

AG PARTNERS COOPERATIVE, INC.  
Seneca, Kansas

CONSOLIDATED BALANCE SHEETS  
August 31, 2020 and 2019

ASSETS

	2020	2019
<b>CURRENT ASSETS</b>		
Cash and equivalents	\$ 1,494,016.77	\$ 1,562,664.36
Accounts receivable - trade	8,987,092.27	13,456,096.68
Allowance for uncollectible accounts	(400,000.00)	(400,000.00)
Grains receivable - trade	5,881,925.94	7,656,649.09
Grain storage receivable	1,188,712.83	1,316,845.59
Margin deposits	4,404,104.68	0.00
Other receivables	1,623,082.96	2,098,044.59
Prepaid inventories	1,769,362.96	3,397,318.56
Inventories	21,080,651.35	20,779,158.21
Prepaid taxes and expenses	161,275.00	451,050.00
<b>TOTAL CURRENT ASSETS</b>	<b>46,190,224.76</b>	<b>50,317,827.08</b>
<b>INVESTMENTS</b>		
Corporate stock	27,584,080.59	26,239,542.81
Limited liability companies	2,562,213.86	2,640,578.26
<b>TOTAL INVESTMENTS</b>	<b>30,146,294.45</b>	<b>28,880,121.07</b>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>		
Cost	78,606,067.71	70,386,153.18
Accumulated depreciation	(25,637,465.08)	(21,877,727.32)
<b>NET PROPERTY, PLANT, AND EQUIPMENT</b>	<b>52,968,602.63</b>	<b>48,508,425.86</b>
<b>OTHER ASSETS</b>		
Goodwill net of amortization	653,296.09	768,685.97
<b>TOTAL ASSETS</b>	<b>\$ 129,958,417.93</b>	<b>\$ 128,475,059.98</b>

LIABILITIES AND MEMBERS' EQUITY

<b>CURRENT LIABILITIES</b>		
Grains payable	\$ 5,319,271.15	\$ 8,135,552.06
Outstanding drafts	1,968,187.95	1,676,964.40
Accounts and expenses payable	8,740,601.50	5,826,963.35
Collections received in advance	3,540,495.22	10,176,099.80
Seasonal notes payable	3,399,504.54	4,613,923.00
Current maturities of long-term notes payable	3,134,880.86	3,241,321.13
Capital leases and other liabilities	984,985.94	630,448.69
Patronage dividends payable	1,815,680.00	0.00
Equity retirements payable	1,586,000.00	1,202,000.00
Income taxes payable	622,785.00	0.00
<b>TOTAL CURRENT LIABILITIES</b>	<b>31,112,392.16</b>	<b>35,503,272.43</b>
<b>LONG-TERM LIABILITIES, excluding current maturities</b>		
Notes payable	10,131,645.00	13,266,553.30
Capital lease obligations	3,205,320.93	2,088,041.16
Deferred tax liabilities	296,000.00	303,600.00
<b>TOTAL LONG-TERM LIABILITIES</b>	<b>13,632,965.93</b>	<b>15,658,194.46</b>
<b>MEMBERS' EQUITY</b>		
Common stock	2,119,050.00	2,059,750.00
Participating stock	1,499,000.00	1,518,550.00
Part-paid stock	84,015.09	82,879.82
Deferred patronage dividends	30,445,188.05	31,592,262.97
Equity retirements payable	(1,586,000.00)	(1,202,000.00)
Current patronage dividends	2,723,520.00	0.00
Acquisition equity	5,600,167.06	5,600,167.06
Retained earnings	44,328,119.64	37,661,983.24
<b>TOTAL MEMBERS' EQUITY</b>	<b>85,213,059.84</b>	<b>77,313,593.09</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$ 129,958,417.93</b>	<b>\$ 128,475,059.98</b>

These statements do not contain all the necessary disclosures to be considered in conformity with accounting principles generally accepted in the United States of America. A short-form report containing the required disclosures is on file at the general office.

AG PARTNERS COOPERATIVE, INC.  
Seneca, Kansas

CONSOLIDATED STATEMENTS OF OPERATIONS  
For Years Ended August 31, 2020 and 2019

	2020	2019
SALES		
Grain	\$ 265,986,286.68	\$ 193,659,565.63
Supply	98,434,618.18	86,008,630.80
TOTAL SALES	364,420,904.86	279,668,196.43
COST OF SALES		
Grain	257,265,702.73	185,549,394.63
Supply	83,286,954.68	73,471,551.87
TOTAL COST OF SALES	340,552,657.41	259,020,946.50
GROSS MARGINS ON SALES	23,868,247.45	20,647,249.93
OTHER OPERATING INCOME		
Storage and handling	3,890,182.38	2,989,576.39
Crop production services	3,437,519.87	3,412,698.24
Trucking income	404,310.87	399,971.41
Station service	211,208.76	191,938.43
Equipment rental	140,701.02	91,629.92
Facilities rental	106,550.00	137,200.00
Interest income	7,732.53	22,695.07
Finance charges	315,369.09	270,312.21
Gain on disposal of property, plant, and equipment	596,503.38	177,613.88
Crop insurance commissions	138,301.83	180,906.81
Miscellaneous and other services	185,533.90	188,130.50
TOTAL OTHER OPERATING INCOME	9,433,913.63	8,062,672.86
GROSS INCOME FROM LOCAL OPERATIONS	33,302,161.08	28,709,922.79
OPERATING EXPENSES		
Personnel costs	14,421,352.44	13,814,400.22
Fixed expenses	9,557,758.88	10,593,559.90
Other operating expenses	7,302,182.20	8,227,417.88
TOTAL OPERATING EXPENSES	31,281,293.52	32,635,378.00
EARNINGS (LOSS) FROM LOCAL OPERATIONS	2,020,867.56	(3,925,455.21)
OTHER EARNINGS		
Patronage dividends	9,292,248.65	5,973,065.44
Income from limited liability companies	301,039.62	438,382.71
Investment income	106,211.98	128,766.81
Dividends on stock	1,514.76	3,000.00
TOTAL OTHER EARNINGS	9,701,015.01	6,543,214.96
EARNINGS BEFORE INCOME TAXES	11,721,882.57	2,617,759.75
INCOME TAXES	(615,427.00)	1,954.16
NET EARNINGS	\$ 11,106,455.57	\$ 2,619,713.91
DISTRIBUTION OF NET EARNINGS		
Patronage dividends	\$ 4,539,200.00	\$ 0.00
Retained earnings	6,567,255.57	2,619,713.91
TOTAL	\$ 11,106,455.57	\$ 2,619,713.91

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