

## **Financial Summary Tables**

The following five pages are one-page financial summaries of the whole farm analysis sorted five different ways. A group of the most meaningful factors are highlighted here when the farms are sorted as follows:

### **Financial Summary by Net Farm Income (page 29)**

This table summarized whole-farm financial performance by net farm income. Farms are categorized into 4 groups from low to high net farm income.

### **Financial Summary by Farm Size (Gross Farm Income) (page 30)**

This table summarizes whole-farm financial performance by size of farm. Farms are categorized based on gross farm income.

### **Financial Summary by Farm Type (page 31)**

This table summarized whole-farm financial performance by debt level. Farm type is assigned based on greater than 70 percent of sales from that commodity or combination of commodities.

### **Financial Summary by Debt To Asset Ratio (page 32)**

This table summarized whole-farm financial performance by debt level. Farms are categorized based on total farm and non-farm Debt To Asset Ratio.

### **Financial Summary by Age of Operator (page 33)**

This table summarized whole-farm financial performance based on age of the primary operator.

### **Financial Summary by Net Farm Income of 52 Farms with at least one full-time operator (based on 2000-plus hours) (page 34)**

This table summarized the whole-farm performance of 52 farms that reported at least 2000 hours of operator labor. The remainder of the farms in the database all reported less than 2000, classifying them as part-time operations.

### **Financial Summary of Net Farm Income of 28 Farms with less than a full-time operator (page 35)**

This table summarizes the whole-farm performance of 28 farms that reported less than 2000 hours of operator labor, classifying them as part-time operations.

### **Financial Summary of Net Farm Income of 14 Farms with less than a half-time operator (page 36)**

This table summarizes the whole-farm performance of 14 farms that reported less than 1000 hours of unpaid operator labor, classifying them as less than half-time operations.

**Financial Summary by a cohort of 30 Farms included in each of the 2003, 2004, 2005, and 2006 FBMA Summaries (page 37)**

This table summarizes the whole-farm performance of 30 farms that were included in each of the 2003, 2004, 2005, and 2006 FBMA record summaries. This information is helpful in looking at trends since we are comparing data for the same group of farms for all four years.

**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	80	19	21	19	21
<b>Income Statement</b>					
Gross cash farm income	394,389	106,843	249,407	683,287	538,146
Total cash farm expense	327,150	92,742	195,906	599,893	423,708
Net cash farm income	67,239	14,101	53,501	83,394	114,438
Inventory change	31,317	-6,219	4,818	26,957	95,723
Depreciation and capital adjust	-11,894	-8,179	-19,426	-8,535	-10,765
Net farm income	86,662	-297	38,893	101,816	199,396
<b>Profitability (cost)</b>					
Labor and management earnings	50,146	-14,681	15,292	58,875	135,754
Rate of return on assets	7.6 %	-1.2 %	4.4 %	7.1 %	11.3 %
Rate of return on equity	8.4 %	-5.6 %	3.3 %	7.7 %	13.6 %
Operating profit margin	20.9 %	-6.2 %	13.3 %	16.7 %	29.5 %
Asset turnover rate	36.4 %	19.3 %	32.7 %	42.3 %	38.2 %
<b>Profitability (market)</b>					
Labor and management earnings	75,771	3,323	18,643	143,177	137,461
Rate of return on assets	9.4 %	4.4 %	5.1 %	13.2 %	10.3 %
Rate of return on equity	10.6 %	3.6 %	4.8 %	15.7 %	11.6 %
Operating profit margin	33.5 %	33.2 %	21.0 %	39.9 %	34.0 %
Asset turnover rate	28.0 %	13.3 %	24.4 %	33.2 %	30.1 %
<b>Liquidity</b>					
Ending current ratio	2.62	1.79	2.22	2.87	2.71
Ending working capital	168,332	22,065	80,802	244,278	319,485
End working capital to gross inc	42.7 %	20.7 %	32.4 %	35.8 %	59.4 %
Term debt coverage ratio	236.3 %	112.8 %	221.9 %	217.2 %	282.6 %
Expense as a percent of income	77.0 %	92.4 %	77.4 %	84.8 %	66.3 %
Interest as a percent of income	4.3 %	8.7 %	6.7 %	2.4 %	4.8 %
<b>Solvency (cost)</b>					
Number of farms	80	19	21	19	21
Ending farm assets	958,934	373,482	692,669	1,110,448	1,617,808
Ending farm liabilities	313,101	131,687	293,060	339,884	473,047
Ending total assets	1,057,267	478,661	794,048	1,214,753	1,701,502
Ending total liabilities	334,717	150,880	324,535	373,489	476,148
Ending net worth	722,551	327,780	469,513	841,264	1,225,354
Net worth change	77,940	7,720	20,696	108,468	171,094
Ending farm debt to asset ratio	33 %	35 %	42 %	31 %	29 %
Beg total debt to asset ratio	34 %	31 %	43 %	31 %	32 %
End total debt to asset ratio	32 %	32 %	41 %	31 %	28 %
<b>Solvency (market)</b>					
Number of farms	80	19	21	19	21
Ending farm assets	1,257,992	555,757	936,073	1,444,671	2,046,367
Ending farm liabilities	313,101	131,687	293,060	339,884	473,047
Ending total assets	1,380,271	695,836	1,069,525	1,563,409	2,144,572
Ending total liabilities	334,717	150,880	324,535	373,489	476,148
Ending net worth	1,045,554	544,956	744,990	1,189,920	1,668,424
Net worth change	122,559	38,233	43,212	209,540	199,502
Ending farm debt to asset ratio	25 %	24 %	31 %	24 %	23 %
Beg total debt to asset ratio	26 %	22 %	32 %	25 %	25 %
End total debt to asset ratio	24 %	22 %	30 %	24 %	22 %
<b>Nonfarm Information</b>					
Net nonfarm income	28,835	39,258	23,952	22,271	30,227
Farms reporting living expenses	29	4	9	6	10
Total family living expense	37,471	-	33,691	38,582	44,911
Total living, invest, & capital	50,345	-	54,538	48,163	53,195
<b>Crop Acres</b>					
Total acres owned	426	199	392	394	693
Total crop acres	830	191	541	890	1,645
Total crop acres owned	272	53	160	295	564
Total crop acres cash rented	260	45	173	222	576
Total crop acres share rented	298	93	208	373	506

**Financial Summary**  
**(Farms Sorted By Gross Farm Income)**

	<u>Avg. Of All Farms</u>	<u>Less than 50,000</u>	<u>50,001 - 100,000</u>	<u>100,001 - 250,000</u>	<u>250,001 - 500,000</u>	<u>500,001 - 1,000,000</u>
Number of farms	80	10	12	21	18	16
<b>Income Statement</b>						
Gross cash farm income	394,389	29,521	72,275	160,672	363,797	701,628
Total cash farm expense	327,150	24,220	57,925	115,560	296,483	562,137
Net cash farm income	67,239	5,301	14,350	45,112	67,314	139,491
Inventory change	31,317	2,587	7,046	21,264	60,439	50,544
Depreciation and capital adjust	-11,894	-3,069	-3,943	-10,350	-7,091	-30,813
Net farm income	86,662	4,820	17,453	56,025	120,662	159,222
<b>Profitability (cost)</b>						
Labor and management earnings	50,146	-2,632	6,085	30,983	81,687	93,768
Rate of return on assets	7.6 %	0.4 %	3.2 %	6.6 %	9.9 %	8.6 %
Rate of return on equity	8.4 %	-2.8 %	1.7 %	7.5 %	11.8 %	9.6 %
Operating profit margin	20.9 %	2.9 %	14.6 %	24.7 %	25.0 %	21.5 %
Asset turnover rate	36.4 %	15.1 %	22.0 %	26.6 %	39.7 %	40.0 %
<b>Profitability (market)</b>						
Labor and management earnings	75,771	-6,706	15,940	54,082	148,633	107,095
Rate of return on assets	9.4 %	1.2 %	6.5 %	9.1 %	14.3 %	8.7 %
Rate of return on equity	10.6 %	-0.2 %	6.6 %	10.5 %	17.1 %	9.4 %
Operating profit margin	33.5 %	13.2 %	40.4 %	47.0 %	47.2 %	27.6 %
Asset turnover rate	28.0 %	9.4 %	16.0 %	19.3 %	30.3 %	31.5 %
<b>Liquidity</b>						
Ending current ratio	2.62	10.86	3.14	3.42	2.65	2.14
Ending working capital	168,332	35,173	44,753	89,882	183,332	271,184
End working capital to gross inc	42.7 %	119.1 %	61.9 %	55.9 %	50.4 %	38.7 %
Term debt coverage ratio	236.3 %	184.6 %	416.1 %	195.7 %	250.5 %	302.5 %
Expense as a percent of income	77.0 %	75.8 %	72.9 %	63.9 %	69.4 %	74.9 %
Interest as a percent of income	4.3 %	13.3 %	7.6 %	5.4 %	4.5 %	4.5 %
<b>Solvency (cost)</b>						
Number of farms	80	10	12	21	18	16
Ending farm assets	958,934	196,331	297,184	649,211	1,002,841	1,678,833
Ending farm liabilities	313,101	64,707	99,868	207,478	311,728	500,495
Ending total assets	1,057,267	298,376	418,579	775,644	1,087,828	1,754,124
Ending total liabilities	334,717	77,024	145,070	236,907	323,573	515,023
Ending net worth	722,551	221,353	273,509	538,737	764,254	1,239,102
Net worth change	77,940	18,247	26,000	53,336	81,707	177,877
Ending farm debt to asset ratio	33 %	33 %	34 %	32 %	31 %	30 %
Beg total debt to asset ratio	34 %	30 %	35 %	34 %	32 %	35 %
End total debt to asset ratio	32 %	26 %	35 %	31 %	30 %	29 %
<b>Solvency (market)</b>						
Number of farms	80	10	12	21	18	16
Ending farm assets	1,257,992	316,383	412,443	905,185	1,341,503	2,136,321
Ending farm liabilities	313,101	64,707	99,868	207,478	311,728	500,495
Ending total assets	1,380,271	421,262	585,368	1,065,929	1,452,659	2,216,447
Ending total liabilities	334,717	77,024	145,070	236,907	323,573	515,023
Ending net worth	1,045,554	344,239	440,298	829,022	1,129,085	1,701,424
Net worth change	122,559	21,333	52,583	92,938	167,086	217,598
Ending farm debt to asset ratio	25 %	20 %	24 %	23 %	23 %	23 %
Beg total debt to asset ratio	26 %	22 %	26 %	25 %	25 %	27 %
End total debt to asset ratio	24 %	18 %	25 %	22 %	22 %	23 %
<b>Nonfarm Information</b>						
Net nonfarm income	28,835	44,959	49,694	18,423	17,457	34,650
Farms reporting living expenses	29	2	4	10	7	5
Total family living expense	37,471	-	-	34,166	40,510	37,639
Total living, invest, & capital	50,345	-	-	44,037	43,813	53,031
<b>Crop Acres</b>						
Total acres owned	426	118	196	429	468	641
Total crop acres	830	94	116	432	1,085	1,873
Total crop acres owned	272	67	51	182	366	476
Total crop acres cash rented	260	9	54	111	387	493
Total crop acres share rented	298	18	11	139	333	904

**Financial Summary**  
**(Farms Sorted By Farm Type)**

	<u>Avg. Of All Farms</u>	<u>Crop</u>	<u>Hog</u>	<u>Beef</u>	<u>Crop and Beef</u>	<u>Other</u>
Number of farms	80	34	5	11	10	14
<b>Income Statement</b>						
Gross cash farm income	394,389	401,550	1,813,780	169,134	131,857	233,638
Total cash farm expense	327,150	311,149	1,654,800	130,198	101,630	202,421
Net cash farm income	67,239	90,402	158,981	38,936	30,227	31,217
Inventory change	31,317	54,843	-1,225	-7,534	17,606	28,907
Depreciation and capital adjust	-11,894	-15,600	-384	-4,422	-11,915	-4,588
Net farm income	86,662	129,645	157,372	26,980	35,918	55,537
<b>Profitability (cost)</b>						
Labor and management earnings	50,146	83,010	75,346	12,992	15,638	27,214
Rate of return on assets	7.6 %	9.5 %	4.9 %	4.9 %	4.9 %	6.6 %
Rate of return on equity	8.4 %	11.3 %	4.7 %	5.7 %	4.3 %	5.6 %
Operating profit margin	20.9 %	24.1 %	10.3 %	30.5 %	17.8 %	22.3 %
Asset turnover rate	36.4 %	39.4 %	47.5 %	16.1 %	27.2 %	29.4 %
<b>Profitability (market)</b>						
Labor and management earnings	75,771	127,380	97,688	4,553	28,021	55,137
Rate of return on assets	9.4 %	11.6 %	6.1 %	3.7 %	6.9 %	9.3 %
Rate of return on equity	10.6 %	13.5 %	6.3 %	3.5 %	7.1 %	9.6 %
Operating profit margin	33.5 %	38.8 %	14.9 %	29.2 %	38.7 %	42.4 %
Asset turnover rate	28.0 %	29.8 %	41.1 %	12.6 %	17.9 %	21.9 %
<b>Liquidity</b>						
Ending current ratio	2.62	2.63	3.75	2.03	3.29	2.14
Ending working capital	168,332	203,549	598,061	52,157	90,882	107,606
End working capital to gross inc	42.7 %	50.7 %	33.0 %	30.8 %	68.9 %	46.1 %
Term debt coverage ratio	236.3 %	257.5 %	46.4 %	162.5 %	260.2 %	294.1 %
Expense as a percent of income	77.0 %	68.0 %	91.6 %	80.7 %	67.5 %	77.3 %
Interest as a percent of income	4.3 %	4.6 %	1.2 %	5.3 %	6.2 %	7.9 %
<b>Solvency (cost)</b>						
Number of farms	80	34	5	11	10	14
Ending farm assets	958,934	1,189,353	1,974,053	448,439	495,612	764,315
Ending farm liabilities	313,101	354,987	537,309	208,541	147,458	260,589
Ending total assets	1,057,267	1,284,046	2,080,095	538,784	572,695	857,487
Ending total liabilities	334,717	374,584	576,308	240,156	163,754	275,459
Ending net worth	722,551	909,462	1,503,787	298,628	408,941	582,028
Net worth change	77,940	115,603	146,544	19,451	25,620	67,683
Ending farm debt to asset ratio	33 %	30 %	27 %	47 %	30 %	34 %
Beg total debt to asset ratio	34 %	34 %	20 %	47 %	31 %	33 %
End total debt to asset ratio	32 %	29 %	28 %	45 %	29 %	32 %
<b>Solvency (market)</b>						
Number of farms	80	34	5	11	10	14
Ending farm assets	1,257,992	1,591,665	2,270,857	573,221	764,841	1,030,892
Ending farm liabilities	313,101	354,987	537,309	208,541	147,458	260,589
Ending total assets	1,380,271	1,706,210	2,377,805	693,908	883,609	1,142,032
Ending total liabilities	334,717	374,584	576,308	240,156	163,754	275,459
Ending net worth	1,045,554	1,331,626	1,801,497	453,752	719,854	866,573
Net worth change	122,559	186,935	185,525	19,851	53,667	110,130
Ending farm debt to asset ratio	25 %	22 %	24 %	36 %	19 %	25 %
Beg total debt to asset ratio	26 %	26 %	17 %	36 %	20 %	25 %
End total debt to asset ratio	24 %	22 %	24 %	35 %	19 %	24 %
<b>Nonfarm Information</b>						
Net nonfarm income	28,835	25,068	3,189	30,962	35,002	42,087
Farms reporting living expenses	29	12	-	6	5	5
Total family living expense	37,471	43,178	-	25,141	38,795	36,738
Total living, invest, & capital	50,345	53,262	-	46,444	59,167	41,276
<b>Crop Acres</b>						
Total acres owned	426	575	222	324	361	310
Total crop acres	830	1,390	541	142	306	500
Total crop acres owned	272	466	121	83	137	118
Total crop acres cash rented	260	453	19	58	57	116
Total crop acres share rented	298	472	402	1	112	266

**Financial Summary**  
**(Farms Sorted By Debt To Asset Ratio)**

	<u>Avg. Of All Farms</u>	<u>Less than 20%</u>	<u>20% - 40%</u>	<u>40% - 60%</u>	<u>60% - 80%</u>
Number of farms	80	38	28	8	6
<b>Income Statement</b>					
Gross cash farm income	394,389	275,304	562,997	395,398	360,408
Total cash farm expense	327,150	200,498	480,952	383,708	336,118
Net cash farm income	67,239	74,805	82,045	11,690	24,290
Inventory change	31,317	21,901	33,517	58,706	44,166
Depreciation and capital adjust	-11,894	-19,246	-7,858	14,904	-19,899
Net farm income	86,662	77,461	107,704	85,300	48,557
<b>Profitability (cost)</b>					
Labor and management earnings	50,146	35,792	70,063	60,472	34,337
Rate of return on assets	7.6 %	6.7 %	8.7 %	7.4 %	7.7 %
Rate of return on equity	8.4 %	6.6 %	10.5 %	11.3 %	10.6 %
Operating profit margin	20.9 %	20.5 %	20.7 %	24.2 %	19.7 %
Asset turnover rate	36.4 %	32.5 %	42.1 %	30.7 %	38.8 %
<b>Profitability (market)</b>					
Labor and management earnings	75,771	76,596	92,655	41,919	36,888
Rate of return on assets	9.4 %	10.0 %	9.9 %	5.7 %	7.8 %
Rate of return on equity	10.6 %	10.4 %	11.6 %	6.6 %	10.6 %
Operating profit margin	33.5 %	42.7 %	29.9 %	22.3 %	21.4 %
Asset turnover rate	28.0 %	23.3 %	33.1 %	25.5 %	36.6 %
<b>Liquidity</b>					
Ending current ratio	2.62	5.36	2.49	1.55	1.30
Ending working capital	168,332	170,809	196,351	147,979	49,025
End working capital to gross inc	42.7 %	62.0 %	34.9 %	37.4 %	13.6 %
Term debt coverage ratio	236.3	437.8	166.5	162.6	170.0
Expense as a percent of income	77.0 %	67.6 %	80.9 %	84.2 %	82.7 %
Interest as a percent of income	4.3 %	3.4 %	3.6 %	6.6 %	10.9 %
<b>Solvency (cost)</b>					
Number of farms	80	38	28	8	6
Ending farm assets	958,934	862,399	1,067,441	1,073,234	911,548
Ending farm liabilities	313,101	132,284	395,371	626,987	655,836
Ending total assets	1,057,267	950,523	1,181,444	1,156,890	1,020,996
Ending total liabilities	334,717	142,800	415,878	665,791	730,005
Ending net worth	722,551	807,722	765,567	491,099	290,991
Net worth change	77,940	73,976	94,004	70,921	37,434
Ending farm debt to asset ratio	33 %	15 %	37 %	58 %	72 %
Beg total debt to asset ratio	34 %	18 %	36 %	60 %	74 %
End total debt to asset ratio	32 %	15 %	35 %	58 %	71 %
<b>Solvency (market)</b>					
Number of farms	80	38	28	8	6
Ending farm assets	1,257,992	1,223,267	1,361,367	1,279,583	966,717
Ending farm liabilities	313,101	132,284	395,371	626,987	655,836
Ending total assets	1,380,271	1,330,987	1,506,493	1,400,483	1,076,418
Ending total liabilities	334,717	142,800	415,878	665,791	730,005
Ending net worth	1,045,554	1,188,187	1,090,615	734,692	346,413
Net worth change	122,559	135,267	135,084	77,753	43,360
Ending farm debt to asset ratio	25 %	11 %	29 %	49 %	68 %
Beg total debt to asset ratio	26 %	14 %	29 %	49 %	70 %
End total debt to asset ratio	24 %	11 %	28 %	48 %	68 %
<b>Nonfarm Information</b>					
Net nonfarm income	28,835	33,439	20,817	26,432	40,298
Farms reporting living expenses	29	11	11	4	3
Total family living expense	37,471	40,500	32,138	-	-
Total living, invest, & capital	50,345	54,365	43,280	-	-
<b>Crop Acres</b>					
Total acres owned	426	431	418	487	347
Total crop acres	830	725	903	1,023	904
Total crop acres owned	272	289	277	208	235
Total crop acres cash rented	260	212	265	251	553
Total crop acres share rented	298	225	360	564	116

**Financial Summary**  
**(Farms Sorted By Age Of Operator)**

	<u>Avg. Of All Farms</u>	<u>Less than 31</u>	<u>31 - 40</u>	<u>41 - 50</u>	<u>51 - 60</u>	<u>Over 60</u>
Number of farms	80	9	14	22	25	10
<b>Income Statement</b>						
Gross cash farm income	394,389	111,758	707,860	403,083	355,840	287,142
Total cash farm expense	327,150	89,944	626,010	333,743	291,157	197,706
Net cash farm income	67,239	21,814	81,850	69,340	64,682	89,436
Inventory change	31,317	22,006	19,172	55,422	29,002	9,457
Depreciation and capital adjust	-11,894	21	-2,245	-17,712	-15,962	-13,161
Net farm income	86,662	43,841	98,777	107,051	77,723	85,732
<b>Profitability (cost)</b>						
Labor and management earnings	50,146	35,930	63,757	64,353	36,066	47,828
Rate of return on assets	7.6 %	10.8 %	8.0 %	8.6 %	6.2 %	7.4 %
Rate of return on equity	8.4 %	19.5 %	9.8 %	9.7 %	6.3 %	7.3 %
Operating profit margin	20.9 %	28.5 %	17.9 %	23.8 %	18.7 %	22.0 %
Asset turnover rate	36.4 %	38.0 %	44.9 %	36.3 %	32.9 %	33.5 %
<b>Profitability (market)</b>						
Labor and management earnings	75,771	27,229	74,107	99,701	71,938	78,722
Rate of return on assets	9.4 %	7.8 %	8.6 %	10.8 %	8.6 %	9.8 %
Rate of return on equity	10.6 %	11.2 %	10.2 %	12.3 %	9.4 %	10.1 %
Operating profit margin	33.5 %	23.5 %	23.1 %	37.1 %	36.1 %	41.3 %
Asset turnover rate	28.0 %	33.2 %	37.1 %	29.2 %	23.8 %	23.6 %
<b>Liquidity</b>						
Ending current ratio	2.62	2.94	2.37	2.36	2.43	18.25
Ending working capital	168,332	58,534	198,268	185,575	166,301	192,382
End working capital to gross inc	42.7 %	52.4 %	28.0 %	46.0 %	46.7 %	67.0 %
Term debt coverage ratio	236.3 %	340.4 %	175.3 %	264.2 %	234.0 %	323.5 %
Expense as a percent of income	77.0 %	67.0 %	86.5 %	72.9 %	75.3 %	67.2 %
Interest as a percent of income	4.3 %	6.1 %	2.6 %	4.9 %	5.6 %	3.7 %
<b>Solvency (cost)</b>						
Number of farms	80	9	14	22	25	10
Ending farm assets	958,934	334,238	1,037,145	1,114,108	1,070,538	791,269
Ending farm liabilities	313,101	186,027	420,046	339,065	345,516	139,585
Ending total assets	1,057,267	404,162	1,107,171	1,206,377	1,227,317	822,030
Ending total liabilities	334,717	199,042	452,714	364,851	368,856	139,985
Ending net worth	722,551	205,120	654,457	841,526	858,461	682,046
Net worth change	77,940	43,916	68,241	127,425	66,363	42,211
Ending farm debt to asset ratio	33 %	56 %	41 %	30 %	32 %	18 %
Beg total debt to asset ratio	34 %	54 %	38 %	35 %	33 %	20 %
End total debt to asset ratio	32 %	49 %	41 %	30 %	30 %	17 %
<b>Solvency (market)</b>						
Number of farms	80	9	14	22	25	10
Ending farm assets	1,257,992	376,151	1,249,135	1,395,838	1,505,029	1,143,196
Ending farm liabilities	313,101	186,027	420,046	339,065	345,516	139,585
Ending total assets	1,380,271	463,319	1,323,904	1,505,848	1,686,636	1,242,260
Ending total liabilities	334,717	199,042	452,714	364,851	368,856	139,985
Ending net worth	1,045,554	264,277	871,190	1,140,997	1,317,780	1,102,275
Net worth change	122,559	52,863	90,557	175,879	129,683	94,971
Ending farm debt to asset ratio	25 %	49 %	34 %	24 %	23 %	12 %
Beg total debt to asset ratio	26 %	48 %	32 %	28 %	25 %	14 %
End total debt to asset ratio	24 %	43 %	34 %	24 %	22 %	11 %
<b>Nonfarm Information</b>						
Net nonfarm income	28,835	32,677	25,893	26,198	37,429	13,813
Farms reporting living expenses	29	2	6	7	9	5
Total family living expense	37,471	-	36,100	25,824	59,122	24,056
Total living, invest, & capital	50,345	-	51,405	39,330	74,122	34,963
<b>Crop Acres</b>						
Total acres owned	426	223	289	489	481	522
Total crop acres	830	365	566	1,127	936	701
Total crop acres owned	272	172	93	339	338	304
Total crop acres cash rented	260	174	174	267	340	243
Total crop acres share rented	298	19	300	522	258	154

## Financial Summary by NFI of 52 FBMA Farms with at Least One Full-time Operator

(2000 or more hours of operator labor)

### Financial Summary (Farms Sorted By Net Farm Income)

	Avg. Of All Farms	Low 25%	25 - 50%	50 - 75%	High 25%
Number of farms	52	12	14	12	14
<b>Income Statement</b>					
Gross cash farm income	562,713	253,464	877,684	495,850	570,126
Total cash farm expense	470,558	205,611	778,789	394,263	454,821
Net cash farm income	92,155	47,853	98,895	101,587	115,304
Inventory change	44,077	-3,577	3,376	40,644	128,566
Depreciation and capital adjust	-15,402	-19,410	-11,838	-19,273	-12,214
Net farm income	120,830	24,867	90,433	122,958	231,656
<b>Profitability (cost)</b>					
Labor and management earnings	72,439	-460	46,636	74,325	159,112
Rate of return on assets	8.0 %	2.0 %	5.3 %	8.1 %	11.8 %
Rate of return on equity	9.0 %	-1.0 %	5.2 %	9.5 %	14.1 %
Operating profit margin	20.6 %	6.8 %	12.4 %	20.3 %	30.7 %
Asset turnover rate	38.8 %	28.9 %	42.7 %	40.1 %	38.6 %
<b>Profitability (market)</b>					
Labor and management earnings	99,181	28,014	106,324	88,030	162,597
Rate of return on assets	9.3 %	6.1 %	9.4 %	8.7 %	10.7 %
Rate of return on equity	10.5 %	5.9 %	11.2 %	10.0 %	11.9 %
Operating profit margin	30.6 %	31.0 %	27.4 %	26.3 %	35.7 %
Asset turnover rate	30.3 %	19.8 %	34.2 %	33.1 %	30.0 %
<b>Liquidity</b>					
Ending current ratio	2.50	1.53	2.42	2.30	3.13
Ending working capital	225,102	40,287	235,473	237,588	362,442
End working capital to gross inc	40.0 %	15.9 %	26.8 %	47.9 %	63.6 %
Term debt coverage ratio	238.9 %	122.5 %	164.1 %	252.3 %	295.3 %
Expense as a percent of income	77.7 %	82.5 %	88.7 %	73.9 %	64.5 %
Interest as a percent of income	4.1 %	6.9 %	2.9 %	3.6 %	5.0 %
<b>Solvency (cost)</b>					
Number of farms	52	12	14	12	14
Ending farm assets	1,277,545	678,329	1,279,218	1,238,319	1,823,109
Ending farm liabilities	422,918	252,853	531,462	367,888	507,314
Ending total assets	1,375,258	767,843	1,390,025	1,351,922	1,901,135
Ending total liabilities	440,852	272,652	549,631	399,178	511,967
Ending net worth	934,406	495,191	840,394	952,744	1,389,168
Net worth change	98,988	10,075	38,668	122,354	215,491
Ending farm debt to asset ratio	33 %	37 %	42 %	30 %	28 %
Beg total debt to asset ratio	34 %	35 %	37 %	33 %	32 %
End total debt to asset ratio	32 %	36 %	40 %	30 %	27 %
<b>Solvency (market)</b>					
Number of farms	52	12	14	12	14
Ending farm assets	1,645,257	1,011,927	1,618,653	1,501,501	2,337,937
Ending farm liabilities	422,918	252,853	531,462	367,888	507,314
Ending total assets	1,764,808	1,141,839	1,747,570	1,626,945	2,434,189
Ending total liabilities	440,852	272,652	549,631	399,178	511,967
Ending net worth	1,323,956	869,188	1,197,939	1,227,767	1,922,222
Net worth change	147,955	56,488	120,162	153,924	249,031
Ending farm debt to asset ratio	26 %	25 %	33 %	25 %	22 %
Beg total debt to asset ratio	27 %	25 %	30 %	28 %	25 %
End total debt to asset ratio	25 %	24 %	31 %	25 %	21 %
<b>Nonfarm Information</b>					
Net nonfarm income	22,838	16,216	20,976	11,779	39,856
Farms reporting living expenses	19	3	5	3	8
Total family living expense	44,606	-	55,947	-	41,339
Total living, invest, & capital	54,235	-	62,987	-	46,665
<b>Crop Acres</b>					
Total acres owned	527	366	446	553	725
Total crop acres	1,161	400	920	1,720	1,575
Total crop acres owned	367	138	263	488	564
Total crop acres cash rented	367	90	304	347	683
Total crop acres share rented	427	172	353	885	328



## Financial Summary by NFI of 28 FBMA Farms with Less than One Full-time Operator

<i>Financial Summary</i> (Farms Sorted By Net Farm Income)					
	<i>Avg. Of All Farms</i>	<i>Low 25%</i>	<i>25 - 50%</i>	<i>50 - 75%</i>	<i>High 25%</i>
(up to 2000 hours of operator labor)					
Number of farms	28	6	8	6	8
<b>Income Statement</b>					
Gross cash farm income	81,786	55,342	37,798	84,427	143,625
Total cash farm expense	60,819	63,069	31,276	58,845	90,156
Net cash farm income	20,966	-7,727	6,522	25,582	53,469
Inventory change	7,621	-3,416	3,691	3,136	23,192
Depreciation and capital adjust	-5,380	-11,690	-2,768	-2,612	-5,336
Net farm income	23,207	-22,833	7,445	26,106	71,325
<b>Profitability (cost)</b>					
Labor and management earnings	8,743	-35,596	1,367	9,345	48,922
Rate of return on assets	5.0 %	-7.2 %	2.4 %	5.1 %	11.9 %
Rate of return on equity	4.6 %	-14.8 %	-0.2 %	4.2 %	14.3 %
Operating profit margin	23.6 %	-60.4 %	14.6 %	27.2 %	40.4 %
Asset turnover rate	21.4 %	11.9 %	16.5 %	18.7 %	29.4 %
<b>Profitability (market)</b>					
Labor and management earnings	32,294	5,847	-6,567	-6,528	120,107
Rate of return on assets	9.9 %	5.7 %	1.5 %	2.7 %	20.5 %
Rate of return on equity	11.1 %	5.1 %	0.0 %	1.5 %	24.2 %
Operating profit margin	66.6 %	63.7 %	15.5 %	20.9 %	95.9 %
Asset turnover rate	14.9 %	9.0 %	9.7 %	12.9 %	21.4 %
<b>Liquidity</b>					
Ending current ratio	4.52	7.56	2.77	4.92	4.71
Ending working capital	62,902	47,926	27,924	69,723	103,995
End working capital to gross inc	76.9 %	86.6 %	73.9 %	82.6 %	72.4 %
Term debt coverage ratio	223.3 %	135.6 %	166.7 %	206.4 %	333.9 %
Expense as a percent of income	67.4 %	122.0 %	75.8 %	67.7 %	52.2 %
Interest as a percent of income	7.9 %	16.1 %	11.6 %	10.2 %	4.1 %
<b>Solvency (cost)</b>					
Number of farms	28	6	8	6	8
Ending farm assets	367,227	320,825	199,627	413,527	534,902
Ending farm liabilities	109,154	111,018	91,376	125,414	113,340
Ending total assets	466,714	494,311	293,483	523,193	576,887
Ending total liabilities	137,608	161,577	99,040	192,680	116,895
Ending net worth	329,106	332,734	194,443	330,513	459,992
Net worth change	38,849	1,895	17,026	31,204	94,123
Ending farm debt to asset ratio	30 %	35 %	46 %	30 %	21 %
Beg total debt to asset ratio	34 %	32 %	37 %	39 %	30 %
End total debt to asset ratio	29 %	33 %	34 %	37 %	20 %
<b>Solvency (market)</b>					
Number of farms	28	6	8	6	8
Ending farm assets	538,785	449,743	336,687	594,508	765,872
Ending farm liabilities	109,154	111,018	91,376	125,414	113,340
Ending total assets	666,130	682,577	469,202	720,333	810,072
Ending total liabilities	137,608	161,577	99,040	192,680	116,895
Ending net worth	528,523	521,000	370,162	527,653	693,177
Net worth change	75,394	56,322	18,436	42,691	171,185
Ending farm debt to asset ratio	20 %	25 %	27 %	21 %	15 %
Beg total debt to asset ratio	25 %	25 %	23 %	28 %	23 %
End total debt to asset ratio	21 %	24 %	21 %	27 %	14 %
<b>Nonfarm Information</b>					
Net nonfarm income	39,972	59,952	43,735	44,676	17,695
Farms reporting living expenses	10	2	2	3	3
Total family living expense	23,913	-	-	-	-
Total living, invest, & capital	42,956	-	-	-	-
<b>Crop Acres</b>					
Total acres owned	237	185	99	369	316
Total crop acres	217	240	87	240	312
Total crop acres owned	96	82	42	179	99
Total crop acres cash rented	62	38	43	61	99
Total crop acres share rented	58	119	2	-	114

## Financial Summary by NFI of 14 FBMA Farms with Less than One Half-time Operator

(up to 1000 hours of operator labor)

### Financial Summary (Farms Sorted By Net Farm Income)

	<u>Avg. Of All Farms</u>	<u>Low 33%</u>	<u>33 - 66%</u>	<u>High 34%</u>
Number of farms	14	4	5	5
<b>Income Statement</b>				
Gross cash farm income	58,240	60,466	25,546	89,152
Total cash farm expense	47,772	66,283	17,316	63,420
Net cash farm income	10,468	-5,817	8,231	25,732
Inventory change	3,637	-1,065	-2,618	13,653
Depreciation and capital adjust	-3,032	-10,905	-391	625
Net farm income	11,072	-17,787	5,222	40,009
<b>Profitability (cost)</b>				
Labor and management earnings	2,154	-32,343	-117	32,022
Rate of return on assets	3.3 %	-6.3 %	1.3 %	16.2 %
Rate of return on equity	2.3 %	-10.4 %	-1.1 %	23.3 %
Operating profit margin	15.7 %	-44.4 %	8.9 %	46.7 %
Asset turnover rate	21.4 %	14.2 %	14.4 %	34.7 %
<b>Profitability (market)</b>				
Labor and management earnings	11,738	24,349	-11,047	24,434
Rate of return on assets	7.0 %	9.8 %	1.0 %	10.2 %
Rate of return on equity	7.4 %	10.4 %	0.2 %	12.0 %
Operating profit margin	56.2 %	99.6 %	16.2 %	46.5 %
Asset turnover rate	12.4 %	9.8 %	6.0 %	22.0 %
<b>Liquidity</b>				
Ending current ratio	3.09	-	6.15	1.69
Ending working capital	39,274	68,208	21,990	33,411
End working capital to gross inc	67.4 %	112.8 %	86.1 %	37.5 %
Term debt coverage ratio	201.4 %	150.6 %	101.3 %	932.2 %
Expense as a percent of income	77.2 %	111.9 %	77.6 %	61.4 %
Interest as a percent of income	6.3 %	8.8 %	11.7 %	3.9 %
<b>Solvency (cost)</b>				
Number of farms	14	4	5	5
Ending farm assets	225,015	311,957	149,720	230,756
Ending farm liabilities	69,431	75,035	53,643	80,734
Ending total assets	366,903	512,957	248,538	368,424
Ending total liabilities	106,888	116,163	65,146	141,210
Ending net worth	260,015	396,794	183,392	227,214
Net worth change	19,721	-2,241	17,295	39,717
Ending farm debt to asset ratio	31 %	24 %	36 %	35 %
Beg total debt to asset ratio	30 %	22 %	32 %	40 %
End total debt to asset ratio	29 %	23 %	26 %	38 %
<b>Solvency (market)</b>				
Number of farms	14	4	5	5
Ending farm assets	393,626	485,848	358,405	355,070
Ending farm liabilities	69,431	75,035	53,643	80,734
Ending total assets	563,637	775,870	459,608	497,880
Ending total liabilities	106,888	116,163	65,146	141,210
Ending net worth	456,749	659,707	394,462	356,670
Net worth change	41,753	72,951	18,804	39,743
Ending farm debt to asset ratio	18 %	15 %	15 %	23 %
Beg total debt to asset ratio	20 %	16 %	17 %	29 %
End total debt to asset ratio	19 %	15 %	14 %	28 %
<b>Nonfarm Information</b>				
Net nonfarm income	49,813	57,007	43,397	50,475
Farms reporting living expenses	5	1	2	2
Total family living expense	26,386	-	-	-
Total living, invest, & capital	62,602	-	-	-
<b>Crop Acres</b>				
Total acres owned	164	199	99	202
Total crop acres	124	312	35	64
Total crop acres owned	50	102	27	31
Total crop acres cash rented	30	58	5	33
Total crop acres share rented	45	152	3	-

## Financial Summary by a Cohort of 30 FBMA Farms Included in the 2003, 2004, 2005 & 2006 Summaries

### Financial Summary (Farms Sorted By Years)

	2006	2005	2004	2003
Number of farms	30	30	30	30
<b>Income Statement</b>				
Gross cash farm income	587,652	577,576	478,571	404,159
Total cash farm expense	498,351	498,673	385,187	333,959
Net cash farm income	89,302	78,904	93,384	70,200
Inventory change	37,216	40,794	75,919	8,185
Depreciation and capital adjust	-12,739	-5,516	-15,431	-22,339
Net farm income	113,779	114,181	153,871	56,045
<b>Profitability (cost)</b>				
Labor and management earnings	72,261	77,169	121,722	29,546
Rate of return on assets	8.6 %	9.2 %	14.7 %	5.6 %
Rate of return on equity	9.9 %	11.2 %	21.8 %	6.3 %
Operating profit margin	21.4 %	21.8 %	32.9 %	15.3 %
Asset turnover rate	40.2 %	42.1 %	44.8 %	36.6 %
<b>Profitability (market)</b>				
Labor and management earnings	82,602	86,067	119,935	28,044
Rate of return on assets	8.8 %	9.2 %	12.7 %	5.6 %
Rate of return on equity	9.7 %	10.6 %	16.5 %	6.0 %
Operating profit margin	28.1 %	27.9 %	36.1 %	19.9 %
Asset turnover rate	31.1 %	32.9 %	35.2 %	28.0 %
<b>Liquidity</b>				
Ending current ratio	2.92	2.66	2.66	1.88
Ending working capital	239,816	188,851	195,107	111,059
End working capital to gross inc	40.8 %	32.7 %	40.8 %	27.5 %
Term debt coverage ratio	204.0 %	223.0 %	311.9 %	205.7 %
Expense as a percent of income	79.9 %	80.3 %	69.1 %	80.9 %
Interest as a percent of income	3.9 %	3.6 %	3.3 %	4.6 %
<b>Solvency (cost)</b>				
Number of farms	30	30	30	30
Ending farm assets	1,132,226	1,020,540	974,396	841,116
Ending farm liabilities	400,043	373,529	377,315	378,784
Ending total assets	1,214,736	1,098,932	1,037,724	907,827
Ending total liabilities	411,373	384,673	380,873	381,663
Ending net worth	803,363	714,259	656,851	526,165
Net worth change	83,242	67,317	124,561	41,786
Ending farm debt to asset ratio	35 %	37 %	39 %	45 %
Beg total debt to asset ratio	35 %	36 %	42 %	45 %
End total debt to asset ratio	34 %	35 %	37 %	42 %
<b>Solvency (market)</b>				
Number of farms	30	30	30	30
Ending farm assets	1,460,531	1,307,168	1,230,129	1,101,945
Ending farm liabilities	400,043	373,529	377,315	378,784
Ending total assets	1,568,727	1,409,129	1,315,141	1,180,690
Ending total liabilities	411,373	384,673	380,873	381,663
Ending net worth	1,157,354	1,024,456	934,268	799,027
Net worth change	114,525	94,090	139,103	55,518
Ending farm debt to asset ratio	27 %	29 %	31 %	34 %
Beg total debt to asset ratio	27 %	28 %	32 %	35 %
End total debt to asset ratio	26 %	27 %	29 %	32 %
<b>Nonfarm Information</b>				
Net nonfarm income	20,786	16,714	17,107	17,928
Farms reporting living expenses	14	11	9	10
Total family living expense	43,710	39,003	37,586	25,841
Total living, invest, & capital	58,563	75,013	54,623	37,960
<b>Crop Acres</b>				
Total acres owned	451	451	435	431
Total crop acres	932	921	852	856
Total crop acres owned	317	317	310	309
Total crop acres cash rented	354	347	289	323
Total crop acres share rented	261	256	253	225



## **Percentile Rank Report w/Group Medians**

With the exception of the information presented on the following page, all of the data tables in this summary report represent “average” or “mean” data. For example, the 2006 “average” or “mean” net farm income of the 80 farms in this summary was \$86,662. This is found by simply adding the NFI of each farm in the group to a total and then dividing by 80 for the “mean” or “average.” Sometimes, a few farms at the high end of the range with extremely high NFI’s can skew the mean. The same could be true of a few extreme NFI farms at the low end. For that reason, “median” figures can be very helpful when comparing summary data to an individual farm operation. The median is often described as the halfway point in the middle-figure, in other words, half of the farms fell below, the other half above. For example, in 2006, the “average” or “mean” NFI for 80 farms in the summary was \$86,662. However, the “median”, or half-way point, was \$52,500. This indicates there were several farms with high NFI’s included in the group that more than offset lower NFI’s of farms at the other end of the scale.

The “median” figures for selected factors on 2006 FBMA farms are reported on page 41 along with percentile ranks in 10% intervals. Each line is independent from the next with the data for each line broken into percentile ranks in 10% intervals. This presentation can be helpful in understanding the range of data for each factor for the entire group of farms, and in looking at where each farm fits in by using the “My Farm” column.



## 2006 Percentile Rank Report w/Group Medians

RankEm

Whole Farm; 80 Farms

	My Farm	Group Median	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Gross Cash Farm Income		211,643	26,054	54,294	91,084	126,140	174,794	262,603	345,637	472,965	674,515	966,219
Total Cash Opr. Expense		163,993	785,461	499,324	377,733	289,309	210,646	131,903	86,884	71,054	40,472	17,172
Net Cash Farm Income		47,151	-20,615	2,532	9,860	20,792	41,613	50,940	67,533	84,987	124,154	221,137
Total Inventory Change		10,953	-94,877	-10,080	-3,024	979	8,413	15,905	35,997	66,445	90,704	202,794
Net Operating Profit		66,703	-4,914	12,050	24,509	36,647	57,283	73,729	106,145	138,405	186,549	251,670
Depr and Capital Adjustment		-9,029	-72,571	-26,652	-17,783	-14,170	-10,892	-7,318	-2,107	-735	200	18,898
Net Farm Income (cost)		52,500	-6,619	6,972	18,904	29,542	48,632	68,988	94,124	118,865	166,702	226,931
Lbr & Mgmt Earnings (cost)		28,221	-41,205	-10,355	2,159	11,443	22,192	36,789	52,220	71,459	108,554	170,286
Return on Assets % (cost)		6.4	-6.6	0.5	2.3	4.4	6.0	7.1	8.4	10.9	14.5	24.1
Return on Equity % (cost)		6.5	-13.1	-3.1	-0.3	4.3	5.9	7.3	10.1	14.2	23.2	42.2
Opr Profit Margin % (cost)		21.7	-52.5	1.7	9.2	14.6	20.2	23.5	27.1	29.5	34.4	52.9
Asset Turnover % (cost)		31.8	9.3	15.3	19.9	26.2	30.1	34.2	37.4	41.7	52.2	69.2
Value of Farm Production		195,462	18,241	46,002	77,515	118,388	185,834	256,977	378,625	445,021	606,590	1,080,673
Return on Assets % (market)		7.2	-4.4	1.1	3.0	4.1	5.9	7.9	9.8	12.5	17.2	32.7
Return on Equity % (market)		7.4	-11.5	-1.6	2.0	3.2	5.8	9.3	12.3	17.0	22.9	44.3
Asset Turnover % (market)		25.3	5.9	11.1	14.2	20.7	23.5	27.7	30.0	33.7	40.0	51.0
Total End Assets (cost)		822,526	163,884	345,532	478,540	614,380	734,750	873,612	1,126,265	1,377,344	1,638,919	2,901,684
Total End Assets (market)		1,157,132	169,728	380,148	706,699	866,521	1,024,839	1,268,538	1,455,672	1,800,030	2,188,035	3,498,311
Total Ending Liabs.		247,917	1,144,379	622,263	430,897	336,201	278,114	183,464	116,133	50,047	20,702	0
Ending Net Worth (cost)		551,260	72,606	173,999	326,820	404,442	493,930	617,836	799,829	925,638	1,037,343	2,151,035
Ending Net Worth (market)		872,104	88,177	259,049	486,730	641,712	761,305	950,807	1,093,664	1,280,436	1,672,488	2,585,992
Net Worth Change (cost)		39,175	-10,261	3,680	11,232	19,059	31,560	50,696	73,060	96,202	138,756	391,412
Net Worth Change (market)		55,834	-317	10,785	18,765	31,459	41,495	84,250	108,235	152,305	231,853	519,362
End Total % In Debt (cost)		27	74	54	42	34	29	25	20	11	4	0
End Total % In Debt (market)		20	67	44	33	26	22	19	14	9	4	0
Total Acres Owned		300	0	90	159	219	272	348	420	620	890	1,100
Total Crop Acres		481	0	28	98	196	384	660	991	1,373	1,693	2,614
Total Pasture Acres		0	0	0	0	0	0	22	82	160	215	596
Total Money Borrowed		27,772	475,041	226,603	110,464	78,027	37,500	17,825	302	0	0	0
Reported Family Living Exp		29,682	64,633	53,654	43,978	40,339	33,621	25,877	14,458	0	0	0
Change In Retained Earnings		39,175	-11,974	3,680	11,834	20,567	31,215	50,225	71,555	84,465	120,771	238,041
Change In Market Valuation		11,445	-10,485	-2,588	0	2,069	7,468	13,305	19,089	34,746	60,571	240,390
Current Ratio		4.45	0.70	1.28	1.70	2.51	4.06	6.58	11.55	541.64	999.00	999.00
Working Capital		97,912	-23,223	13,519	35,095	63,716	82,471	105,106	143,673	225,393	315,871	476,338
Farm Debt to Asset % (market)		21	65	45	36	28	23	19	13	8	3	0
Farm Eqty to Asset % (market)		79	35	55	64	72	77	81	87	92	97	100
Farm Debt to Eqty % (market)		27	187	81	56	39	30	23	16	9	4	0
Capital Repl. Marg (accr)		42,346	-25,676	1,126	10,833	20,890	36,415	49,439	63,649	80,997	117,594	209,874
Operating Expense Ratio		64.0	97.1	81.2	75.5	69.4	65.2	63.1	60.8	54.8	50.7	39.1
Deprec. Ratio		3.8	18.6	11.6	9.9	7.0	4.4	3.5	1.7	0.3	-0.3	-3.0
Interest Ratio		4.2	19.9	10.5	7.5	5.8	4.5	3.2	2.5	1.5	0.7	0.0
Net Farm Income Ratio		25.6	-18.6	5.6	11.9	17.9	21.9	27.6	31.6	37.5	43.6	54.0
Net Farm Income Per Hour		27.82	-7.18	2.97	9.65	16.22	24.11	34.06	44.88	62.69	76.02	93.74

