

ANNUAL STATEMENT

CENTRAL PRAIRIE CO-OP
Sterling, Kansas

OFFICERS AND DIRECTORS
February 28, 2018

Mark Engelland	Sterling, Kansas	President
Jack Farney	Sterling, Kansas	Vice-President
Jason Stansbury	Lorraine, Kansas	Secretary-Treasurer
Brett Engelland	Nickerson, Kansas	Director
Orville Miller	Hutchinson, Kansas	Director
Todd Oden	Sterling, Kansas	Director
Marc Stickney	Chase, Kansas	Director
Jenny Burgess	Sterling, Kansas	Director
Dan Johnson	Lorraine, Kansas	Director

<u>Term Expires 2018</u>	<u>Term Expires 2019</u>	<u>Term Expires 2020</u>
Brett Engelland Mark Engelland Marc Stickney	Jack Farney Todd Oden Jason Stansbury	Jenny Burgess Dan Johnson Orville Miller
Joe Schauf	Sterling, Kansas	General Manager
Organized		1911
State Warehouse License		
Licensed Storage Capacity - Bushels		11,900,000

CENTRAL PRAIRIE CO-OP
Sterling, Kansas

BALANCE SHEETS
February 28, 2018 and 2017

ASSETS

	2018	2017
CURRENT ASSETS		
Cash	\$ 963,895.33	\$ 464,740.38
Investment securities available-for-sale	1,160,414.30	1,131,832.11
Accounts receivable - trade	2,367,302.00	2,834,161.93
Allowance for doubtful accounts	(50,000.00)	(50,000.00)
Accounts receivable - related party	5,692,050.79	3,564,921.25
Other receivables	500,420.43	530,032.50
Commodity deposits	1,813,717.42	4,351,402.54
Inventories	11,657,763.44	11,934,185.33
TOTAL CURRENT ASSETS	24,105,563.71	24,761,276.04
INVESTMENTS		
Corporate stock	7,727,665.57	7,209,403.43
Limited liability companies	6,261,663.40	5,496,694.86
TOTAL INVESTMENTS	13,989,328.97	12,706,098.29
PROPERTY, PLANT, AND EQUIPMENT		
Cost	51,464,459.07	49,857,559.95
Accumulated depreciation	(35,370,279.82)	(33,721,895.27)
NET PROPERTY, PLANT, AND EQUIPMENT	16,094,179.25	16,135,664.68
TOTAL ASSETS	\$ 54,189,071.93	\$ 53,603,039.01

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES		
Accounts, taxes, and expenses payable	\$ 4,409,170.39	\$ 4,067,313.04
Collections received in advance	2,813,856.47	3,064,210.83
Current maturities of notes payable	11,322,413.44	12,806,847.47
Current maturities of capital lease obligations	141,522.91	166,854.99
Patronage dividends payable	777,804.69	223,066.66
Deferred income taxes payable	0.00	64,012.54
Income taxes payable	176,708.12	199,963.44
TOTAL CURRENT LIABILITIES	19,641,476.02	20,592,268.97
LONG-TERM LIABILITIES, excluding current maturities		
Notes payable	4,482,260.39	5,408,266.44
Capital lease obligations	411,515.03	208,649.12
Deferred income taxes payable	112,595.42	134,883.40
TOTAL LONG-TERM LIABILITIES	5,006,370.84	5,751,798.96
MEMBERS' EQUITY		
Common stock	450,000.00	779,600.00
Participating stock	53,800.00	90,100.00
Stock credits	20,488.59	5,220,055.20
Deferred patronage dividends	12,102,447.90	5,862,475.36
Acquisition equity	3,948,051.57	3,948,051.57
Retained earnings	12,864,690.86	11,262,670.14
Accumulated other comprehensive income	101,746.15	96,018.81
TOTAL MEMBERS' EQUITY	29,541,225.07	27,258,971.08
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 54,189,071.93	\$ 53,603,039.01

CENTRAL PRAIRIE CO-OP
Sterling, Kansas

STATEMENTS OF OPERATIONS
For Years Ended February 28, 2018 and 2017

	2018	2017
SALES		
Grain sales at cost	\$ 40,515,480.60	\$ 47,415,627.72
Grain purchases	(40,515,480.60)	(47,415,627.72)
Supply	42,496,177.45	43,352,855.15
TOTAL SALES	42,496,177.45	43,352,855.15
COST OF SALES	(36,914,695.93)	(37,574,439.20)
GROSS MARGINS ON SALES	5,581,481.52	5,778,415.95
OTHER OPERATING INCOME		
Related party income		
Storage	949,237.28	1,294,831.84
Handling and adjustments	846,370.14	767,608.05
Earnings	7,938,382.00	4,227,958.00
Feed services	156,472.82	290,754.77
Other services	267,459.80	253,936.74
Trucking income	234,344.16	209,771.87
Fertilizer application and rental	1,474,636.74	1,664,792.31
Finance charges and interest	91,882.54	90,558.34
Miscellaneous	368,987.33	106,119.29
TOTAL OTHER OPERATING INCOME	12,327,772.81	8,906,331.21
GROSS INCOME FROM LOCAL OPERATIONS	17,909,254.33	14,684,747.16
OPERATING EXPENSES		
Personnel costs	7,378,191.67	6,927,753.65
Fixed expenses	4,218,499.41	4,140,022.32
Other operating expenses	3,649,309.96	3,687,790.79
TOTAL OPERATING EXPENSES	15,246,001.04	14,755,566.76
EARNINGS (LOSS) FROM LOCAL OPERATIONS	2,663,253.29	(70,819.60)
OTHER EARNINGS		
Patronage dividends	972,347.80	856,565.46
Investment income (loss)	(31,654.46)	136,450.92
Dividends on stock	75,521.85	68,303.78
TOTAL OTHER EARNINGS	1,016,215.19	1,061,320.16
EARNINGS BEFORE INCOME TAXES	3,679,468.48	990,500.56
INCOME TAXES	(133,544.07)	(176,166.05)
NET EARNINGS	3,545,924.41	814,334.51
OTHER COMPREHENSIVE INCOME		
Unrealized holding gains	5,727.34	41,055.97
TOTAL COMPREHENSIVE INCOME	\$ 3,551,651.75	\$ 855,390.48
DISTRIBUTION OF COMPREHENSIVE INCOME		
Patronage dividends	\$ 1,944,511.72	\$ 557,666.66
Retained earnings	1,601,412.69	256,667.85
Accumulated other comprehensive income	5,727.34	41,055.97
TOTAL	\$ 3,551,651.75	\$ 855,390.48

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.