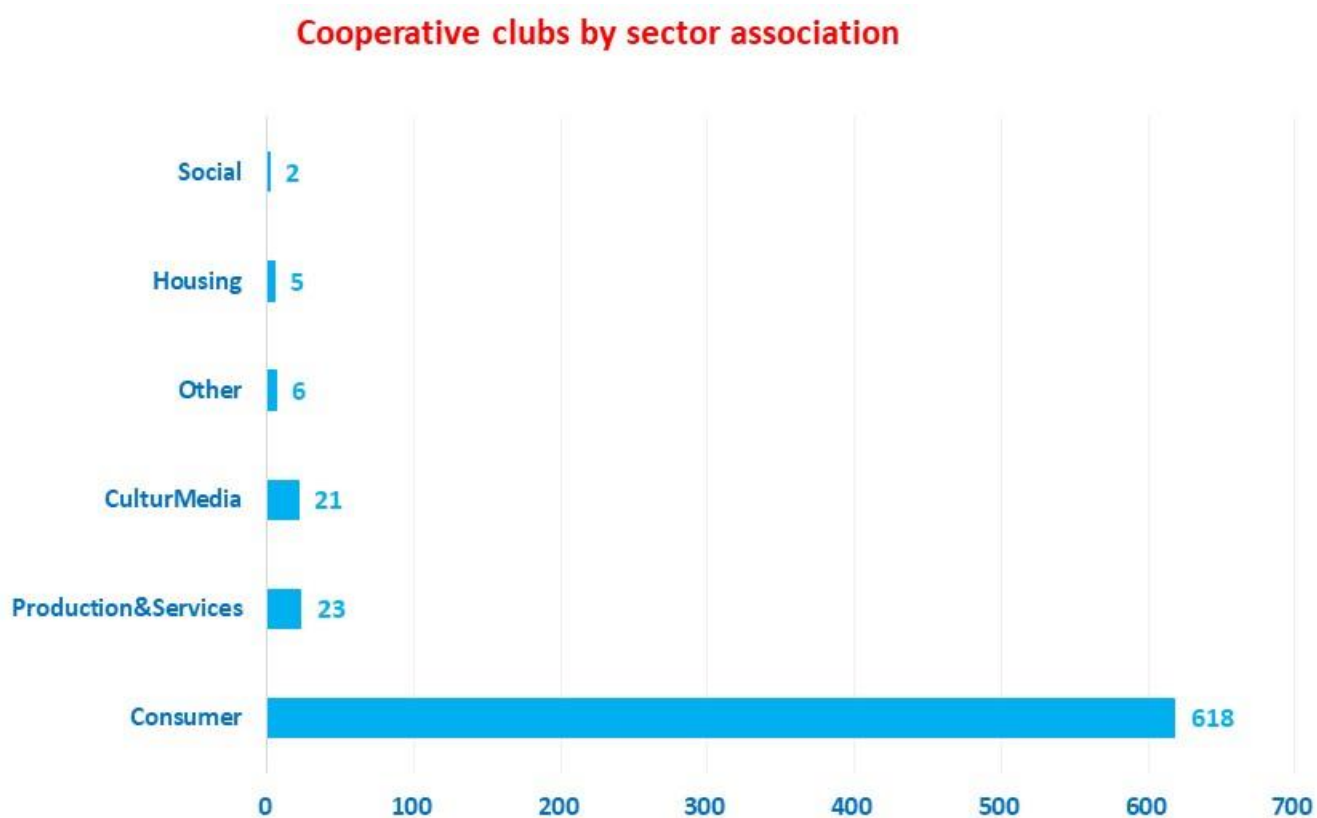
Tab. 3: Cooperative clubs belonging to Legacoop by sector (Ateco)

SECTOR	No.	Production Volume	Fixed assets	no. of tangible fixed assets	Capital invested	Net equity	Operating income	Members	Employees
Commerce	109	4,180,891	12,606,852	12,250,282	16,200,204	10,710,273	157,961	11,612	11
Accommodation & catering	154	16,109,987	32,541,979	28,228,966	41,943,190	25,777,585	-97,865	21,117	174
Culture, Sport & Entertainment	146	12,468,349	48,729,428	46,618,638	59,884,100	34,047,602	-578,900	28,601	96
Real estate	187	10,831,426	69,111,371	66,037,777	80,178,308	44,881,614	-282,842	28,940	21
Other services	61	5,916,611	21,371,746	18,829,427	27,555,031	19,360,522	-151,285	7,026	36
Other	18	843,943	4,212,908	4,166,604	6,187,404	4,075,708	-35,300	2,663	3
Total	675	50,351,207	188,574,284	176,131,694	231,948,237	138,853,304	-988,231	99,959	341

* comprende i circoli classificati in attività manifatturiere e costruzioni

Source: Legacoop AreaStudi databank

Approximately 92% of the Legacoop clubs are members of the National Association of Consumer Cooperatives (ANCC). The numbers in the other sectoral associations are quite low.



Tab. 4: Legacoop cooperative clubs by sector association

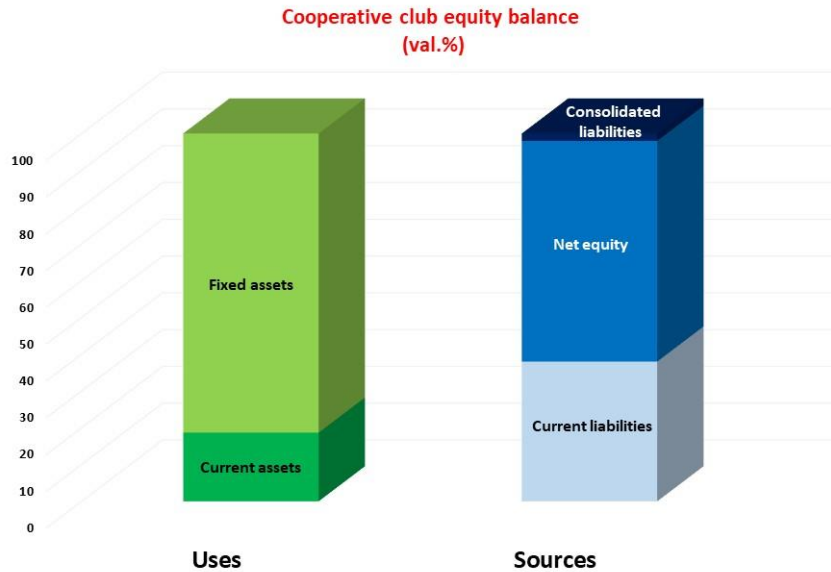
	No.	Production Volume	Fixed assets	no. of tangible fixed assets	Capital invested	Net equity	Operating income	Members	Employees
Consumer	618	41,045,010	160,130,747	150,790,211	196,057,630	119,071,195	-1,264,807	86,663	255
Production & Services	23	3,425,375	11,925,490	9,875,547	15,329,291	7,051,885	195,114	8,028	25
CulTurMedia	21	4,726,201	10,510,324	9,494,525	13,151,322	7,690,891	125,647	3,283	57
Others	6	304,464	1,977,556	1,975,890	2,169,330	1,372,125	-69,042	183	0
Housing	5	590,579	3,485,156	3,455,058	4,464,677	3,087,055	-26,345	1,501	3
Social	2	259,578	545,011	540,463	775,987	580,153	51,202	301	1
Total	675	50,351,207	188,574,284	176,131,694	231,948,237	138,853,304	-988,231	99,959	341

Source: Legacoop AreaStudi databank

As we have seen in the overview in Table 1, more than 80% of the capital invested is made up of investments in fixed assets. Here, in analysing the equity balance of the companies considered, the average ratio of internally financed fixed investments¹ is 0.8, a value that is more than satisfactory. This average value can be compared with the distribution of the clubs by class index (Tab. 5).

The first class (<0.33) regards enterprises with a highly unbalanced capital structure, encompassing 15.4% of the clubs considered. A further 13.5% of clubs can be found in the following class (a weak equity structure).

In the next two classes, with a sufficient or excellent capital structure we find, instead, more than 70% of the cooperative clubs.



Tab. 5: Ratio of internally financed fixed assets

	N.	%
< 0,33	104	15.4
0,33 - 0,66	91	13.5
0,66 -1	152	22.5
>1	328	48.6
Total	675	100.0

¹ The index is calculated as the ratio between the consolidated liabilities + net equity and the assets.