

Whole-Farm Reports

The whole-farm reports summarize the financial performance of FBMA member farms in 2005. Each table includes the average of the 97 farms included in the report and the average of four equally divided brackets from the lowest to highest profits (based on Net Farm Income). 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 2005. 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.

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
(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	97	24	24	24	25
Cash Farm Income					
Corn	41,336	10,184	32,048	41,673	79,836
Corn, Seed	72	-	293	-	-
Grass Seed, Fescue	341	101	745	518	16
Hay, Alfalfa	54	133	84	-	-
Hay, Grass	251	330	60	528	91
Hay, Mixed	464	112	828	468	448
Sorghum, Grain	1,746	44	575	3,864	2,471
Soybeans	71,125	19,000	56,425	85,987	121,011
Straw	55	8	29	8	172
Timber	89	359	-	-	-
Wheat, Winter	4,807	1,157	3,960	7,444	6,593
Corn, White	377	-	-	1,522	-
Miscellaneous crop income	20	-	-	-	77
Beef Bulls	461	559	-	-	1,252
Beef Cow-Calf, Beef Calves	20,769	12,049	21,275	22,484	27,007
Beef Replacement Heifers	82	121	-	212	-
Beef, Background Beef	15,369	1,762	3,265	57,090	-
Beef, Finish Beef Calves	1,754	1,829	1,231	-	3,869
Dairy, Milk	1,333	-	-	-	5,173
Dairy Replacement Heifers	220	-	-	-	855
Dairy Steers	2,262	-	-	-	8,775
Hogs, Farrow-Fin, Raised Hogs	90,431	672	-	26,109	325,163
Hogs, Finish Feeder Pigs	5,578	2,222	-	20,325	-
Horses, Breed Horses, Foals	202	-	-	815	-
Sheep, Market Lambs, Mkt Lambs	1,206	501	-	2,038	2,242
Hogs, Contractee	572	-	2,312	-	-
Beef, Finish Cull Cows	46	187	-	-	-
Hogs, Weaning Pigs, Weaning Pigs	86	-	-	-	335
Beef Cow-Calf (shares), Beef Calv	1,870	86	3,059	-	4,237
Goats, Meat Goats, Meat Goats	32	129	-	-	-
CCC market loan gain	257	8	-	1,030	0
Cull breeding livestock	2,088	404	2,091	3,213	2,621
Misc. livestock income	4,575	10	324	1,351	16,133
LDP payments	3,358	822	2,755	3,661	6,080
Direct & CC govt payments	18,795	8,738	14,220	22,976	28,827
CRP payments	691	329	-	38	2,328
Livestock govt payments	60	5	14	169	54
Other government payments	7,411	4,720	5,524	3,295	15,757
Custom work income	2,772	474	3,636	3,157	3,780
Patronage dividends, cash	4,145	431	373	1,205	14,154
Insurance income	9,385	9,356	4,657	11,076	12,327
Cash from hedging accts	-1,401	-	41	244	-5,710
Other farm income	10,483	3,237	14,213	7,241	16,972
Gross Cash Farm Income	325,631	80,077	174,038	329,739	702,947

Farm Income Statement (Continued)
(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	97	24	24	24	25
Cash Farm Expense					
Seed	21,199	7,027	17,524	20,519	38,985
Fertilizer	28,235	9,517	21,698	31,969	48,895
Crop chemicals	12,806	5,533	9,162	17,715	18,575
Crop insurance	4,384	1,806	2,902	4,773	7,910
Drying fuel	457	123	182	960	560
CCC buyback	366	392	-	1,087	-
Crop marketing	455	25	975	27	779
Crop miscellaneous	2,306	1,242	1,250	3,752	2,952
Feeder livestock purchase	23,597	2,882	1,592	51,890	37,447
Purchased feed	60,485	5,488	5,198	38,054	187,894
Breeding fees	900	70	37	66	3,327
Veterinary	3,442	656	1,008	4,070	7,850
Supplies	1,561	883	757	1,505	3,039
Contract production exp.	5,649	-	-	-	21,919
Livestock leases	1,325	41	72	-	5,034
Grazing fees	68	33	83	159	-
Livestock marketing	495	174	249	884	665
Interest	14,231	8,154	9,030	21,042	18,519
Fuel & oil	12,317	4,501	8,978	13,320	22,062
Repairs	15,432	6,325	15,301	15,423	24,311
Custom hire	4,497	2,139	5,531	3,636	6,595
Hired labor	12,857	147	6,719	7,577	36,022
Land rent	19,532	7,397	13,950	24,546	31,727
Machinery leases	810	23	251	1,894	1,063
Building leases	6,517	-	85	-	25,207
Real estate taxes	2,534	1,312	1,865	2,572	4,315
Personal property taxes	526	352	708	336	703
Farm insurance	4,132	1,657	4,101	3,529	7,119
Utilities	5,152	1,317	1,901	3,659	13,390
Dues & professional fees	885	466	897	673	1,481
Miscellaneous	6,409	5,507	6,237	4,902	8,886
Total cash expense	273,566	75,188	138,241	280,537	587,228
Net cash farm income	52,065	4,889	35,797	49,203	115,719
Inventory Changes					
Crops and feed	-6,247	-7,870	-11,812	-14,714	8,782
Market livestock	12,701	3,107	836	7,649	38,150
Accounts receivable	3,825	638	2,624	2,144	9,651
Prepaid expenses and supplies	6,950	751	1,815	3,610	21,038
Accounts payable	-304	-72	-1,242	-2,040	2,043
Total inventory change	16,925	-3,446	-7,779	-3,351	79,663
Net operating profit	68,990	1,443	28,018	45,851	195,382
Depreciation and Other Capital Adjustments					
Breeding livestock	1,020	-867	1,426	-518	3,917
Machinery and equipment	-7,231	-4,580	-10,285	-6,878	-7,185
Buildings and improvements	-819	-395	-875	-780	-1,211
Other farm capital	521	417	59	-104	1,667
Total depr. and other capital adj	-6,510	-5,425	-9,676	-8,279	-2,813
Net farm income	62,480	-3,982	18,342	37,572	192,570

Inventory Changes
(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	97	24	24	24	25
Net cash farm income	52,065	4,889	35,797	49,203	115,719
Crops and Feed					
Ending inventory	94,504	18,373	81,126	82,686	191,778
Beginning inventory	100,751	26,243	92,937	97,400	182,996
Inventory change	-6,247	-7,870	-11,812	-14,714	8,782
Market Livestock					
Ending inventory	70,813	14,856	23,392	65,461	175,193
Beginning inventory	58,112	11,749	22,556	57,812	137,044
Inventory change	12,701	3,107	836	7,649	38,150
Accts Receivable & Other Current Assets					
Ending inventory	10,264	1,611	7,388	6,818	24,641
Beginning inventory	6,439	974	4,764	4,674	14,990
Inventory change	3,825	638	2,624	2,144	9,651
Prepaid Expenses and Supplies					
Ending inventory	19,274	2,561	13,232	12,984	47,156
Beginning inventory	12,324	1,810	11,417	9,375	26,118
Inventory change	6,950	751	1,815	3,610	21,038
Accounts Payable & Accrued Expenses					
Beginning inventory	7,346	1,631	7,300	10,641	9,712
Ending inventory	7,649	1,703	8,542	12,681	7,669
Inventory change	-304	-72	-1,242	-2,040	2,043
Total inventory change	16,925	-3,446	-7,779	-3,351	79,663
Net operating profit	68,990	1,443	28,018	45,851	195,382

**Depreciation and Other Capital Adjustments
(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	97	24	24	24	25
Net operating profit	68,990	1,443	28,018	45,851	195,382
Breeding Livestock					
Ending inventory	39,588	23,065	38,910	39,524	56,162
Capital sales	5,015	1,671	2,496	3,260	12,329
Beginning inventory	36,646	20,566	36,960	34,260	54,071
Capital purchases	6,938	5,037	3,021	9,042	10,504
Depreciation, capital adjust.	1,020	-867	1,426	-518	3,917
Machinery and Equipment					
Ending inventory	152,393	55,458	117,901	146,816	283,919
Capital sales	3,308	946	1,258	2,084	8,718
Beginning inventory	132,752	46,752	105,002	128,227	246,295
Capital purchases	30,181	14,231	24,441	27,552	53,527
Depreciation, capital adjust.	-7,231	-4,580	-10,285	-6,878	-7,185
Buildings and Improvements					
Ending inventory	49,485	23,668	34,039	35,282	102,732
Capital sales	-	-	-	-	-
Beginning inventory	42,274	18,393	29,113	34,898	84,914
Capital purchases	8,031	5,670	5,801	1,164	19,029
Depreciation, capital adjust.	-819	-395	-875	-780	-1,211
Other Capital Assets					
Ending inventory	22,782	2,869	6,264	302	79,337
Capital sales	-	-	-	-	-
Beginning inventory	20,909	1,508	5,653	260	74,002
Capital purchases	1,352	944	552	146	3,668
Depreciation, capital adjust.	521	417	59	-104	1,667
Total depreciation, capital adj.	-6,510	-5,425	-9,676	-8,279	-2,813
Net farm income	62,480	-3,982	18,342	37,572	192,570

Profitability Measures
(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	97	24	24	24	25
Profitability (assets valued at cost)					
Net farm income	62,480	-3,982	18,342	37,572	192,570
Labor and management earnings	33,681	-15,015	-2,358	16,943	131,096
Rate of return on assets	6.4 %	-2.7 %	1.7 %	5.0 %	10.9 %
Rate of return on equity	7.0 %	-9.3 %	-0.1 %	4.2 %	13.0 %
Operating profit margin	18.7 %	-13.3 %	5.6 %	14.8 %	28.0 %
Asset turnover rate	34.2 %	20.2 %	30.1 %	33.9 %	39.0 %
Interest on farm net worth	28,799	11,032	20,700	20,629	61,474
Farm interest expense	13,865	8,176	9,243	20,316	17,572
Value of operator lbr and mgmt.	28,940	13,067	18,589	23,116	59,706
Return on farm assets	47,406	-8,873	8,996	34,773	150,436
Average farm assets	740,138	329,754	533,310	692,306	1,378,579
Return on farm equity	33,541	-17,049	-247	14,456	132,864
Average farm equity	479,906	183,557	344,993	343,820	1,024,560
Value of farm production	252,846	66,715	160,321	234,357	538,106
	<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	97	24	24	24	25
Profitability (assets valued at market)					
Net farm income	96,223	10,260	33,110	75,434	259,295
Labor and management earnings	51,495	-8,733	-3,000	40,058	172,609
Rate of return on assets	8.1 %	1.2 %	3.0 %	7.7 %	12.1 %
Rate of return on equity	9.0 %	-0.9 %	2.4 %	8.9 %	13.8 %
Operating profit margin	32.1 %	8.0 %	14.8 %	31.0 %	40.4 %
Asset turnover rate	25.1 %	14.4 %	20.3 %	25.0 %	29.9 %
Interest on farm net worth	44,728	18,993	36,110	35,376	86,687
Farm interest expense	13,865	8,176	9,243	20,316	17,572
Value of operator lbr and mgmt.	28,940	13,067	18,589	23,116	59,706
Return on farm assets	81,149	5,369	23,764	72,635	217,161
Average farm assets	1,005,682	462,647	790,154	938,086	1,798,795
Return on farm equity	67,284	-2,807	14,520	52,318	199,589
Average farm equity	745,450	316,449	601,837	589,600	1,444,775
Value of farm production	252,846	66,715	160,321	234,357	538,106

Liquidity Measures
(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	97	24	24	24	25
Liquidity (cash)					
Net cash farm income	52,065	4,889	35,797	49,203	115,719
Net nonfarm income	22,480	42,266	20,187	12,275	15,485
Family living and taxes	43,816	31,413	38,506	35,883	68,437
Principal due on long term debt	8,256	1,482	2,771	7,207	21,032
Cash available for interm. debt	22,473	14,259	14,707	18,388	41,735
Average intermediate debt	47,198	26,301	38,965	64,979	58,093
Years to turnover interm. debt	2.1	1.8	2.6	3.5	1.4
Expense as a % of income	84 %	94 %	79 %	85 %	84 %
Interest as a % of income	4 %	10 %	5 %	6 %	3 %
Working capital to gross income	34 %	10 %	37 %	14 %	45 %
Liquidity (accrual)					
Total accrual farm income	335,909	75,952	165,686	324,818	759,529
Total accrual operating expense	266,919	74,509	137,668	278,967	564,147
Net accrual operating income	68,990	1,443	28,018	45,851	195,382
Net nonfarm income	22,480	42,266	20,187	12,275	15,485
Family living and taxes	43,816	31,413	38,506	35,883	68,437
Principal due on long term debt	8,256	1,482	2,771	7,207	21,032
Available for intermediate debt	39,398	10,813	6,928	15,037	121,399
Average intermediate debt	47,198	26,301	38,965	64,979	58,093
Years to turnover interm. debt	1.2	2.4	5.6	4.3	0.5
Expense as a % of income	79 %	98 %	83 %	86 %	74 %
Interest as a % of income	4 %	11 %	6 %	6 %	2 %
Working capital to gross income	33 %	10 %	39 %	14 %	42 %

Balance Sheet at Cost Values
(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	97	24	24	24	25
Assets					
Current Farm Assets					
Cash and checking balance	6,340	4,061	12,827	2,285	6,194
Prepaid expenses & supplies	19,274	2,561	13,232	12,984	47,156
Growing crops	3,115	1,499	3,339	3,498	4,083
Accounts receivable	4,631	-	1,538	914	15,616
Hedging accounts	948	-	315	9	3,369
Crops held for sale or feed	89,800	18,373	79,443	68,210	189,040
Crops under government loan	4,704	-	1,683	14,477	2,738
Market livestock held for sale	70,813	14,856	23,392	65,461	175,193
Other current assets	1,570	113	2,196	2,398	1,573
Total current farm assets	201,195	41,463	137,964	170,234	444,962
Intermediate Farm Assets					
Breeding livestock	39,588	23,065	38,910	39,524	56,162
Machinery and equipment	144,147	47,803	111,189	141,672	270,653
Titled vehicles	8,246	7,654	6,712	5,144	13,266
Other intermediate assets	6,809	2,453	5,435	302	18,558
Total intermediate farm assets	198,791	80,975	162,246	186,642	358,639
Long Term Farm Assets					
Farm land	299,033	191,302	207,889	310,488	478,956
Buildings and improvements	49,485	23,668	34,039	35,282	102,732
Other long-term assets	15,973	417	829	-	60,779
Total long-term farm assets	364,491	215,387	242,757	345,770	642,468
Total Farm Assets	764,476	337,825	542,967	702,646	1,446,069
Total Nonfarm Assets	101,414	120,802	108,016	61,582	114,702
Total Assets	865,890	458,627	650,983	764,228	1,560,771
Liabilities					
Current Farm Liabilities					
Accrued interest	2,783	1,403	1,912	3,297	4,449
Accounts payable	4,866	300	6,630	9,384	3,221
Current notes	63,411	28,751	56,121	81,082	86,721
Government crop loans	4,376	-	1,505	13,801	2,286
Principal due on term debt	14,977	3,362	6,954	16,958	31,927
Total current farm liabilities	90,414	33,816	73,123	124,521	128,603
Total intermediate farm liabs	42,534	25,462	39,496	58,413	46,597
Total long term farm liabilities	133,559	92,603	87,019	172,865	179,821
Total farm liabilities	266,507	151,881	199,637	355,799	355,021
Total nonfarm liabilities	16,013	32,637	11,590	6,197	13,724
Total liabilities	282,520	184,519	211,227	361,997	368,745
Net worth (farm and nonfarm)	583,370	274,108	439,756	402,231	1,192,026
Net worth change	40,227	11,616	1,631	12,716	131,156
Ratio Analysis					
Current farm liabilities / assets	45 %	82 %	53 %	73 %	29 %
Curr. & interm farm liab. / assets	33 %	48 %	38 %	51 %	22 %
Long term farm liab. / assets	37 %	43 %	36 %	50 %	28 %
Total debt to asset ratio	33 %	40 %	32 %	47 %	24 %

Balance Sheet at Market Values
(Farms Sorted By Net Farm Income)

	<u>Avg. Of</u> <u>All Farms</u>	<u>Low 25%</u>	<u>25 - 50%</u>	<u>50 - 75%</u>	<u>High 25%</u>
Number of farms	97	24	24	24	25
Assets					
Current Farm Assets					
Cash and checking balance	6,340	4,061	12,827	2,285	6,194
Prepaid expenses & supplies	19,274	2,561	13,232	12,984	47,156
Growing crops	3,115	1,499	3,339	3,498	4,083
Accounts receivable	4,631	-	1,538	914	15,616
Hedging accounts	948	-	315	9	3,369
Crops held for sale or feed	89,800	18,373	79,443	68,210	189,040
Crops under government loan	4,704	-	1,683	14,477	2,738
Market livestock held for sale	70,813	14,856	23,392	65,461	175,193
Other current assets	1,570	113	2,196	2,398	1,573
Total current farm assets	201,195	41,463	137,964	170,234	444,962
Intermediate Farm Assets					
Breeding livestock	52,255	28,727	50,382	55,578	73,449
Machinery and equipment	178,693	76,571	127,205	174,836	329,861
Titled vehicles	11,710	10,981	7,247	9,994	18,342
Other intermediate assets	10,999	2,479	5,830	380	34,334
Total intermediate farm assets	253,657	118,758	190,664	240,789	455,986
Long Term Farm Assets					
Farm land	508,510	287,042	435,713	512,386	787,284
Buildings and improvements	66,903	30,159	41,858	43,948	148,257
Other long-term assets	16,627	417	996	-	63,158
Total long-term farm assets	592,040	317,617	478,567	556,334	998,699
Total Farm Assets	1,046,892	477,838	807,195	967,357	1,899,647
Total Nonfarm Assets	130,012	131,119	185,845	71,834	131,201
Total Assets	1,176,905	608,958	993,041	1,039,191	2,030,848
Liabilities					
Current Farm Liabilities					
Accrued interest	2,783	1,403	1,912	3,297	4,449
Accounts payable	4,866	300	6,630	9,384	3,221
Current notes	63,411	28,751	56,121	81,082	86,721
Government crop loans	4,376	-	1,505	13,801	2,286
Principal due on term debt	14,977	3,362	6,954	16,958	31,927
Total current farm liabilities	90,414	33,816	73,123	124,521	128,603
Total intermediate farm liabs	42,534	25,462	39,496	58,413	46,597
Total long term farm liabilities	133,559	92,603	87,019	172,865	179,821
Total farm liabilities	266,507	151,881	199,637	355,799	355,021
Total nonfarm liabilities	16,013	32,637	11,590	6,197	13,724
Total liabs excluding deferreds	282,520	184,519	211,227	361,997	368,745
Total deferred liabilities	-	-	-	-	-
Total liabilities	282,520	184,519	211,227	361,997	368,745
Retained earnings	583,370	274,108	439,756	402,231	1,192,026
Market valuation equity	311,014	150,331	342,057	274,963	470,077
Net worth (farm and nonfarm)	894,384	424,439	781,813	677,194	1,662,103
Net worth excluding deferreds	894,384	424,439	781,813	677,194	1,662,103
Net worth change	78,237	26,842	22,999	52,800	205,023
Ratio Analysis					
Current farm liabilities / assets	45 %	82 %	53 %	73 %	29 %
Curr. & interm farm liab. / assets	29 %	37 %	34 %	45 %	19 %
Long term farm liab. / assets	23 %	29 %	18 %	31 %	18 %
Total debt to asset ratio	24 %	30 %	21 %	35 %	18 %
Debt to assets excl deferreds	24 %	30 %	21 %	35 %	18 %

Statement Of Cash Flows
(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	97	24	24	24	25
Beginning cash (farm & nonfarm)	18,531	10,583	21,573	8,202	33,157
Cash From Operating Activities					
Gross cash farm income	325,631	80,077	174,038	329,739	702,947
Net nonfarm income	22,480	42,266	20,187	12,275	15,485
Total cash farm expense	-273,566	-75,188	-138,241	-280,537	-587,228
Apparent family living expense	-41,119	-29,224	-34,421	-34,319	-65,498
Income and social security tax	-2,697	-2,190	-4,085	-1,563	-2,939
Cash from operations	30,729	15,741	17,478	25,595	62,767
Cash From Investing Activities					
Sale of breeding livestock	5,015	1,671	2,496	3,260	12,329
Sale of machinery & equipment	3,164	946	1,258	1,709	8,518
Sale of titled vehicles	144	-	-	375	200
Sale of farm land	-	-	-	-	-
Sale of farm buildings	-	-	-	-	-
Sale of other farm assets	-	-	-	-	-
Sale of nonfarm assets	2,411	6,337	1,437	1,199	740
Purchase of breeding livestock	-6,938	-5,037	-3,021	-9,042	-10,504
Purchase of machinery & equip.	-27,890	-10,594	-21,132	-25,905	-52,887
Purchase of titled vehicles	-2,291	-3,637	-3,310	-1,647	-640
Purchase of farm land	-7,553	-3,217	-9,625	-	-16,976
Purchase of farm buildings	-8,031	-5,670	-5,801	-1,164	-19,029
Purchase of other farm assets	-1,352	-944	-552	-146	-3,668
Purchase of nonfarm assets	-7,665	-6,715	-12,812	-5,754	-5,469
Cash from investing activities	-50,985	-26,861	-51,062	-37,114	-87,386
Cash From Financing Activities					
Money borrowed	106,639	42,357	79,065	113,048	188,669
Cash gifts and inheritances	1,295	3,791	538	-	869
Principal payments	-93,393	-35,604	-50,107	-99,806	-184,269
Dividends paid	-	-	-	-	-
Gifts given	-1,460	-277	-395	-1,208	-3,862
Cash from financing activities	13,081	10,267	29,100	12,034	1,408
Net change in cash balance	-7,175	-853	-4,485	515	-23,211
Ending cash (farm & nonfarm)	11,356	9,731	17,088	8,717	9,946

Financial Standards Measures
(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	97	24	24	24	25
Liquidity					
Current ratio	2.23	1.23	1.89	1.37	3.46
Working capital	110,781	7,647	64,842	45,713	316,359
Solvency (market)					
Farm debt to asset ratio	25 %	32 %	25 %	37 %	19 %
Farm equity to asset ratio	75 %	68 %	75 %	63 %	81 %
Farm debt to equity ratio	34 %	47 %	33 %	58 %	23 %
Profitability (cost)					
Rate of return on farm assets	6.4 %	-2.7 %	1.7 %	5.0 %	10.9 %
Rate of return on farm equity	7.0 %	-9.3 %	-0.1 %	4.2 %	13.0 %
Operating profit margin	18.7 %	-13.3 %	5.6 %	14.8 %	28.0 %
Net farm income	62,480	-3,982	18,342	37,572	192,570
Repayment Capacity					
Term debt coverage ratio	217 %	198 %	88 %	100 %	296 %
Capital replacement margin	24,451	5,605	-1,070	69	90,451
Efficiency					
Asset turnover rate (cost)	34.2 %	20.2 %	30.1 %	33.9 %	39.0 %
Operating expense ratio	75.3 %	87.3 %	77.5 %	79.6 %	72.0 %
Depreciation expense ratio	1.9 %	7.1 %	5.8 %	2.5 %	0.4 %
Interest expense ratio	4.1 %	10.8 %	5.6 %	6.3 %	2.3 %
Net farm income ratio	18.6 %	-5.2 %	11.1 %	11.6 %	25.4 %

Crop Production and Marketing Summary
(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	97	24	24	24	25
Acreage Summary					
Total acres owned	420	257	339	437	638
Total crop acres	686	243	538	742	1,197
Crop acres owned	255	124	178	231	478
Crop acres cash rented	222	84	163	296	340
Crop acres share rented	209	35	198	215	379
Total pasture acres	123	83	97	209	106
Average Price Received (Cash Sales Only)					
Soybeans per bushel	5.84	5.51	5.73	5.89	5.92
Corn per bushel	2.12	1.94	2.05	2.07	2.20
Wheat, Winter per bushel	3.15	3.10	3.38	3.09	3.11
Hay, Mixed per ton	37.39	-	-	-	-
Sorghum, Grain per bushel	1.85	-	-	-	1.93
Grass Seed, Fescue per lb	0.289	-	-	0.347	-
Hay, Grass per ton	37.40	-	-	-	-
Average Yield Per Acre					
Soybeans (bushel)	30.29	22.44	29.83	33.74	29.00
Corn (bushel)	65.90	38.32	71.04	69.70	71.38
Pasture (aum)	3.46	2.24	4.32	3.63	-
Hay, Mixed (ton)	2.06	-	1.28	2.61	-
Wheat, Winter (bushel)	64.51	-	67.78	71.25	-
Sorghum, Grain (bushel)	70.33	-	56.33	-	-

Operator and Labor Information
(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	97	24	24	24	25
Operator Information					
Average number of operators	1.1	0.9	1.0	1.2	1.3
Average age of operators	47.6	43.1	49.3	46.1	51.8
Average number of years farming	24.6	20.2	24.7	23.2	30.0
Results Per Operator					
Working capital	99,868	8,049	62,248	39,464	247,155
Total assets (market)	1,060,964	641,008	953,319	897,143	1,586,600
Total liabilities	254,688	194,230	202,778	312,515	288,082
Net worth (market)	806,276	446,778	750,541	584,628	1,298,518
Net worth excl deferred liabs	806,276	446,778	750,541	584,628	1,298,518
Gross farm income	302,818	79,950	159,058	280,419	593,382
Total farm expense	246,492	84,142	141,450	247,983	442,937
Net farm income	56,325	-4,192	17,608	32,436	150,445
Net nonfarm income	20,266	44,490	19,379	10,597	12,098
Family living & tax withdrawals	39,500	33,067	36,966	30,978	53,466
Total acres owned	378.6	270.2	325.7	377.1	498.4
Total crop acres	618.0	256.2	516.9	640.3	935.5
Crop acres owned	230.0	131.0	170.7	199.4	373.4
Crop acres cash rented	200.1	88.4	156.2	255.3	265.8
Crop acres share rented	188.0	36.8	190.0	185.6	296.3
Total pasture acres	111.3	87.7	92.6	180.5	82.5
Labor Analysis					
Number of farms	97	24	24	24	25
Total unpaid labor hours	1,589	1,003	1,291	1,656	2,372
Total hired labor hours	1,068	17	778	727	2,685
Total labor hours per farm	2,657	1,020	2,069	2,383	5,057
Unpaid hours per operator	1,432	1,056	1,239	1,430	1,853
Value of farm production / hour	95.16	65.43	77.49	98.33	106.42
Net farm income / unpaid hour	39.33	-3.97	14.21	22.69	81.18
Average hourly hired labor wage	17.63	8.62	10.03	10.72	21.60
Partnerships & LLCs					
Number of farms	10	-	2	3	5
Number of operators	1.9	-	-	-	2.0
Owner withdrawals per farm	-	-	-	-	-
Withdrawals per operator	-	-	-	-	-

Financial Summary
(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	97	24	24	24	25
Income Statement					
Gross cash farm income	325,631	80,077	174,038	329,739	702,947
Total cash farm expense	273,566	75,188	138,241	280,537	587,228
Net cash farm income	52,065	4,889	35,797	49,203	115,719
Inventory change	16,925	-3,446	-7,779	-3,351	79,663
Depreciation and capital adjust	-6,510	-5,425	-9,676	-8,279	-2,813
Net farm income	62,480	-3,982	18,342	37,572	192,570
Profitability (cost)					
Labor and management earnings	33,681	-15,015	-2,358	16,943	131,096
Rate of return on assets	6.4 %	-2.7 %	1.7 %	5.0 %	10.9 %
Rate of return on equity	7.0 %	-9.3 %	-0.1 %	4.2 %	13.0 %
Operating profit margin	18.7 %	-13.3 %	5.6 %	14.8 %	28.0 %
Asset turnover rate	34.2 %	20.2 %	30.1 %	33.9 %	39.0 %
Profitability (market)					
Labor and management earnings	51,495	-8,733	-3,000	40,058	172,609
Rate of return on assets	8.1 %	1.2 %	3.0 %	7.7 %	12.1 %
Rate of return on equity	9.0 %	-0.9 %	2.4 %	8.9 %	13.8 %
Operating profit margin	32.1 %	8.0 %	14.8 %	31.0 %	40.4 %
Asset turnover rate	25.1 %	14.4 %	20.3 %	25.0 %	29.9 %
Liquidity					
Ending current ratio	2.23	1.23	1.89	1.37	3.46
Ending working capital	110,781	7,647	64,842	45,713	316,359
End working capital to gross inc	34.0 %	9.5 %	37.3 %	13.9 %	45.0 %
Term debt coverage ratio	216.9 %	198.0 %	87.5 %	100.3 %	296.0 %
Expense as a percent of income	79.5 %	98.1 %	83.1 %	85.9 %	74.3 %
Interest as a percent of income	4.1 %	10.8 %	5.6 %	6.3 %	2.3 %
Solvency (cost)					
Number of farms	97	24	24	24	25
Ending farm assets	764,476	337,825	542,967	702,646	1,446,069
Ending farm liabilities	266,507	151,881	199,637	355,799	355,021
Ending total assets	865,890	458,627	650,983	764,228	1,560,771
Ending total liabilities	282,520	184,519	211,227	361,997	368,745
Ending net worth	583,370	274,108	439,756	402,231	1,192,026
Net worth change	40,227	11,616	1,631	12,716	131,156
Ending farm debt to asset ratio	35 %	45 %	37 %	51 %	25 %
Beg total debt to asset ratio	33 %	41 %	29 %	47 %	26 %
End total debt to asset ratio	33 %	40 %	32 %	47 %	24 %
Solvency (market)					
Number of farms	97	24	24	24	25
Ending farm assets	1,046,892	477,838	807,195	967,357	1,899,647
Ending farm liabilities	266,507	151,881	199,637	355,799	355,021
Ending total assets	1,176,905	608,958	993,041	1,039,191	2,030,848
Ending total liabilities	282,520	184,519	211,227	361,997	368,745
Ending net worth	894,384	424,439	781,813	677,194	1,662,103
Net worth change	78,237	26,842	22,999	52,800	205,023
Ending farm debt to asset ratio	25 %	32 %	25 %	37 %	19 %
Beg total debt to asset ratio	25 %	31 %	19 %	36 %	20 %
End total debt to asset ratio	24 %	30 %	21 %	35 %	18 %
Nonfarm Information					
Net nonfarm income	22,480	42,266	20,187	12,275	15,485
Farms reporting living expenses	27	6	6	7	8
Total family living expense	37,611	32,645	42,468	45,631	30,675
Total living, invest, & capital	53,584	35,361	90,253	69,913	25,460
Crop Acres					
Total acres owned	420	257	339	437	638
Total crop acres	686	243	538	742	1,197
Total crop acres owned	255	124	178	231	478
Total crop acres cash rented	222	84	163	296	340
Total crop acres share rented	209	35	198	215	379