

Financial Statement
of



Growing Value Together

31-Dec-24

~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, 2024, 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, 2024 and 2023

	2024	2023
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 12,908,344	\$ 37,891,613
Accounts receivable - trade (net of allowance for credit losses)	\$ 5,727,355	\$ 4,547,066
Grain in transit	\$ 3,219,130	\$ 5,762,672
Grain receivable	\$ 2,055,508	\$ 2,793,282
Storage/delayed price charges receivable	\$ 713,110	\$ 907,646
Margin deposit and other receivables	\$ 653,919	\$ 493,766
Grain inventory	\$ 35,784,608	\$ 57,555,040
Exchange-traded hedges	\$ 36,913	\$ 122,867
Forward Contracts	\$ 317,350	\$ 590,450
Merchandise inventory	\$ 29,587,051	\$ 23,387,038
Prepaid merchandise and prepaid expense	\$ 20,616,554	\$ 13,690,765
Total current assets	\$ 111,619,842	\$ 147,742,205
PROPERTY AND EQUIPMENT, at cost	\$ 131,093,181	\$ 106,962,800
Less accumulated depreciation	\$ 61,505,370	\$ 56,825,755
	\$ 69,587,811	\$ 50,137,045
OTHER ASSETS		
Marketable securities	\$ 997,143	\$ 1,016,754
Investments in other cooperatives	\$ 17,076,382	\$ 15,382,919
Non Qualified Investments in other cooperatives	\$ 5,633,910	\$ 4,458,893
Total other assets	\$ 23,707,435	\$ 20,858,566
	\$ 204,915,088	\$ 218,737,816
<u>LIABILITIES AND PATRONS' EQUITY</u>		
CURRENT LIABILITIES		
Drafts payable	\$ 9,016,313	\$ 7,439,458
Grain advances	\$ 2,948,400	\$ -
Grain contracts payable - deferred payment	\$ 25,759,083	\$ 34,348,265
Grain contracts payable - grain payable	\$ 5,386,277	\$ 5,853,757
Accounts payable - trade	\$ 2,541,020	\$ 2,925,289
Accounts payable - grain delayed price	\$ 20,027,063	\$ 36,865,639
Customer credit balances	\$ 11,278,111	\$ 15,018,047
Accrued taxes and expenses	\$ 4,464,591	\$ 3,498,687
Patronage dividend payable (cash portion)	\$ 8,000,000	\$ 5,949,000
Current portion of long-term debt	\$ 4,144,320	\$ 3,894,320
Current portion of lease payable	\$ 16,998	\$ 16,373
Total current liabilities	\$ 93,582,176	\$ 115,808,835
LONG-TERM LIABILITIES		
Deferred payment contracts	\$ 8,918,168	\$ 8,124,331
Finance lease payable, net of current portion	\$ -	\$ 16,998
Long-term debt, net of current portion	\$ 6,970,180	\$ 9,177,000
Deferred income taxes payable	\$ 3,963,861	\$ 2,723,863
Total long term liabilities	\$ 19,852,209	\$ 20,042,192
PATRONS' EQUITY	\$ 91,480,703	\$ 82,886,789
	\$ 204,915,088	\$ 218,737,816

Legacy Cooperative
Statements of Operations
Years Ended December 31, 2024 and 2023

	2024	2023
Total Sales	\$ 314,400,951	\$ 326,941,291
<u>GRAIN</u>		
Wheat	\$ 8,372,120	\$ 5,148,721
Corn	\$ 352,333	\$ 160,990
Soybeans	\$ 3,378,695	\$ 5,239,566
Oats & Rye	\$ 7,238	\$ 15,254
Flax	\$ 25,390	\$ (36,225)
Canola	\$ 1,593,109	\$ 1,223,950
Barley	\$ 108,616	\$ 204,300
NuSun and Sunflowers	\$ 17,576	\$ 7,153
Pinto Beans	\$ 14,682	\$ 44,016
Peas	\$ 17,218	\$ 16,392
	\$ 13,886,977	\$ 12,024,117
<u>MERCHANDISE</u>		
Chemicals	\$ 5,798,403	\$ 3,929,851
Fertilizer	\$ 7,658,056	\$ 7,055,917
Feed & Livestock Supply	\$ 87,275	\$ 119,154
Misc Merchandise	\$ 1,545,413	\$ 1,434,928
Tires and Automotive	\$ 356,800	\$ 534,656
Petroleum Products	\$ 2,782,334	\$ 2,897,123
Seed	\$ 3,095,544	\$ 2,328,706
	\$ 21,323,825	\$ 18,300,335
Gross Trading Margin	\$ 35,210,802	\$ 30,324,452
<u>Other Income</u>		
Storage and handling	\$ 2,024,023	\$ 1,495,196
Labor and service	\$ 494,782	\$ 493,791
Spreading/Spraying	\$ 2,046,137	\$ 2,238,743
Cleaning, treating and drying	\$ 322,226	\$ 263,827
Grinding and weighing	\$ 12,293	\$ 15,903
Bad debt recoveries	\$ 2,406	\$ 3,729
Rent	\$ 4,260	\$ 8,165
Interest, dividend income and finance charges	\$ 1,205,316	\$ 1,297,722
Miscellaneous	\$ 1,396,158	\$ 1,165,593
Gain on disposal of fixed assets	\$ 1,027,792	\$ 30,428
	\$ 8,535,393	\$ 7,013,097
Gross margin and other income	\$ 43,746,195	\$ 37,337,549
<u>Expenses</u>		
General and administrative	\$ 21,818,314	\$ 19,438,715
Depreciation	\$ 6,610,735	\$ 6,043,723
Interest	\$ 224,474	\$ 270,214
Total expenses	\$ 28,653,523	\$ 25,752,652
LOCAL SAVINGS	\$ 15,092,672	\$ 11,584,897
PATRONAGE INCOME	\$ 9,692,644	\$ 4,253,865
SAVINGS BEFORE INCOME TAXES	\$ 24,785,316	\$ 15,838,762
INCOME TAX EXPENSE	\$ 2,134,785	\$ 1,014,068
<u>NET INCOME</u>	\$ 22,650,531	\$ 14,824,694
<u>GRAIN RECEIPTS</u>	2024	2023
Wheat - bu.	12,742,092	11,591,108
Corn - bu.	821,513	382,055
Soybeans - bu.	6,134,409	4,319,919
Oats & Rye - bu.	12,002	2,044
Flax - bu.	33,216	10,145
Canola - cwt.	1,773,244	1,869,508
Barley - bu.	323,874	309,448
NuSun & Sunflowers - cwt.	4,211	11,353
Pinto Beans - cwt	5,076	46,971
Peas - bu.	28,393	17,556
	21,878,030	18,560,107

Legacy Cooperative
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
<u>OPERATING ACTIVITIES</u>		
Net income	\$ 22,650,531	\$ 14,824,694
Adjustments to reconcile net income to net cash from (used for) operating activities:		
Depreciation	\$ 6,610,735	\$ 6,043,723
Accretion of discount on investments in other cooperatives	\$ (104,880)	\$ (104,880)
Gain on disposal of fixed assets	\$ (1,027,792)	\$ (30,428)
Credit loss	\$ 110,464	\$ 2,517
Deferred income taxes	\$ 1,239,998	\$ 445,309
Dividend allocations from other cooperatives	\$ (6,190,897)	\$ (2,038,571)
Unrealized (gain) loss on securities	\$ 26,153	\$ (58,874)
Changes in assets and liabilities:		
Receivables and margin deposits	\$ 2,024,946	\$ (6,294,497)
Inventories	\$ 15,570,419	\$ 15,526,818
Prepays	\$ (6,925,789)	\$ (5,513,720)
Exchange traded hedges and forward contracts	\$ 359,055	\$ (1,157,565)
Payables	\$ (23,734,447)	\$ (22,878,894)
NET CASH FROM (USED FOR) OPERATING ACTIVITIES	\$ 10,608,496	\$ (1,234,368)
<u>INVESTING ACTIVITIES</u>		
Purchase of fixed assets	\$ (25,604,126)	\$ (6,130,093)
Proceeds from disposal of fixed assets	\$ 570,415	\$ 1,250
Purchase of marketable securities	\$ (6,542)	\$ (8,518)
Investments in other cooperatives redeemed	\$ 3,427,298	\$ 3,782,051
NET CASH USED FOR INVESTING ACTIVITIES	\$ (21,612,955)	\$ (2,355,310)
<u>FINANCING ACTIVITIES</u>		
Payments on finance lease payable	\$ (16,373)	\$ (15,414)
Payments on long-term debt	\$ (3,773,320)	\$ (3,394,320)
Proceeds from long-term debt	\$ 1,816,500	\$ 875,000
Payment of prior year dividends	\$ (5,905,939)	\$ (4,375,525)
Payment of prior year patronage credits	\$ (6,099,678)	\$ (5,289,122)
NET CASH USED FOR FINANCING ACTIVITIES	\$ (13,978,810)	\$ (12,199,381)
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ (24,983,269)	\$ (15,789,059)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	\$ 37,891,613	\$ 53,680,672
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 12,908,344	\$ 37,891,613
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
Cash paid during the period for:		
Interest	\$ 222,844	\$ 277,890
Income taxes paid	\$ 884,187	\$ 504,059
<u>SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES</u>		
Patronage dividends payable	\$ 8,000,000	\$ 5,949,000
Trade in allowances on property	\$ 1,156,435	\$ 69,000