

Financial Statement
of



31-Dec-23

~Board of Directors~

Jeff Teubner - President

Mark Heinz - Vice President

Cordell Beaver - Secretary/Treasurer

Bradyn Henderson

Tim Hendrickson

Tim Hudson

Bruce Lewallen

Sebastian Wald

Travis Westlind

Sean Slowinski - CEO

Abstracted from the financial statements
as audited by EIDE BAILLY LLP
Certified Public Accountants and Consultants
Aberdeen, South Dakota

The financial statements of Legacy Cooperative as of and
for the year ended December 31, 2023, including the notes
to the financial statements and independent auditor's report, have
been audited by Eide Bailly LLP and are on file at the Company's office.

Legacy Cooperative
Balance Sheets
December 31, 2023 and 2022

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 37,891,613	\$ 53,680,672
Marketable Securities	1,016,754	949,362
Accounts receivable - trade (net of allowance for credit losses)	4,547,066	3,241,487
Grain in transit	5,762,672	416,122
Advances	-	500,000
Grain receivable	2,793,282	1,368,801
Storage/delayed price charges receivable	907,646	817,365
Margin deposit and other receivables	493,766	1,868,677
Grain inventory	57,555,040	74,484,106
Exchange-traded hedges	122,867	-
Forward Contracts	590,450	-
Merchandise inventory	23,387,038	21,984,790
Prepaid merchandise and prepaid expense	13,690,765	8,177,045
Total current assets	<u>148,758,959</u>	<u>167,488,427</u>
PROPERTY AND EQUIPMENT, at cost	106,962,800	102,443,363
Less accumulated depreciation	<u>56,825,755</u>	<u>52,421,867</u>
	<u>50,137,045</u>	<u>50,021,496</u>
OTHER ASSETS		
Investments in other cooperatives	15,382,919	17,464,063
Non Qualified Investments in other cooperatives	4,458,893	4,016,349
Total other assets	<u>19,841,812</u>	<u>21,480,412</u>
	<u>\$ 218,737,816</u>	<u>\$ 238,990,335</u>
LIABILITIES AND PATRONS' EQUITY		
CURRENT LIABILITIES		
Drafts payable	\$ 7,439,458	\$ 6,174,647
Exchange traded hedges	-	25,889
Grain contracts payable - deferred payment	34,348,265	53,598,452
Grain contracts payable - grain payable	5,853,757	8,995,972
Forward contracts	-	418,360
Accounts payable - trade	2,925,289	1,563,952
Accounts payable - grain delayed price	36,865,639	33,060,637
Customer credit balances	15,018,047	19,298,016
Accrued taxes and expenses	3,498,687	3,537,838
Patronage dividend payable (cash portion)	5,949,000	4,390,000
Current portion of long-term debt	3,894,320	3,460,990
Current portion of lease payable	16,373	15,414
Total current liabilities	<u>115,808,835</u>	<u>134,540,167</u>
LONG-TERM LIABILITIES		
Deferred payment contracts	8,124,331	10,722,853
Finance lease payable, net of current portion	16,998	33,371
Long-term debt, net of current portion	9,177,000	12,129,650
Deferred income taxes payable	2,723,863	2,278,554
Total long term liabilities	<u>20,042,192</u>	<u>25,164,428</u>
PATRONS' EQUITY	<u>82,886,789</u>	<u>79,285,740</u>
	<u>\$ 218,737,816</u>	<u>\$ 238,990,335</u>

Legacy Cooperative
 Statements of Operations
 Years Ended December 31, 2023 and 2022

	2023	2022
Total Sales	\$ 326,941,291	\$ 360,676,554
GRAIN	\$ 5,148,721	\$ 5,804,974
Wheat	160,990	105,414
Corn	5,239,566	4,226,311
Soybeans	15,254	9,714
Oats & Rye	(36,225)	(37,201)
Flax	1,223,950	1,902,705
Canola	204,300	213,995
Barley	7,153	(18,345)
NuSun and Sunflowers	44,016	128,912
Pinto Beans	16,392	4,283
Peas	<u>12,024,117</u>	<u>12,340,762</u>
MERCHANDISE	3,929,851	4,063,183
Chemicals	7,055,917	7,031,508
Fertilizer	119,154	107,778
Feed & Livestock Supply	1,434,928	1,167,151
Misc Merchandise	534,656	590,205
Tires and Automotive	2,897,123	3,018,878
Petroleum Products	2,328,706	1,767,394
Seed	<u>18,300,335</u>	<u>17,746,097</u>
Gross Trading Margin	\$ 30,324,452	\$ 30,086,859
Other Income	\$ 1,495,196	\$ 1,093,847
Storage and handling	493,791	722,291
Labor and service	2,238,743	2,262,849
Spreading/Spraying	263,827	184,199
Cleaning, treating and drying	15,903	12,940
Grinding and weighing	3,729	584
Bad debt recoveries	8,165	9,535
Rent	1,297,722	340,731
Interest, dividend income and finance charges	1,165,593	906,481
Miscellaneous	30,428	-
Gain on disposal of fixed assets	<u>7,013,097</u>	<u>5,533,457</u>
Gross margin and other income	\$ 37,337,549	\$ 35,620,316
Expenses	19,438,715	18,416,622
General and administrative	6,043,723	6,407,016
Depreciation	270,214	725,449
Interest	<u>25,752,652</u>	<u>25,549,087</u>
Total expenses	<u>11,584,897</u>	<u>10,071,229</u>
LOCAL SAVINGS	4,253,865	2,371,223
PATRONAGE INCOME	15,838,762	12,442,452
SAVINGS BEFORE INCOME TAXES	1,014,068	1,361,273
INCOME TAX EXPENSE	<u>\$ 14,824,694</u>	<u>\$ 11,081,179</u>
NET INCOME	<u>2023</u>	<u>2022</u>
GRAIN RECEIPTS	11,591,108	9,593,424
Wheat - bu.	382,055	269,879
Corn - bu.	4,319,919	5,327,925
Soybeans - bu.	2,044	27,895
Oats & Rye - bu.	10,145	16,551
Flax - bu.	1,869,508	1,695,085
Canola - cwt.	309,448	310,052
Barley - bu.	11,353	33,240
NuSun & Sunflowers - cwt.	46,971	93,192
Pinto Beans - cwt	17,556	4,347
Peas - bu.	<u>18,560,107</u>	<u>17,371,590</u>

Legacy Cooperative
Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	2023	2022
OPERATING ACTIVITIES		
Net income	\$ 14,824,694	\$ 11,081,179
Adjustments to reconcile net income to net cash from (used for) operating activities:		
Depreciation	6,043,723	6,407,016
Accretion of discount on investments in other cooperatives	(104,880)	(104,880)
Gain on disposal of fixed assets	(30,428)	-
Bad debt expense	2,517	13,662
Deferred income taxes	445,309	1,134,037
Dividend allocations from other cooperatives	(2,038,571)	(1,464,692)
Unrealized (Gain) Loss on Securities	(58,874)	96,716
Changes in assets and liabilities:		
Receivables and margin deposits	(6,294,497)	1,204,855
Inventories	15,526,818	2,242,674
Prepays	(5,513,720)	5,224,408
Exchange traded hedges and forward contracts	(1,157,565)	(293,708)
Payables	(22,878,894)	19,638,993
NET CASH FROM OPERATING ACTIVITIES	(1,234,368)	45,180,260
INVESTING ACTIVITIES		
Purchase of property and equipment	(6,130,093)	(3,118,255)
Proceeds from disposal of fixed assets	1,250	-
Purchase of marketable securities	(8,518)	(8,447)
Investments in other cooperatives redeemed	3,782,051	286,923
NET CASH USED FOR INVESTING ACTIVITIES	(2,355,310)	(2,839,779)
FINANCING ACTIVITIES		
Payments on finance lease payable	(15,414)	(14,511)
Payments on long-term debt	(3,394,320)	(3,394,320)
Proceeds from long-term debt	875,000	1,000,000
Payment of prior year dividends	(4,375,525)	(3,133,787)
Payment of prior year patronage credits	(5,289,122)	(5,367,805)
NET CASH FROM FINANCING ACTIVITIES	(12,199,381)	(10,910,423)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(15,789,059)	31,430,058
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	53,680,672	22,250,614
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 37,891,613	\$ 53,680,672
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid during the period for:		
Interest	\$ 277,890	\$ 731,213
Income taxes paid	504,059	93,120
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES		
Patronage dividends payable	\$ 5,949,000	\$ 4,390,000
Trade in allowances on property and equipment acquisitions	\$ 69,000	-