2014

Annual Report

Trends On The Horizon

HIGHLIGHTS	***Year Ended Dec. 31, 2014***	**Year Ended Dec. 31, 2013**	**Year Ended Dec. 31, 2012**
Total Members' Equity	***$34,053,000***	**$38,416,000**	**$42,744,000**
Income from ProGold LLC	***$5,981,000***	**$5,746,000**	**$6,596,000**
Net Income	***$5,242,000***	**$4,797,000**	**$5,649,000**
Earnings per Unit	***$0.34***	**$0.31**	**$0.36**

Financial Review

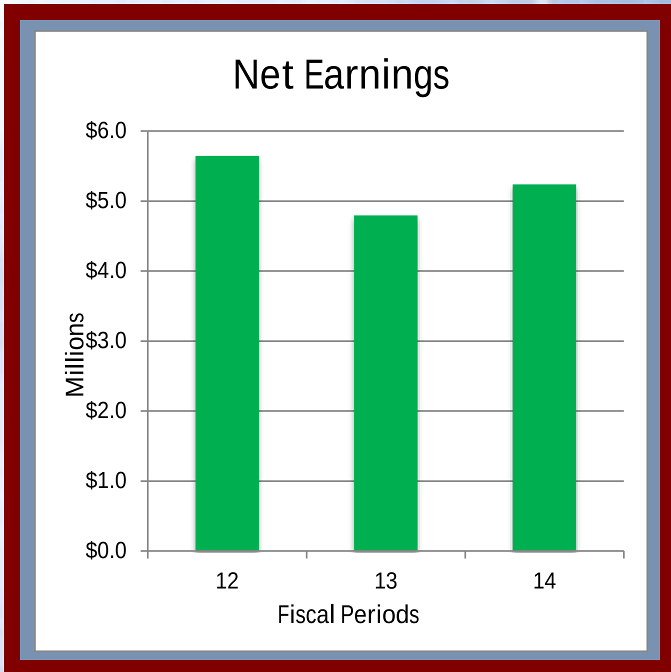
Golden Growers Cooperative is an agricultural cooperative owned by 1556 members who reside primarily in Minnesota, North Dakota, and South Dakota. The co-operative was created in 1994 to own a 49 percent interest in ProGold Limited Liability Company. Golden Growers has one partner in ProGold. American Crystal Sugar Company of Moorhead, Minnesota owns 51%.

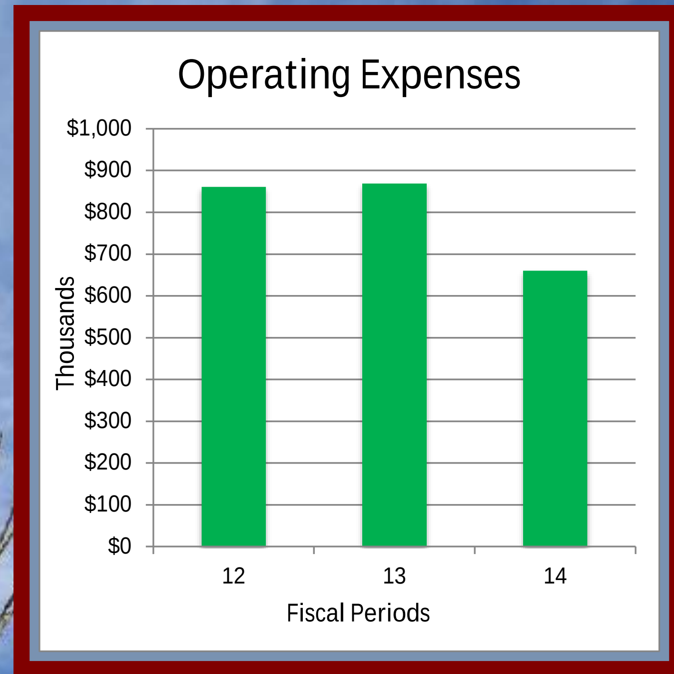
On January 1, 2008, ProGold LLC entered into a second ten-year lease agreement with Cargill, Inc., to operate the ProGold corn wet-milling facility near Wahpeton, North Dakota. That lease expires December 31, 2017, although the lease could be extended for a limited period under certain circumstances. Under this agreement, ProGold retains ownership of the facility and will receive rent averaging $21.9 million annually over the life of the lease. ProGold is essentially debt free.

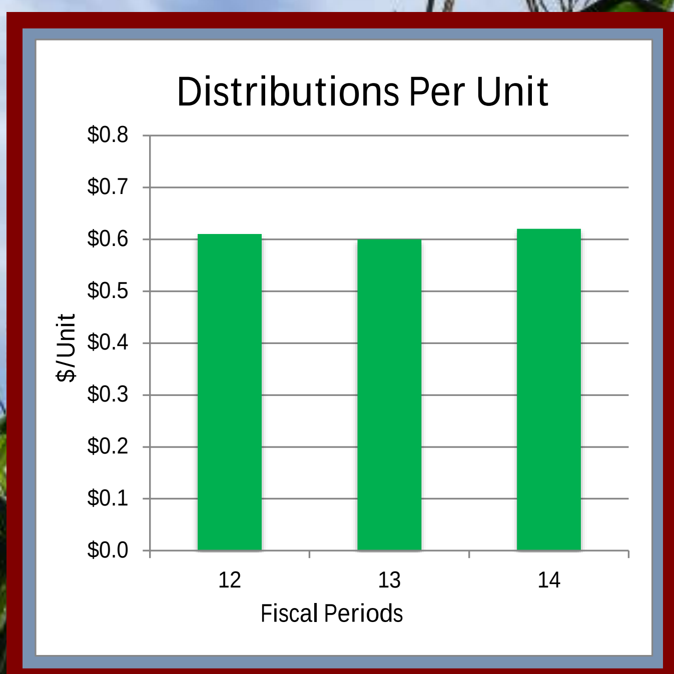
On September 1, 2009, Golden Growers converted from a North Dakota cooperative to a Minnesota cooperative governed by Minnesota statute 308B. The financial reports presented in this document reflect audited financial reports for the periods ending December 31, 2014, 2013, and 2012.

For the year ended December 31, 2014, Golden Growers had net income of $5,242,000, compared with a net income of $4,797,000 for 2013, and $5,649,000 for 2012.

ProGold's fiscal year ends on August 31st. Adjusted for the calendar year, ProGold's net income for the twelve months ending December 31 of 2014 was $12,206,000 compared to $11,726,000 for calendar year 2013, and $13,461,000 for calendar year 2012.

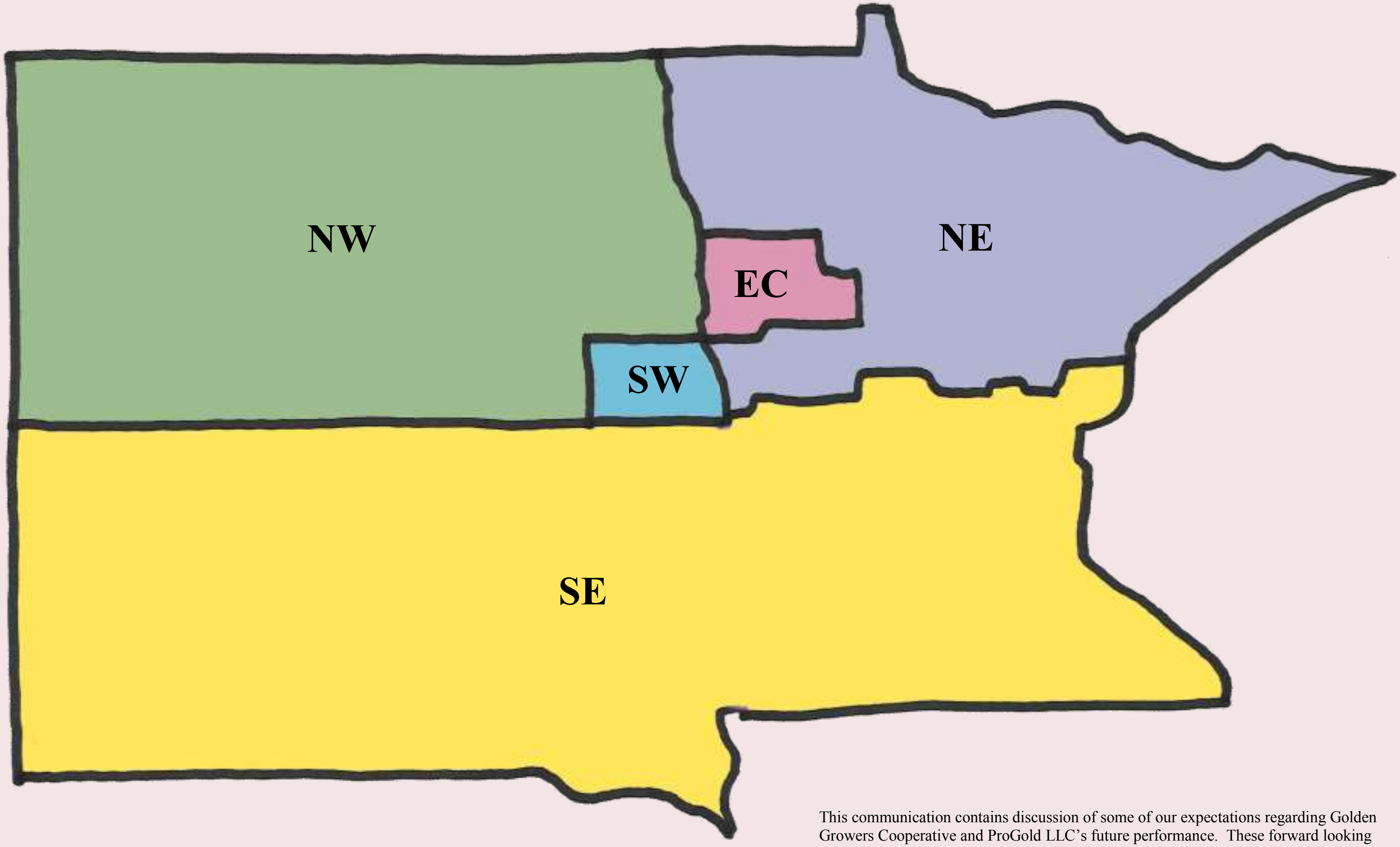

Net Earnings
$6.0
$5.0
$4.0
$3.0
$2.0
$1.0
$0.0
Millions
12
13
14
Fiscal Periods


Operating Expenses
$1,000
$900
$800
$700
$600
$500
$400
$300
$200
$100
$0
Thousands
12
13
14
Fiscal Periods


Distributions Per Unit
$0.8
$0.7
$0.6
$0.5
$0.4
$0.3
$0.2
$0.1
$0.0
$/Unit
12
13
14
Fiscal Periods


Distributions to Members
$12.0
$10.0
$8.0
$6.0
$4.0
$2.0
$0.0
Millions
12
13
14
Fiscal Periods

Member Districts



This communication contains discussion of some of our expectations regarding Golden Growers Cooperative and ProGold LLC's future performance. These forward looking statements are based on our current views and assumptions. Actual results could differ materially from these current expectations and forecasts, and from historical performance. Members should consider such risks and uncertainties when evaluating any forward-looking statement and not put undue reliance on any forward-looking statements. Golden Growers Cooperative undertakes no obligation to update any forward-looking statements in this presentation to reflect future events or developments.

Board of Directors and Management

Northwest

Glenn Johnson
Mayville, ND

Les Nesvig
LaMoure, ND

Nicolas Pyle
Casselton, ND

Northeast

Shaun Beauclair
Stephen, MN

Matt Hasbargen
Fargo, ND

Gary 'Butch' Jirak
Breckenridge, MN

Southwest

Brett Johnson
Mooreton, ND

Chris Johnson
Wahpeton, ND

Bruce Speich
Milnor, ND

Southeast

Bernie DeCock
Ghent, MN

Byron Koehl
Hancock, MN

Jason Medhaug
Veblen, SD

East Central

David Benedict
Sabin, MN

Paul Borgen
Dilworth, MN

Mark Harless
Moorhead, MN

Executive Committee

Chairperson
Jason Medhaug
First Vice Chair
Paul Borgen
Second Vice Chair
Mark Harless
Secretary
Nicolas Pyle
Treasurer
Leslie Nesvig

Scott Stofferahn
Executive Vice President

Trends on the Horizon

Nearly twenty years ago, Golden Growers Cooperative was conducting its first district meetings and members elected their initial board of directors. Members capitalized the cooperative with $54 million of their hard earned money the prior November and the Wahpeton site was selected for the ProGold plant.

The partners of ProGold invested in a trend that saw a growing market for corn sweeteners. It was impossible to predict the changes that would occur in the years that followed. Changing consumer preferences played a pivotal role in the negative and positive financial turmoil we experienced in our initial years.

Because our primary product is an ingredient to the food and soft drink industry, trends influenced by consumers and public attitudes toward food are going to have an effect on the future of your membership interest.

In addition to the trend of declining domestic consumption of HFCS, there are other trends we need to pay attention to.

Nearly all suppliers to the food market participate in some form of sustainability measurements as a requirement of the packaged food market. Packaged food manufacturers (PFMs) are eager to market to consumers interested in knowing that the food they purchase is wholesome, protects the environment, and is good for the wider community. No PFM wants to open up the morning paper and read a report identifying their company as obtaining inputs from a supplier guilty of dumping chemicals into the river, or exploiting foreign labor.

To avoid the possible public exposure and to be able to market their products with a 'sustainable' moniker, PMGs ask their suppliers to submit to a variety of audits on aspects of a sustainability inventory. Environmental reviews range from protecting natural resources and waste reduction to greenhouse gas emissions. When it comes to being a good corporate citizen, reviews focus on fair treatment of employees, workplace safety, and community engagement.

Golden Growers members have assisted Cargill in meeting Coke and Pepsi's sustainability compliance requirement by completing detailed questionnaires of their operations. We can anticipate sustainability compliance to grow in complexity and apply to much larger segments of the food supply.

Genetically modified crops have been embraced by a wide segment of agriculture. GM opponents who express concerns about long term health and environmental damage have mounted an aggressive campaign to label GM foods. While most GMO labeling ballot initiatives have been defeated, two states have approved genetic labeling laws contingent on neighboring states participation. Vermont's legislature approved a labeling law to go into effect in 2016 and dozens of states have ongoing labeling initiatives. Most analysts expect a trend of increasing state pressure for labeling and suggest a national labeling solution to avoid a patchwork of labeling standards that will make food packaging and distribution very problematic. Opponents believe mandatory labeling should not occur unless FDA determines GM foods represent a safety risk to consumers.

The real question is whether consumers who support the idea of 'right to know' will reject GM labeled foods once they know GM ingredients are contained in 75 to 89% of products on the grocery shelf.

Another trend related to labeling involves a FDA consideration to label 'added sugars' in foods. Added sugars would be defined as sugars added during the processing of foods or at the table. FDA is widely anticipated to accept advisory committee recommendations that daily human caloric intake from 'added sugars' not exceed 10%. Added sugars are estimated to compose 16% of children's diets and 13% for adults. Health food advocates believe that labeling of 'added sugars' will result in eventual reductions in sweeteners added to processed foods. It is important to note that sweeteners are often added to nutritious food to make them more palatable to consumers. For instance, nutrient and protein rich breakfast cereals are unlikely to be consumed without adding sweeteners to mask the less than palatable flavor. Regardless of FDA action, we anticipate more companies listing 'added sugars' in an effort to create a market niche for their products.

Another trend, especially for consumers under the age of 30, is the influence of social media on consumer food choice. On a constant basis, social media is filled with stories warning of dangers presented by foods containing, HFCS, GMOs, products not considered 'natural', etc. While most of these stories are based on less than credible research or no research at all, consumers take a cautious approach to their food. They're not sure there is something wrong with them, but without evidence to the contrary they may choose to avoid.

Trade groups have struggled with countering this trend of social media's influence on consumer behavior. Recent efforts like 'GMOANSWERS.COM' focused on providing scientifically researched answers and current information may be having an impact. People armed with this information are engaging in online blog discussions both to challenge clearly false information and to provide a balance to discussions. To be successful, however, this effort needs to be persistent and aggressive.

Aside from discussion of trends, trade disputes dominated sweetener markets in North America. Shortly after our 2014 annual meeting, domestic sugar producers filed a complaint with the Department of Commerce (DOC) suggesting that surging Mexican imports were fueled by dumping of subsidized sugar on the US market. The DOC found justification for the complaint and began levying fees on imported sugar as they moved slowly toward a final determination. An agreement to suspend the DOC investigation appeared to have been reached between US and Mexico in late December. Unfortunately, the settlement agreement is not finalized because two domestic sugar refiners raised objections raising concerns about the agreement's potential negative impact on their businesses.

A settlement agreement is favorable to the corn sweetener industry because a continuing investigation could disrupt HFCS exports to Mexico by inviting retaliation. We do hope that a final agreement is reached soon and some stability can be achieved in sweetener markets in North America.

Whatever trends or market dynamics affect the corn sweetener industry and Golden Growers Cooperative, you can be assured we intend to keep you informed because it is important to your future.

Jason Medhaug, Chairman

Scott Stofferahn, Executive VP

Widmer Roel PC
Certified Public Accountants
& Business Advisors
PRIDE IN SERVICE – PRIDE IN PEOPLE

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Golden Growers Cooperative
Fargo, North Dakota

We have audited the accompanying balance sheets of **Golden Growers Cooperative** as of December 31, 2014 and 2013, and the related statements of operations, comprehensive income, changes in members' equity and cash flows for the years then ended December 31, 2014, 2013, and 2012. **Golden Growers Cooperative**'s management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Golden Growers Cooperative**, as of December 31, 2014 and 2013, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2014, in conformity with U.S. generally accepted accounting principles.

Widmer Roel PC

Widmer Roel, PC
Fargo, ND
March 2, 2015

Golden Growers
Cooperative

MANAGEMENT'S DISCUSSION OF FINANCIAL RESPONSIBILITY

The management of Golden Growers Cooperative is responsible for the preparation, integrity and objectivity of the accompanying financial statements and related information contained in this annual report. The accompanying financial statements have been prepared in conformity with generally accepted accounting principles. Where appropriate, management has included estimates and judgments it believes are reasonable under the circumstances.

As a means of fulfilling its responsibility for the integrity of financial information included in this annual report, management has established a system of internal controls to obtain reasonable assurance that assets are safeguarded and transactions are properly recorded. Although no system of internal controls can detect and prevent all errors and irregularities, management believes the established system provides reasonable assurance that material errors and irregularities will be detected. The Board of Directors has also engaged independent certified accountants to review and assess the effectiveness of the internal accounting control system and to audit the cooperative's financial statements.

The Board of Directors has formed a finance committee to meet on a regular basis to review accounting, internal control, auditing and financial reporting matters. In addition, the finance committee meets with independent certified public accountants to discuss the planning and results of their audits.

Scott B. Stofferahn
Executive Vice President

BALANCE SHEETS

Golden Growers Cooperative

(In Thousands)	December 31, 2013		December 31, 2014	
ASSETS				
Cash and Cash Equivalents	$	3,154	$	2,483
Short-Term Investments		218		218
Prepaid Expenses		10		220
Total Current Assets		3,382		2,921
Furniture and Equipment, Net		6		4
Investment in ProGold Limited Liability Company		35,032		31,344
Total Assets	$	38,420	$	34,269
LIABILITIES AND MEMBERS' EQUITY				
Current Liabilities:				
Accounts Payable	$	-	$	-
Accrued Liabilities		4		216
Total Current Liabilities		4		216
Non-Current Liabilities		-		-
Members' Equity				
Members' Equity		38,146		34,053
Membership Units, Authorized 60,000,000 Units, Issued and Outstanding 15,490,480 as of December 31, 2014 and 2013				
Accumulated Other Comprehensive Income		-		-
Total Members' Equity		38,416		34,053
Total Liabilities and Members' Equity	$	38,420	$	34,269

See Notes to Financial Statements

STATEMENTS OF OPERATIONS

Golden Growers Cooperative

(In Thousands)	Year Ended December 31, 2012	Year Ended December 31, 2013	Year Ended December 31, 2014
OPERATIONS			
Corn Revenue	$ 92,838	$ 82,925	$ 61,130
Corn Expense	(92,935)	(83,016)	(61,219)
Net Income from ProGold Limited Liability Company	6,596	5,746	5,981
General & Administrative Expenses	(861)	(869)	(660)
Net Income from Operations	5,638	4,786	5,232
Interest Income	11	11	10
Net Income	$ 5,649	$ 4,797	$ 5,242
Weighted Average Shares/Units Outstanding	15,490,480	15,490,480	15,490,480
Earnings per Share/Membership Unit Primary and Fully Diluted	$ 0.36	$ 0.31	$ 0.34

See Notes to Financial Statements

STATEMENTS OF COMPREHENSIVE INCOME

Golden Growers Cooperative

(In Thousands)	Year Ending December 31, 2012	Year Ending December 31, 2013	Year Ending December 31, 2014
Net Income Attributed to the Cooperative	$ 5,649	$ 4,797	$ 5,242
Other Comprehensive Income			
Defined benefit pension plans			
Pension liability adjustment	(31)	179	-
Comprehensive Income	$ 5,618	$ 4,976	$ 5,242

STATEMENTS OF CHANGES IN MEMBERS' EQUITY

Golden Growers Cooperative (In Thousands)	Accumulated Other Comprehensive Income	Members' Equity	Total Members' Equity
BALANCE, DECEMBER 31, 2011	$ (148)	$ 46,724	$ 46,576
Net Income	-	5,649	5,649
Member Distributions	-	(9,450)	(9,450)
Pension liability adjustment	(31)	-	(31)
BALANCE, DECEMBER 31, 2012	(179)	42,923	42,744
Net Income	-	4,797	4,797
Member Distributions	-	(9,304)	(9,304)
Pension liability adjustment	179	-	179
BALANCE, DECEMBER 31, 2013	-	38,416	38,416
Net Income	-	5,242	5,242
Member Distributions	-	(9,605)	(9,605)
Pension liability adjustment	-	-	-
BALANCE, DECEMBER 31, 2014	$ -	$ 34,053	$ 34,053

See Notes to Financial Statements

STATEMENTS OF CASH FLOWS

Golden Growers Cooperative

(In Thousands)	Year Ending December 31, 2012	Year Ending December 31, 2013	Year Ending December 31, 2014
Cash Flows from Operating Activities			
Net Income	$ 5,649	$ 4,797	$ 5,242
Net (Income) from ProGold Liimited Liability Company	(6,596)	(5,746)	(5,981)
Depreciation	2	2	2
Changes in Assets and Liablilities			
Accounts Receivable	-	-	
Prepaid Expenses	-	(9)	(210)
Accounts Payable	43	(67)	-
Accrued Liabilities	2	(1)	212
Net Cash Used in Operating Activities	(900)	(1,024)	(735)
Cash Flows from Investing Activities			
(Purchase of) Proceeds from available for sale	(1)	-	-
Purchase of equipment	(6)	-	-
Distribution received from ProGold LLC	10,852	10,784	9,669
Net Cash Provided by Investing Activities	10,845	10,784	9,669
Cash Flows from Financing Activities			
Member Distributions Paid	(9,450)	(9,304)	9,605
Net Cash Used by Financing Activities	(9,450)	(9,304)	9,605
Increase (Decrease in Cash and Cash Equivalents	495	456	671
Cash and Cash Equivalents, Beginning of Period	2,203	2,698	3,154
Cash and Cash Equivalents, End of Period	$ 2,698	$ 3,154	$ 2,483

See Notes to Financial Statements

NOTE 1 – NATURE OF OPERATIONS

Organization - Golden Growers Cooperative was initially organized as a North Dakota member-owned cooperative incorporated on January 19, 1994 ("GG-ND"). GG-ND and two other partners, one of whom was American Crystal Sugar Company ("ACSC") entered into a joint venture that formed ProGold Limited Liability Company, a Minnesota limited liability company ("ProGold") which designed and constructed a corn wet-milling facility in Wahpeton, North Dakota (the "Facility"). Under the joint venture, GG-ND (and indirectly its members) had the right and obligation to deliver corn to be processed at the Facility. After it was constructed and operated briefly by its members, the Facility was leased to Cargill Incorporated ("Cargill") who continues to operate the Facility under a lease that runs through December 31, 2017. Golden Growers Cooperative and ACSC are the current members of ProGold, with Golden Growers Cooperative holding a 49% interest and ACSC holding the remaining 51% interest.

On July 29, 2009 GG-ND formed a wholly owned cooperative subsidiary in the state of Minnesota (GG-MN), organized under Minnesota Statutes chapter 308A, solely for the purpose of reincorporating into the state of Minnesota. On September 1, 2009, GG-ND merged into GG-MN and reincorporated into the state of Minnesota. Immediately after the merger, GG-MN statutorily converted into a cooperative association governed under Minnesota Statutes 308B. As a result of its reincorporation and reorganization Golden Growers – North Dakota, a North Dakota cooperative association historically taxed as a tax-exempt cooperative under Subchapter T of the Internal Revenue Code, became Golden Growers Cooperative, a Minnesota cooperative association governed by Minnesota Statutes chapter 308B as a cooperative for state law purposes but taxed as a partnership under Subchapter K of the Internal Revenue Code for tax purposes. Golden Growers Cooperative succeeded to the business of Golden Growers – North Dakota and except for changes to the structure and operations as a result of the reincorporation and statutory conversion, continues to operate the business of Golden Growers – North Dakota.

As part of the Conversion, GG-ND's members exchanged their shares of Class A Common Voting Membership Stock and Class B Non-Voting Equity Stock for identical and equal shares of such stock in GG-MN. Each member's single share of Class A Common Voting Membership Stock was redeemed for $150 and each member received membership units in GG-MN equal to the number of shares of Class B Non-Voting Equity Stock each member held in GG-ND prior to the Merger.

Prior to September 1, 2009, ownership of membership stock, which signified membership in the Cooperative, was restricted to producers of agricultural products. The ownership of equity stock was restricted to members of the Cooperative. Preferred stock could be held by persons who were not members of the Cooperative. At August 31, 2009 and 2008, the Cooperative had 10,000 shares of non-voting, $1,000 par-value preferred stock authorized, of which none were issued or outstanding. Equity requirements, as determined by the board of directors, could be retained from amounts due to patrons and credited to members' equity in the form of unit retains or allocated patronage.

The Cooperative reserved the right to acquire any of its stock offered for sale and the right to recall the stock of any member. In the event this right was exercised, the consideration paid for such stock was 25% of its book value.

Beginning September 1, 2009, ownership of membership units is available to any person or entity residing in the Unites States of America. Net proceeds or losses will be allocated to members on the basis of their patronage of the Cooperative.

In connection with the Conversion, the Cooperative changed its fiscal year end to December 31.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments – The Cooperative's investment securities are held to maturity and recorded at amortized cost. The Cooperative's investment in ProGold is recorded at historical cost plus its pro-rata share of ProGold's net income and additional paid-in capital less distributions received from ProGold. Unrealized gains or losses are recorded in accumulated other comprehensive income within members' equity. Gains and losses are determined using the specific identification method.

Cash and Cash Equivalents – The Cooperative considers all demand accounts to be cash equivalents and overnight sweep accounts. Cash equivalents do not include money market accounts maintained by the Cooperative's investment managers. Cash equivalents do not include any investment with a stated maturity date, regardless of the term to maturity.

Income Taxes – Beginning September 1, 2009, Golden Growers Cooperative is taxed as a limited liability company under Subchapter K of the Internal Revenue Code. As such, the Cooperative will generally not be subject to income taxes. Instead, net income will be reported by its members who will be responsible for any income taxes which may be due. Prior to September 1, 2009, Golden Growers Cooperative was an exempt cooperative for federal income tax purposes. As such, the cooperative was generally not subject to income taxes. Instead, net proceeds were allocated to the Cooperative's patrons who were responsible for any income taxes which may have been due.

Property and Equipment – Property and equipment are stated at cost. Depreciation on assets placed in service is provided using the straight-line method over estimated useful lives ranging from 5 to 10 years.

Accounting Estimates – The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition – The Cooperative's members are contractually obligated to annually deliver corn to the Cooperative by either Method A or Method B or a combination of both. Under Method A, a member is required to physically deliver corn to the cooperative and under Method B a member appoints the cooperative as its agent to arrange for the acquisition and delivery of corn on the member's behalf. For an annual fee of $92,000 paid quarterly, the Cooperative contractually appoints Cargill as its agent to arrange for the delivery of the corn by its members who elect to deliver corn using Method A and to acquire corn on its behalf for its members who elect to deliver corn using Method B. The price per bushel paid to the member who elects to deliver corn using Method B is equal to the price per bushel paid by Cargill to acquire the corn as the Cooperative's agent. Members who deliver corn under Method A are paid the market price or contracted price for their corn at the time of delivery. The Cooperative pays members who deliver corn under Method A an incentive payment of $.05 per bushel while members who elect Method B to deliver corn pay the Cooperative a $.02 per bushel agency fee for the cost of having the Cooperative deliver corn on their behalf. The board has the discretion to change the incentive fee and the agency fee based on the Cooperative's corn delivery needs. The incentive fee and agency fee are a component of Corn Expense.

With respect to all Method A corn that is delivered, Cargill pays the aggregate purchase price for corn purchased from the Cooperative's members to the Cooperative and then, on the Cooperative's behalf, makes individual payments for corn directly to its members. If a Method A member fails to fully satisfy the corn delivery requirement, Cargill purchases replacement corn for which the Cooperative reimburses Cargill the amount by which the underlying contracted corn price is less than the price of buying the replacement corn that was due on the delivery date. The Method A member who fails to deliver corn is then invoiced by the Cooperative for the price of the corn.

Based on what is to be delivered by its members using Method A, Cargill then purchases the remainder of the corn to be delivered by the Cooperative on behalf of its Method B delivering members. Because Cargill purchases the corn on the Cooperative's behalf of Method B delivering members, the purchase price for the corn that would be paid to the Cooperative's members if they actually delivered the corn offsets against the payment to be made by the Cooperative to Cargill for the cost to purchase the corn, thus no payment is made from Cargill to the Cooperative for corn delivered using Method B. The Cooperative has determined Corn Expense for Method B deliveries based on the average quarterly cost per bushel paid by Cargill to the Cooperative's members for Method A quarterly deliveries.

Concentrations - Several times during the year, the Cooperative maintained a cash balance in excess of the Federal Deposit Insurance Corporation ("FDIC") limits. At December 31, 2014, the Cooperative's cash balance exceeded the FDIC insurance limits by approximately $2.2 million.

Fair Value Measurements - The Cooperative has determined the fair value of certain assets and liabilities in accordance with the provisions of Accounting Standards Codification ("ASC") 820-10, which provides a framework for measuring fair value under generally accepted accounting principles.

ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820-10 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. ASC 820-10 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

NOTE 3—PROGOLD LIMITED LIABILITY COMPANY

The Cooperative has 49% ownership interest in ProGold LLC. Following is summary financial information for ProGold LLC:

	December 31,					
(In Thousands)	2014		2013		2012	
Current Assets	$	2,375	$	151	$	111
Long-Term Assets		65,019		72,947		83,669
Total Assets	$	67,394	$	73,098	$	83,780
Current Liabilities	$	2,627	$	405	$	405
Long-Term Liabilities		800		1,200		1,600
Total Liabilities		3,427		1,605		2,005
Members' Equity		63,967		71,493		81,775
Total Liabilities and Members' Equity	$	67,394	$	73,098	$	83,780
Rent Revenue on Operating Lease	$	24,125	$	23,674	$	25,223
Expenses		11,919		11,948		11,762
Net Income	$	12,206	$	11,726	$	13,461

NOTE 4—INVESTMENTS

The Cooperative has determined fair value of its investments held to maturity based on Level 1 inputs.

The Cooperative's investments held to a majority are as follows as of December 31, 2014 and 2013 (in thousands)

(In Thousands	Amortized Cost		Gross Unrealized Gains		Gross Unrealized Losses		Fair Value	
December 31, 2014:								
Money Market & CD's	$	218		-	$	-	$	218
December 31, 2013:								
Money Market & CD's	$	218	$		$		$	218

NOTE 5 – INCOME TAXES

The Cooperative follows the provisions of ASC 740-10 related to accounting for uncertainty in income taxes.

The Cooperative had no unrecognized tax benefits on December 31, 2014 and 2013. No interest or penalties are recognized in the statements of operations or in the balance sheets. The Cooperative is no longer subject to U.S. Federal and State income tax examinations by tax authorities for fiscal years 2011 and earlier.

The Cooperative recognized no income tax expense for the years ended December 31, 2014, 2013 and 2012.

NOTE 6 – EMPLOYEE BENEFIT PLANS

Pension Plan – In December 2012, the Cooperative approved a change to freeze the Cooperative's defined benefit pension plan. As a result, no additional benefits will accrue to participants in the plan and no new employees are eligible for the plan. During the year ended December 31, 2014, 2013 and 2012, the pension expenses were $74,000, $141,000, and $75,000, respectively.

As of December 31, 2014, the pension plans were funded as required by the funding standards set forth by the Employee Retirement Income Security Act (ERISA).

The Cooperative's Compensation Committee has the responsibility of managing the operations and administration of the Cooperative's retirement plans. The Cooperative has an investment policy that establishes target asset allocations to reduce the risk of large losses. Asset classes are diversified to reduce risk, and equity exposure is limited to 75% of the total portfolio value. The stated goal is for each component of the plan to earn a rate of return greater than its corresponding benchmark. The return objective of the plan is to achieve a minimum average total rate of return of four percentage points (4.0%) above the rate of inflation as measured by the Consumer Price Index. The real rate of return goal assumes a real rate of return for equities of 10.0% and a real rate of return for fixed income of 4.0%.

The assumptions used in the measurement of the Cooperative's benefit obligations are shown below:

Discount Rate	5.00%	6.00%
Expected Return on Plan Assets	6.25%	8.00%
Rate of Compensation Increase	4.73%	4.73%

The following schedule reflects the expected pension benefit payments during each of the next five years and the aggregate for the following five years (in thousands):

(In Thousands)	Expected Benefits Payments
2015	$ 54
2016	54
2017	54
2018	54
2019	54
2020-2024	263
Total	$ 533

The Cooperative expects to make contributions of approximately $25,000 to the defined benefit pension plan during the next year.

The following schedules provide the components of the Net Periodic Pension Costs for the periods ended December 31, 2014, 2013 and 2012 (in thousands):

(In Thousands)	December 31, 2014	December 31, 2013	December 31, 2012
Service Cost	$ -	$ -	$ -
Interest Cost	36	40	42
Expected Return on Plan Assets	(48)	(59)	(47)
Amortization of Net (Gain) Loss	25	-	76
Net Periodic Pension Cost	$ 13	$ (19)	$ 71

The following schedules set forth a reconciliation of the changes in the plan's benefit obligation and fair value of assets for the periods ending December 31, 2014 and 2013 and a statement of the funded status and amounts recognized in the Balance Sheets and Accumulated Other Comprehensive Income as of December 31, 2014 and 2013 and (in thousands):

(In Thousands)	December 31, 2014	December 31, 2013
Change in Benefit Obligation		
Obligation at the Beginning of the Period	$ 696	$ 703
Service Cost	-	-
Interest Cost	40	42
Actuarial (Gain) Loss	67	(24)
Benefits Paid	(55)	(25)
Obligation at the End of the Period	$ 748	$ 696
Change in Plan Assets		
Fair Value at the Beginning of the Period	714	524
Actual Returns on Plan Assets	44	73
Employer Contributions	74	141
Benefits Paid	(55)	(25)
Fair Value at the End of the Period	$ 777	$ 713

Continued from previous page.

(In Thousands)	December 31, 2014	December 31, 2013
Funded Status		
Funded Status as of Period Ended	$ 28	$ 17
Net Amount Recognized	$ -	$ -
Amounts Recognized in the Balance Sheets		
Noncurrent Assets	$ -	$ -
Current Liabilities	-	-
Noncurrent Liabilities	-	-
Net Amount Recognized	$ -	$ -
Accumulated Gain (Loss) Recognized in Accumulated Other Comprehensive Income		
Accumulated Gain (Loss) Beginning of the Period	$ -	$ (179)
Recognized in Periodic Cost	-	71
Amount Arising During the Period	-	108
Accumulated Gain (Loss) End of the Period	$ -	$ -

401(k) Plan – The Cooperative has a 401(k) plan that covers employees that meet eligibility requirements. The Cooperative's contributions to the plan totaled $6,979, $5,168 and $8,000 for the years ended December 31, 2014, 2013 and 2012, respectively.

NOTE 7– COMMITMENTS AND CONTINGENCIES

The Cooperative contracted with Cargill, Incorporated in connection with the procurement of corn which includes payments of $92,000 annually and terminates December 31, 2017.

On July 10, 2012, the Cooperative entered into a Services Agreement with Mark C. Dillon (the “Agreement”), the Cooperative’s former Executive Vice President and Chief Executive Officer. The Agreement was entered into in anticipation of Mr. Dillon’s retirement effective September 30, 2012. Pursuant to the Agreement, Mr. Dillon enumerated transitional consulting services to the Cooperative until March 31, 2013. In exchange for such services, Mr. Dillon was paid $37,250 per month. Mr. Dillon retired September 30, 2012. During the years ended December 31, 2014, 2013 and 2012 , the Cooperative incurred $0, $111,750 and $111,750 expense in connection with the Services Agreement. At December 31, 2014, 2013, and 2012, the Cooperative had an account payable to Mr. Dillon totaling $0, $0, and $37,250 in connection with the agreement.

NOTE 8- SUBSEQUENT EVENTS

In February of 2015, the Cooperative declared a distribution of $3,253,001, or $0.21 per outstanding membership unit.

Management has reviewed subsequent events through March 2, 2015 the date to which the financial statements were available to be issued.

Golden Growers Cooperative

Auditors
Widmer Roel, PC
Fargo, ND

Fiscal Year
January 1 through December 31

Annual Meeting
March 24, 2015
Courtyard by Marriott, Moorhead, MN

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