

MIDWAY CO-OP ASSOCIATION

3/31/2019

BALANCE SHEET

<u>ASSETS</u>				<u>LIABILITIES AND MEMBERS' EQUITY</u>	
	<u>2019</u>	<u>2018</u>		<u>2019</u>	<u>2018</u>
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
Cash	\$ 446,342	\$ 740,828	Accounts, taxes, and expenses payable	\$ 2,070,194	\$ 4,632,728
Investment securities available-for-sale	\$ 781,638	\$ 1,627,259	Grains payable	\$ 635,916	\$ 565,955
Accounts/notes receivable-trade	\$ 4,568,063	\$ 4,329,181	Collections received in advance	\$ 3,880,040	\$ 3,482,415
Allowance for doubtful accounts	\$ (520,000)	\$ (350,000)	Current maturities of notes payable	\$ 27,502,887	\$ 27,357,145
Grains receivable - trade	\$ 1,345,283	\$ 809,001	Certificates of indebtedness	\$ 5,707,917	\$ 5,426,660
Grain storage receivable	\$ 1,062,216	\$ 726,828	Patronage dividends payable	\$ 3,306,951	\$ 4,111,111
Commodity margin deposits	\$ 2,088,985	\$ 878,692	Income taxes payable	\$ 454,927	\$ 586,204
Other receivables	\$ 1,034,469	\$ 969,119	Deferred income taxes	\$ (3,077)	\$ 151,539
Prepaid commodities	\$ 4,798,831	\$ 3,957,464			
Inventories	\$ 40,816,497	\$ 45,521,954	<b>TOTAL CURRENT LIABILITIES</b>	<u>\$ 43,555,755</u>	<u>\$ 46,313,757</u>
			<b>LONG-TERM LIABILITIES, excluding current maturities</b>		
<b>TOTAL CURRENT ASSETS</b>	<u>\$ 56,422,324</u>	<u>\$ 59,210,326</u>	Grain contracts payable	\$ 89,837	\$ -
			Other	\$ 1,216,877	\$ 1,151,012
<b>INVESTMENTS</b>			<b>TOTAL LONG-TERM LIABILITIES</b>	<u>\$ 1,306,714</u>	<u>\$ 1,151,012</u>
Equity in other Cooperatives	\$ 11,685,771	\$ 10,666,602			
Other	\$ 639,437	\$ 621,252	<b>MEMBERS' EQUITY</b>		
			Common stock	\$ 54,270	\$ 55,300
<b>TOTAL INVESTMENTS</b>	<u>\$ 12,325,208</u>	<u>\$ 11,287,854</u>	Participating Stock	\$ 8,560	\$ 8,420
			Patronage ledger credits	\$ 27,706,974	\$ 26,027,822
<b>PROPERTY, PLANT AND EQUIPMENT</b>			Patronage dividends	\$ 3,306,950	\$ 4,111,110
Cost	\$ 62,552,842	\$ 57,858,564	Accumulated other comprehensive income	\$ (10,911)	\$ 537,273
Accumulated depreciation	\$ (33,067,914)	\$ (29,737,564)	Retained Savings	\$ 22,304,148	\$ 20,414,486
			<b>TOTAL MEMBERS' EQUITY</b>	<u>\$ 53,369,991</u>	<u>\$ 51,154,411</u>
<b>NET PROPERTY, PLANT, AND EQUIPMENT</b>	<u>\$ 29,484,928</u>	<u>\$ 28,121,000</u>			
			<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>	<u>\$ 98,232,460</u>	<u>\$ 98,619,180</u>
<b>TOTAL ASSETS</b>	<u>\$ 98,232,460</u>	<u>\$ 98,619,180</u>			

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.

**STATEMENT OF OPERATIONS**

	<u>2019</u>	<u>2018</u>		<u>2019</u>	<u>2018</u>
<b>SALES</b>			<b>OPERATING EXPENSES</b>		
Grain	\$ 60,705,602	\$ 63,583,678	Personnel Costs	7,159,047	6,759,941
Supply	\$ 40,659,652	\$ 43,625,634	Fixed expenses	5,864,261	5,339,945
<b>TOTAL SALES</b>	<u>\$ 101,365,254</u>	<u>\$ 107,209,312</u>	Other operating expenses	4,644,668	5,314,034
<b>COST OF SALES</b>			<b>TOTAL OPERATING EXPENSES</b>	<u>17,667,976</u>	<u>17,413,920</u>
Grain	\$ 51,038,312	\$ 51,215,918	<b>SAVINGS FROM LOCAL OPERATIONS</b>	<u>5,384,245</u>	<u>9,395,639</u>
Supply	\$ 32,234,276	\$ 34,533,933	<b>OTHER SAVINGS</b>		
<b>TOTAL COST OF SALES</b>	<u>\$ 83,272,588</u>	<u>\$ 85,749,851</u>	Regional Patronage Dividends	2,619,800	1,829,371
<b>GROSS MARGINS ON SALES</b>	<u>\$ 18,092,666</u>	<u>\$ 21,459,461</u>	Dividends on stock	72,581	41,748
<b>OTHER OPERATING INCOME</b>			Investment Income	877,323	-
Storage and handling	\$ 1,608,490	\$ 1,808,653	<b>TOTAL OTHER SAVINGS</b>	<u>3,569,704</u>	<u>1,871,119</u>
Mill Operations	\$ 358,611	\$ 398,750	<b>SAVINGS BEFORE INCOME TAXES</b>	8,953,949	11,266,758
Freight and delivery income	\$ 366,622	\$ 293,135	<b>INCOME TAXES</b>	<u>(455,687)</u>	<u>(585,692)</u>
Application income	\$ 1,349,156	\$ 1,506,439	<b>NET SAVINGS</b>	<u>8,498,262</u>	<u>10,681,066</u>
Station services	\$ 215,827	\$ 231,226	<b>OTHER COMPREHENSIVE INCOME [LOSS]</b>		
Farm service income	\$ 36,845	\$ 42,376	Unrealized gain on securities available for sale	329,139	170,080
Finance charges and interest income	\$ 597,918	\$ 508,859	Reclassification adjustment	<u>(877,323)</u>	
Gain on disposal of property/plant/equipment	\$ 31,500	\$ 238,056	<b>TOTAL COMPREHENSIVE INCOME</b>	<u>7,950,078</u>	<u>10,851,146</u>
Miscellaneous	\$ 394,586	\$ 322,604	<b>DISTRIBUTION OF COMPREHENSIVE INCOME</b>		
<b>TOTAL OTHER OPERATING INCOME</b>	<u>\$ 4,959,555</u>	<u>\$ 5,350,098</u>	Patronage Dividends	6,613,901	8,222,221
<b>GROSS INCOME FROM LOCAL OPERATIONS</b>	<u>\$ 23,052,221</u>	<u>\$ 26,809,559</u>	Retained savings	1,884,361	2,458,845
			Accumulated other comprehensive income [loss]	<u>(548,184)</u>	<u>170,080</u>
			<b>TOTAL</b>	<u>7,950,078</u>	<u>10,851,146</u>

<i>Patronage Rates</i>		
Commodity	2019	2018
<b>Based on bushels sold</b>		
Grain	38.01¢ / bu	40.02¢ / bu
Grain Storage Paid	25.457%	19.3%
<b>Based on Purchases</b>		
Fertilizer	10.053% or apprx \$47.95 / ton	10.348% or apprx \$45.01 / ton
Chemical	10.053%	10.348%
Petroleum	4.91% or apprx 11¢ / Gal	1.705% or apprx 4¢ / Gal
Feed & Merchandise	3.493%	2.876%

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