

Whole-Farm Reports

The whole-farm reports summarize the financial performance of FBMA member farms in 2003. Each table includes the average of the 66 farms included in the report and the average of five equally divided brackets from the lowest to highest profits (based on Net Farm Income). The Balance Sheets include only sole proprietors; partnerships and corporations are excluded because some debt is held outside of the business, causing potential misinterpretations of the average financial condition. Appendix I provides detail on how the whole-farm measures are calculated. Below is a short summary of the whole farm reports.

Farm Income Statement

The Income Statement calculates the accrual Net Farm Income generated by the average farm for year 2003. Net Farm Income represents the return to the operator's and family's unpaid labor, management, and equity capital (net worth). It is the amount the farm contributed to owner family living, income taxes, and net worth growth. However, it does not include any asset appreciation, debt forgiveness or asset repossessions. The *Inventory Changes* and *Depreciation and Other Capital Adjustments* tables provide further detail on the non-cash adjustments made to calculate the accrual Net Farm Income.

Profitability Measures

The profitability measures are calculated based on both the cost value of assets and the market value. When calculated based on the market value of assets, the profitability measures can be compared to interest rates and returns available on alternative investments. When based on cost values, the returns more closely estimate the actual returns from the actual investment. (Cost values do not necessarily reflect the tax basis of farm assets. Instead, a method of calculating depreciation is used that estimates economic depreciation over the useful life of the assets).

The *Rate of Return on Assets* (ROA) can be thought of as the interest rate earned by all investment in farm assets. *Rate of Return on Equity* (ROE) is the rate earned on the operator's equity or net worth in the farm business. If ROE is higher than ROA, borrowed funds more than paid for their cost in interest expense. *Operating Profit Margin* measures efficiency in farm operations. The higher the margin, the more of the farm income remained in pockets of the farm operator. *Asset Turnover Rate* measures efficiency in use of capital. Again, the higher the better. Farms with high investment in fixed assets will generally have a lower turnover rate than those who lease a major share of their capital.

Liquidity Measures

Liquidity reflects the ability of the farm family to meet cash obligations including family living withdrawals, income taxes, and debt repayment. Liquidity measures are calculated on both a cash and accrual basis. The cash measures reflect how cash actually flowed through the operations during the year. The accrual measures, which adjust for changes in crop, livestock, and other inventories, more accurately reflect the income generation capacity of the businesses.

Years to Turnover Intermediate Debt reflects the ability of the business to repay short and intermediate term liabilities. Because intermediate term debt is usually scheduled for repayment over a three to seven year term, this measure is a simple way to reflect debt repayment capacity. *Expense as a Percent of Income* reflects the portion of gross income that was used to pay operating expenses. It includes interest expense but not depreciation. *Interest as a Percent of Income* shows how much of gross income went solely to pay interest expenses.

Balance Sheets

Balance sheet reports are included for both the cost and market value of assets. In both tables, current assets are identical, with crop and livestock inventories generally valued at market value. This conforms to the methodology recommended by the Farm Financial Standard Council. Intermediate and long term assets are shown at depreciated value using estimated economic depreciation, not tax, on the cost-based table. On the market table, they are valued at estimated market value.

Liabilities are the same on the cost and market tables.

Net Worth Change on the cost value table is the amount of earned net worth growth or loss for the year. Net worth change on the market value table includes both earned growth and changes in the market valuation of capital assets.

Statement of Cash Flows

The statement of Cash Flows displays the sources and uses of cash for the year. *Cash From Operating Activities* includes sources and uses of cash related to normal farm operations. In the case of sole proprietors and partnerships, it also usually includes non-farm income and expenses activities. *Cash From Financing Activities* reflect cash used to buy and sell capital assets. *Cash From Financing Activities* includes sources and uses of borrowed funds.

Financial Standards Measures

The Farm Financial Standards Council recommends that farms use these sixteen measures as standard measures of farm financial performance. They are sometimes called the *Sweet 16*. Many are repeated from the Profitability, Liquidity, and Balance Sheet tables. For a complete description, see the Financial Guidelines for Agricultural Producers at www.ffsc.org/html/guidelin.htm.

Crop Production and Marketing

This table reports farm size in acres farmed, average crop yields for major commodities and average crop sales prices for the calendar year. Yields and prices are reported for the average of all farms for more commodities than those included in the High and Low columns because a minimum of four farms are required to report the yield or price for any group.

Household and Personal Expenses

This table reports family living and other non-farm expenditures. Only sole proprietors who keep detailed family living records are included.

Operator and Labor Information

All previous tables report results per farm, regardless of the number of families or operators involved in the operation. This report repeats several measures from previous tables on a *Per Operator* basis. It also summarizes estimated labor hours used and labor performance.

Farm Income Statement
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Cash Farm Income					
Corn	33,296	20,342	25,887	29,867	56,123
Grass Seed, Fescue	134	110	11	53	358
Hay, Fescue Grass	48	-	-	-	186
Hay, Grass	119	491	-	-	-
Hay, Mixed	529	120	510	1,429	85
Sorghum, Grain	3,492	61	3,950	-	9,550
Soybeans	62,358	38,641	56,322	77,451	76,512
Straw	115	-	-	11	435
Wheat, Winter	7,421	7,402	5,569	8,631	8,153
Custom Work	2,727	1,144	-	10,106	-
Miscellaneous crop income	23	-	-	-	90
Beef Cow-Calf, Beef Calves	16,977	9,774	17,254	26,910	14,131
Beef Replacement Heifers	805	-	-	-	3,125
Beef, Custom Fed	78	-	-	-	304
Beef, Background Beef	23,086	5,715	42,421	18,152	24,745
Beef, Finish Beef Calves	8,725	3,571	11,963	4,931	13,910
Dairy, Milk	1,582	-	297	6,209	-
Dairy Replacement Heifers	23,252	-	-	95,913	-
Dairy Steers	341	-	-	1,406	-
Hogs, Farrow-Fin, Raised Hogs	73,527	27,874	2,734	8,505	248,483
Hogs, Finish Feeder Pigs	2,347	-	3,303	6,171	-
Sheep, Market Lambs, Mkt Lambs	890	-	3,457	-	-
Beef Cow-Calf (shares), Beef Calv	162	668	-	-	-
Cull breeding livestock	4,378	2,621	3,562	1,029	10,001
Misc. livestock income	552	193	842	153	976
Direct & CC govt payments	9,759	11,835	3,297	13,448	10,796
CRP payments	190	-	587	158	-
Livestock govt payments	392	16	848	702	-
Other government payments	5,775	-	9,075	5,055	8,588
Custom work income	3,233	1,716	5,395	3,189	2,541
Patronage dividends, cash	611	925	431	520	581
Insurance income	8,869	13,459	7,032	5,265	9,776
Cash from hedging accts	2,339	-	118	2,370	6,733
Other farm income	7,166	4,096	2,894	8,535	13,039
Gross Cash Farm Income	305,299	150,774	207,758	336,169	519,223

Farm Income Statement (Continued)
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Cash Farm Expense					
Seed	14,416	10,780	12,502	14,914	19,286
Fertilizer	16,920	12,664	17,126	16,461	21,150
Crop chemicals	12,448	9,571	12,934	12,516	14,604
Crop insurance	3,046	2,074	2,577	3,430	4,068
Drying fuel	306	388	106	98	626
CCC buyback	2,480	-	-	10,232	-
Crop marketing	1,003	150	58	3,461	436
Crop miscellaneous	2,008	387	1,375	1,144	4,979
Feeder livestock purchase	42,047	2,048	44,184	106,827	16,589
Purchased feed	51,381	19,739	11,980	20,645	149,489
Breeding fees	987	34	19	-	3,782
Veterinary	3,470	3,129	1,833	2,729	6,124
Livestock supplies	1,521	1,206	1,294	843	2,682
Contract production exp.	301	-	114	-	1,054
Livestock leases	186	-	-	768	-
Grazing fees	378	-	141	-	1,325
Livestock marketing	1,526	91	1,657	15	4,169
Interest	12,398	14,277	9,490	10,494	15,330
Fuel & oil	8,960	6,452	8,300	7,069	13,761
Repairs	13,108	9,529	11,292	14,458	17,021
Custom hire	11,730	1,259	2,828	7,818	34,170
Hired labor	15,606	12,666	3,901	4,727	40,316
Land rent	16,144	17,800	13,716	9,124	23,620
Machinery & bldg leases	1,465	3,398	193	242	2,068
Real estate taxes	2,312	2,519	1,823	2,094	2,812
Personal property taxes	260	206	305	246	278
Farm insurance	4,210	3,112	2,372	3,814	7,456
Utilities	3,545	3,022	1,756	3,570	5,804
Dues & professional fees	784	405	133	733	1,840
Hedging account deposits	1,976	-	1,128	-	6,544
Miscellaneous	5,399	2,410	4,109	8,294	6,777
Total cash expense	252,320	139,316	169,244	266,764	428,159
Net cash farm income	52,979	11,458	38,514	69,405	91,064
Inventory Changes					
Crops and feed	-9,916	-15,580	-17,290	-7,152	187
Market livestock	7,624	-1,699	458	103	30,644
Accounts receivable	7,508	-821	2,050	8,813	19,576
Prepaid expenses and supplies	328	-513	2,486	2,160	-2,765
Accounts payable	-2,922	-732	785	-12,225	68
Total inventory change	2,622	-19,346	-11,511	-8,300	47,711
Net operating profit	55,601	-7,888	27,003	61,105	138,775
Depreciation and Other Capital Adjustments					
Breeding livestock	-3,100	1,559	-223	-4,506	-9,040
Machinery and equipment	-12,144	-9,333	-11,027	-13,419	-14,709
Buildings and improvements	-2,192	-789	-37	-2,154	-5,702
Other farm capital	204	219	344	-31	271
Total depr. and other capital adj	-17,232	-8,344	-10,942	-20,110	-29,181
Net farm income	38,369	-16,232	16,061	40,995	109,594

Inventory Changes
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Net cash farm income	52,979	11,458	38,514	69,405	91,064
Crops and Feed					
Ending inventory	81,973	41,037	54,755	94,007	136,393
Beginning inventory	91,889	56,617	72,045	101,158	136,205
Inventory change	-9,916	-15,580	-17,290	-7,152	187
Market Livestock					
Ending inventory	59,473	25,982	43,211	38,473	127,021
Beginning inventory	51,849	27,681	42,753	38,370	96,377
Inventory change	7,624	-1,699	458	103	30,644
Accts Receivable & Other Current Assets					
Ending inventory	14,241	3,040	3,640	14,387	35,246
Beginning inventory	6,733	3,861	1,590	5,575	15,669
Inventory change	7,508	-821	2,050	8,813	19,576
Prepaid Expenses and Supplies					
Ending inventory	9,863	5,788	4,594	19,579	9,823
Beginning inventory	9,536	6,301	2,108	17,419	12,588
Inventory change	328	-513	2,486	2,160	-2,765
Accounts Payable & Accrued Expenses					
Beginning inventory	6,596	2,465	10,943	7,577	5,212
Ending inventory	9,517	3,197	10,159	19,802	5,145
Inventory change	-2,922	-732	785	-12,225	68
Total inventory change	2,622	-19,346	-11,511	-8,300	47,711
Net operating profit	55,601	-7,888	27,003	61,105	138,775

Depreciation and Other Capital Adjustments
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Net operating profit	55,601	-7,888	27,003	61,105	138,775
Breeding Livestock					
Ending inventory	33,928	29,224	20,887	31,390	53,784
Capital sales	2,884	2,717	2,832	5,109	1,000
Beginning inventory	35,290	29,229	22,598	35,566	53,428
Capital purchases	4,622	1,154	1,343	5,438	10,396
Depreciation, capital adjust.	-3,100	1,559	-223	-4,506	-9,040
Machinery and Equipment					
Ending inventory	121,206	91,028	114,799	97,772	178,071
Capital sales	2,710	2,919	1,266	1,869	4,750
Beginning inventory	117,383	89,745	109,615	91,929	175,121
Capital purchases	18,677	13,534	17,476	21,131	22,409
Depreciation, capital adjust.	-12,144	-9,333	-11,027	-13,419	-14,709
Buildings and Improvements					
Ending inventory	28,848	8,938	12,621	25,318	67,136
Capital sales	-	-	-	-	-
Beginning inventory	28,098	5,952	11,651	24,048	69,199
Capital purchases	2,942	3,776	1,007	3,423	3,640
Depreciation, capital adjust.	-2,192	-789	-37	-2,154	-5,702
Other Capital Assets					
Ending inventory	18,421	38,304	59	-	35,406
Capital sales	94	-	363	-	-
Beginning inventory	17,827	36,556	78	-	34,727
Capital purchases	484	1,530	-	31	408
Depreciation, capital adjust.	204	219	344	-31	271
Total depreciation, capital adj.	-17,232	-8,344	-10,942	-20,110	-29,181
Net farm income	38,369	-16,232	16,061	40,995	109,594

Profitability Measures
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	62	16	15	15	16
Profitability (assets valued at cost)					
Net farm income	38,277	-16,232	14,821	40,382	112,800
Labor and management earnings	15,363	-29,238	-1,973	17,229	74,469
Rate of return on assets	4.2 %	-2.5 %	0.6 %	3.7 %	9.8 %
Rate of return on equity	3.8 %	-12.6 %	-2.2 %	2.7 %	12.2 %
Operating profit margin	12.6 %	-10.9 %	2.2 %	10.7 %	23.2 %
Asset turnover rate	33.6 %	23.0 %	25.7 %	34.5 %	42.4 %
Interest on farm net worth	22,913	13,006	16,795	23,153	38,331
Farm interest expense	12,999	14,415	8,948	12,550	15,803
Value of operator lbr and mgmt.	23,969	10,489	20,846	29,991	34,733
Return on farm assets	27,306	-12,306	2,923	22,941	93,870
Average farm assets	647,626	488,224	518,950	620,177	953,397
Return on farm equity	14,307	-26,720	-6,025	10,391	78,067
Average farm equity	380,196	212,306	279,912	383,666	638,850
Value of farm production	217,480	112,445	133,545	213,983	404,480

Liquidity Measures
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Liquidity (cash)					
Net cash farm income	52,979	11,458	38,514	69,405	91,064
Net nonfarm income	23,030	45,460	19,104	16,764	11,743
Family living and taxes	35,156	37,196	30,032	31,856	41,466
Real estate principal payments	5,780	805	3,144	2,465	16,221
Cash available for interm. debt	35,073	18,917	24,442	51,848	45,120
Average intermediate debt	49,224	56,691	44,531	43,108	52,644
Years to turnover interm. debt	1.4	3.0	1.8	0.8	1.2
Expense as a % of income	83 %	92 %	81 %	79 %	82 %
Interest as a % of income	4 %	9 %	5 %	3 %	3 %
Liquidity (accrual)					
Total accrual farm income	310,515	132,673	192,976	337,932	569,631
Total accrual operating expense	254,914	140,561	165,973	276,828	430,856
Net accrual operating income	55,601	-7,888	27,003	61,105	138,775
Net nonfarm income	23,030	45,460	19,104	16,764	11,743
Family living and taxes	35,156	37,196	30,032	31,856	41,466
Real estate principal payments	5,780	805	3,144	2,465	16,221
Available for intermediate debt	37,695	-429	12,931	43,548	92,831
Average intermediate debt	49,224	56,691	44,531	43,108	52,644
Years to turnover interm. debt	1.3	**	3.4	1.0	0.6
Expense as a % of income	82 %	106 %	86 %	82 %	76 %
Interest as a % of income	4 %	11 %	4 %	3 %	3 %

** Income insufficient to meet debt servicing requirements

Balance Sheet at Cost Values
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	62	16	15	15	16
Assets					
Current Farm Assets					
Cash and checking balance	10,025	9,192	10,288	-34	20,042
Prepaid expenses & supplies	10,260	5,788	5,207	20,884	9,510
Growing crops	2,512	2,605	1,489	4,574	1,444
Accounts receivable	10,042	9	1,783	10,269	27,603
Hedging accounts	402	19	150	503	927
Crops held for sale or feed	80,234	40,522	59,021	99,659	121,622
Crops under government loan	3,888	4,089	-	-	10,978
Market livestock held for sale	58,247	25,982	33,710	37,412	133,047
Other current assets	1,982	406	-	-	7,272
Total current farm assets	177,591	88,613	111,648	173,268	332,445
Intermediate Farm Assets					
Breeding livestock	32,288	29,224	17,662	27,829	53,245
Machinery and equipment	111,722	86,312	102,241	94,186	162,460
Titled vehicles	4,445	4,716	2,150	1,268	9,303
Other intermediate assets	11,633	38,242	67	-	6,775
Total intermediate farm assets	160,088	158,494	122,119	123,283	231,782
Long Term Farm Assets					
Farm land	283,245	225,165	276,370	306,929	325,566
Buildings and improvements	27,699	8,938	7,637	22,672	69,982
Other long-term assets	7,976	63	-	-	30,844
Total long-term farm assets	318,920	234,166	284,008	329,601	426,392
Total Farm Assets	656,600	481,273	517,775	626,152	990,620
Total Nonfarm Assets	69,189	92,482	68,847	49,595	64,587
Total Assets	725,789	573,754	586,623	675,747	1,055,207
Liabilities					
Current Farm Liabilities					
Accrued interest	3,877	2,232	5,232	4,425	3,738
Accounts payable	6,170	975	6,158	16,697	1,507
Current notes	65,399	67,858	47,231	57,780	87,116
Government crop loans	3,013	2,895	-	-	8,780
Principal due on term debt	12,811	2,700	8,647	9,597	29,840
Total current farm liabilities	91,270	76,659	67,268	88,499	130,980
Total intermediate farm liabs	42,512	54,197	36,778	37,510	40,891
Total long term farm liabilities	130,306	143,397	129,149	109,202	138,084
Total farm liabilities	264,088	274,253	233,195	235,211	309,956
Total nonfarm liabilities	8,181	18,490	2,832	5,802	5,117
Total liabilities	272,268	292,743	236,028	241,012	315,072
Net worth (farm and nonfarm)	453,521	281,011	350,595	434,734	740,135
Net worth change	27,951	-9,963	22,723	17,594	80,476
Ratio Analysis					
Current farm liabilities / assets	51 %	87 %	60 %	51 %	39 %
Curr. & interm farm liab. / assets	40 %	53 %	45 %	42 %	30 %
Long term farm liab. / assets	41 %	61 %	45 %	33 %	32 %
Total debt to asset ratio	38 %	51 %	40 %	36 %	30 %

Balance Sheet at Market Values
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Assets					
Current Farm Assets					
Cash and checking balance	9,611	9,192	11,164	227	17,282
Prepaid expenses & supplies	9,863	5,788	4,594	19,579	9,823
Growing crops	2,409	2,605	1,314	4,288	1,549
Accounts receivable	9,453	9	1,649	9,627	25,980
Hedging accounts	378	19	133	472	873
Crops held for sale or feed	79,187	40,522	54,755	94,007	126,060
Crops under government loan	3,653	4,089	-	-	10,332
Market livestock held for sale	59,473	25,982	43,211	38,473	127,021
Other current assets	2,002	406	544	-	6,844
Total current farm assets	176,027	88,613	117,365	166,673	325,765
Intermediate Farm Assets					
Breeding livestock	43,561	38,043	28,120	39,769	67,765
Machinery and equipment	160,662	127,979	121,118	156,473	234,908
Titled vehicles	6,107	5,156	2,606	3,263	13,178
Other intermediate assets	10,938	38,242	59	-	6,415
Total intermediate farm assets	221,268	209,420	151,903	199,505	322,266
Long Term Farm Assets					
Farm land	461,829	374,710	377,674	449,348	639,724
Buildings and improvements	48,714	17,879	19,834	40,198	114,629
Other long-term assets	7,492	63	-	-	29,030
Total long-term farm assets	518,035	392,651	397,509	489,546	783,383
Total Farm Assets	915,330	690,684	666,777	855,724	1,431,415
Total Nonfarm Assets	94,683	115,456	85,367	86,717	91,943
Total Assets	1,010,013	806,140	752,144	942,441	1,523,359
Liabilities					
Current Farm Liabilities					
Accrued interest	3,723	2,232	4,725	4,148	3,727
Accounts payable	5,796	975	5,434	15,654	1,418
Current notes	68,234	67,858	65,498	54,169	84,562
Government crop loans	2,830	2,895	-	-	8,264
Principal due on term debt	12,828	2,700	9,761	8,997	29,034
Total current farm liabilities	93,412	76,659	85,418	82,968	127,004
Total intermediate farm liabs	42,038	54,197	39,722	35,166	39,379
Total long term farm liabilities	125,442	143,397	122,539	102,377	133,156
Total farm liabilities	260,893	274,253	247,679	220,510	299,539
Total nonfarm liabilities	7,685	18,490	2,499	5,439	4,816
Total liabs excluding deferreds	268,578	292,743	250,178	225,949	304,355
Total deferred liabilities	-	-	-	-	-
Total liabilities	268,578	292,743	250,178	225,949	304,355
Net worth (farm and nonfarm)	741,435	513,397	501,966	716,492	1,219,004
Net worth excluding deferreds	741,435	513,397	501,966	716,492	1,219,004
Net worth change	44,796	10,962	30,085	33,357	102,117
Ratio Analysis					
Current farm liabilities / assets	53 %	87 %	73 %	50 %	39 %
Curr. & interm farm liab. / assets	34 %	44 %	46 %	32 %	26 %
Long term farm liab. / assets	24 %	37 %	31 %	21 %	17 %
Total debt to asset ratio	27 %	36 %	33 %	24 %	20 %
Debt to assets excl deferreds	27 %	36 %	33 %	24 %	20 %

Statement Of Cash Flows
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Beginning cash (farm & nonfarm)	17,655	20,259	16,877	13,215	20,161
Cash From Operating Activities					
Gross cash farm income	305,299	150,774	207,758	336,169	519,223
Net nonfarm income	23,030	45,460	19,104	16,764	11,743
Total cash farm expense	-252,320	-139,316	-169,244	-266,764	-428,159
Apparent family living expense	-31,882	-33,820	-27,527	-28,219	-37,861
Income and social security tax	-3,274	-3,376	-2,505	-3,637	-3,605
Cash from operations	40,853	19,721	27,586	54,313	61,341
Cash From Investing Activities					
Sale of breeding livestock	2,884	2,717	2,832	5,109	1,000
Sale of machinery & equipment	2,425	2,431	1,266	1,869	4,103
Sale of titled vehicles	285	488	-	-	647
Sale of farm land	1,863	-	7,234	-	-
Sale of farm buildings	-	-	-	-	-
Sale of other farm assets	94	-	363	-	-
Sale of nonfarm assets	-	-	-	-	-
Purchase of breeding livestock	-4,622	-1,154	-1,343	-5,438	-10,396
Purchase of machinery & equip.	-17,138	-10,682	-16,711	-19,926	-21,016
Purchase of titled vehicles	-1,539	-2,852	-765	-1,205	-1,393
Purchase of farm land	-8,457	-	-17,078	-4,025	-11,968
Purchase of farm buildings	-2,942	-3,776	-1,007	-3,423	-3,640
Purchase of other farm assets	-484	-1,530	-	-31	-408
Purchase of nonfarm assets	-3,715	-2,934	-	-7,993	-4,139
Cash from investing activities	-31,346	-17,291	-25,209	-35,065	-47,210
Cash From Financing Activities					
Money borrowed	113,624	50,306	129,665	87,511	181,752
Cash gifts and inheritances	162	-	74	92	471
Principal payments	-121,829	-56,401	-134,705	-100,650	-190,465
Dividends paid	-	-	-	-	-
Gifts given	-510	-2,033	-67	-	-
Cash from financing activities	-8,553	-8,129	-5,034	-13,047	-8,242
Net change in cash balance	954	-5,699	-2,657	6,201	5,889
Ending cash (farm & nonfarm)	18,609	14,560	14,220	19,416	26,051

Financial Standards Measures
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Liquidity					
Current ratio	1.88	1.16	1.37	2.01	2.56
Working capital	82,615	11,954	31,947	83,705	198,761
Solvency (market)					
Farm debt to asset ratio	29 %	40 %	37 %	26 %	21 %
Farm equity to asset ratio	71 %	60 %	63 %	74 %	79 %
Farm debt to equity ratio	40 %	66 %	59 %	35 %	26 %
Profitability (cost)					
Rate of return on farm assets	4.2 %	-2.5 %	0.6 %	3.7 %	9.8 %
Rate of return on farm equity	3.8 %	-12.6 %	-2.2 %	2.7 %	12.2 %
Operating profit margin	12.6 %	-10.9 %	2.2 %	10.7 %	23.2 %
Net farm income	38,277	-16,232	14,821	40,382	112,800
Repayment Capacity					
Term debt coverage ratio	219 %	187 %	122 %	247 %	252 %
Capital replacement margin	19,760	3,107	3,139	17,570	54,117
Efficiency					
Asset turnover rate (cost)	33.6 %	23.0 %	25.7 %	34.5 %	42.4 %
Operating expense ratio	78.1 %	95.1 %	81.7 %	78.4 %	73.0 %
Depreciation expense ratio	5.5 %	6.3 %	5.7 %	6.0 %	5.1 %
Interest expense ratio	4.0 %	10.9 %	4.3 %	3.5 %	2.6 %
Net farm income ratio	12.4 %	-12.2 %	8.3 %	12.1 %	19.2 %

Crop Production and Marketing Summary
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Acreage Summary					
Total acres owned	415	311	411	436	497
Total crop acres	655	475	549	721	869
Crop acres owned	235	196	191	164	381
Crop acres cash rented	204	203	166	124	317
Crop acres share rented	217	76	193	433	171
Total pasture acres	102	78	64	55	208
Average Price Received (Cash Sales Only)					
Soybeans per bushel	6.12	6.25	6.02	6.04	6.21
Corn per bushel	2.40	2.29	2.46	2.36	2.43
Wheat, Winter per bushel	2.92	3.17	3.09	2.63	2.94
Hay, Mixed per ton	63.21	-	-	-	-
Sorghum, Grain per bushel	2.29	-	-	-	2.29
Grass Seed, Fescue per lb	0.180	-	-	-	-
Straw per ton	87.41	-	-	-	-
Average Yield Per Acre					
Soybeans (bushel)	28.19	28.92	28.73	27.94	27.98
Corn (bushel)	74.02	71.45	61.21	68.72	81.22
Sorghum, Grain (bushel)	81.56	-	-	-	81.48
Hay, Mixed (ton)	2.31	-	-	-	-
Wheat, Winter (bushel)	77.35	-	-	-	76.81
Pasture (aum)	3.51	-	-	-	-

Household and Personal Expenses
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>
Number of farms	5
Average family size	2.8
Family Living Expenses	
Food and meals expense	4,935
Medical care	3,071
Health insurance	4,081
Cash donations	3,126
Household supplies	3,603
Clothing	1,038
Personal care	2,206
Child / Dependent care	9
Alimony and Child support	-
Gifts	713
Education	180
Recreation	957
Utilities (household share)	1,783
Nonfarm vehicle operating expense	4,345
Household real estate taxes	139
Dwelling rent	-
Household repairs	897
Nonfarm interest	600
Disability / Long term care insuran	480
Life insurance payments	1,199
Nonfarm property insurance	110
Miscellaneous	2,138
Total cash family living expense	35,611
Family living from the farm	-
Total family living	35,611
Other Nonfarm Expenditures	
Income taxes	1,463
Furnishing & appliance purchases	-
Nonfarm vehicle purchases	-
Nonfarm real estate purchases	-
Other nonfarm capital purchases	-
Nonfarm savings & investments	7,040
Total other nonfarm expenditures	8,503
Total cash family living investment & nonfarm capital purch	44,114

Operator and Labor Information
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Operator Information					
Average number of operators	1.1	1.1	1.0	1.1	1.4
Average age of operators	47.8	48.4	47.8	47.3	47.8
Average number of years farming	26.5	24.6	27.5	27.1	26.5
Results Per Operator					
Working capital	72,412	11,251	32,328	74,405	143,785
Total assets (market)	885,270	758,720	761,098	837,726	1,102,004
Total liabilities	235,407	275,523	253,156	200,844	220,172
Net worth (market)	649,863	483,197	507,942	636,882	881,833
Net worth excl deferred liabs	649,863	483,197	507,942	636,882	881,833
Gross farm income	272,165	124,869	195,274	300,384	412,073
Total farm expense	238,535	140,146	179,021	263,945	332,792
Net farm income	33,630	-15,277	16,253	36,440	79,281
Net nonfarm income	20,186	42,786	19,332	14,901	8,495
Family living & tax withdrawals	30,814	35,008	30,390	28,316	29,997
Total acres owned	363.7	292.9	415.9	387.8	359.3
Total crop acres	574.4	447.0	556.0	641.2	628.5
Crop acres owned	205.7	184.9	192.8	145.8	275.7
Crop acres cash rented	178.5	190.9	168.3	110.5	229.0
Crop acres share rented	190.2	71.2	194.8	385.0	123.8
Total pasture acres	89.6	73.3	64.8	48.9	150.3
Labor Analysis					
Number of farms	66	16	17	16	17
Total unpaid labor hours	1,880	1,010	1,683	2,239	2,559
Total hired labor hours	1,386	1,042	450	753	3,243
Total labor hours per farm	3,267	2,052	2,133	2,992	5,802
Unpaid hours per operator	1,648	951	1,703	1,991	1,851
Value of farm production / hour	65.51	54.79	64.04	68.83	68.00
Net farm income / unpaid hour	20.40	-16.07	9.54	18.31	42.83
Partnerships					
Number of farms	4	-	-	1	3
Number of operators	2.3	-	-	-	-
Owner withdrawals per farm	-	-	-	-	-
Withdrawals per operator	-	-	-	-	-
Corporations					
Number of farms	5	2	-	-	3
Number of operators	1.4	-	-	-	-

Financial Summary
Missouri Farm Business Management Analysis Program
(Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	66	16	17	16	17
Income Statement					
Gross cash farm income	305,299	150,774	207,758	336,169	519,223
Total cash farm expense	252,320	139,316	169,244	266,764	428,159
Net cash farm income	52,979	11,458	38,514	69,405	91,064
Inventory change	2,622	-19,346	-11,511	-8,300	47,711
Depreciation and capital adjust	-17,232	-8,344	-10,942	-20,110	-29,181
Net farm income	38,369	-16,232	16,061	40,995	109,594
Profitability (cost)					
Labor and management earnings	15,363	-29,238	-1,973	17,229	74,469
Rate of return on assets	4.2 %	-2.5 %	0.6 %	3.7 %	9.8 %
Rate of return on equity	3.8 %	-12.6 %	-2.2 %	2.7 %	12.2 %
Operating profit margin	12.0 %	-10.9 %	1.9 %	10.4 %	22.4 %
Asset turnover rate	35.2 %	23.0 %	29.8 %	35.4 %	44.0 %
Liquidity					
Ending current ratio	1.88	1.16	1.37	2.01	2.56
Ending working capital	82,615	11,954	31,947	83,705	198,761
End working capital to gross inc	27.1 %	7.9 %	15.4 %	24.9 %	38.3 %
Term debt coverage ratio	218.7 %	186.8 %	121.9 %	247.4 %	251.6 %
Expense as a percent of income	82.1 %	105.9 %	86.0 %	81.9 %	75.6 %
Interest as a percent of income	4.0 %	10.9 %	4.3 %	3.5 %	2.6 %
Solvency (market)					
Number of farms	66	16	17	16	17
Ending farm assets	915,330	690,684	666,777	855,724	1,431,415
Ending farm liabilities	260,893	274,253	247,679	220,510	299,539
Ending total assets	1,010,013	806,140	752,144	942,441	1,523,359
Ending total liabilities	268,578	292,743	250,178	225,949	304,355
Ending net worth	741,435	513,397	501,966	716,492	1,219,004
Net worth change	44,796	10,962	30,085	33,357	102,117
Ending farm debt to asset ratio	29 %	40 %	37 %	26 %	21 %
Beg total debt to asset ratio	28 %	37 %	35 %	25 %	22 %
End total debt to asset ratio	27 %	36 %	33 %	24 %	20 %
Nonfarm Information					
Net nonfarm income	23,030	45,460	19,104	16,764	11,743
Farms reporting living expenses	17	4	6	3	4
Total family living expense	29,184	29,422	37,241	-	24,348
Total living, invest, & capital	40,802	39,882	41,227	-	56,182
Crop Acres					
Total acres owned	415	311	411	436	497
Total crop acres	655	475	549	721	869
Total crop acres owned	235	196	191	164	381
Total crop acres cash rented	204	203	166	124	317
Total crop acres share rented	217	76	193	433	171

