

Whole-Farm Reports

The whole-farm reports summarize the financial performance of FBMA member farms in 2006. Each table includes the average of the 80 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 2006. 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	80	19	21	19	21
Cash Farm Income					
Corn	62,599	17,638	32,085	56,533	139,281
Grass Seed, Fescue	354	-	642	738	40
Hay, Alfalfa	33	-	124	-	-
Hay, Grass	241	58	53	899	-
Hay, Mixed	529	197	1,091	271	501
Sorghum, Grain	1,856	120	226	2,558	4,420
Soybeans	84,672	11,156	48,734	85,432	186,435
Straw	145	-	476	44	38
Timber	316	-	1,205	-	-
Wheat, Winter	12,532	2,264	14,044	11,863	20,916
Rented Out	649	2,731	-	-	-
Miscellaneous crop income	4	17	-	-	-
Beef Bulls	68	288	-	-	-
Beef Cow-Calf, Beef Calves	16,994	16,018	16,433	17,279	18,179
Beef, Background Beef	16,300	2,823	15,363	48,828	-
Beef, Finish Beef Calves	2,381	1,950	7,305	-	-
Beef, Grazing Beef	54	-	-	228	-
Dairy, Milk	3,435	3,185	10,203	-	-
Dairy, Dairy Calves	126	-	482	-	-
Dairy Steer Finishing	5,652	498	-	3,743	17,696
Hogs, Farrow-Fin, Raised Hogs	121,667	1,340	40,855	419,601	41,785
Hogs, Finish Feeder Pigs	6,889	22,177	3,455	1,289	1,558
Sheep, Market Lambs, Mkt Lambs	887	592	107	2,844	162
Hogs, Contractee	683	2,877	-	-	-
Beef Cow-Calf (shares), Beef Calv	4,594	526	14,040	-	2,985
Goats, Meat Goats, Meat Goats	55	159	-	-	66
CCC market loan gain	76	-	-	-	288
Cull breeding livestock	2,801	1,937	3,086	802	5,108
Misc. livestock income	3,175	680	150	1,292	10,163
LDP payments	254	-	741	122	117
Direct & CC govt payments	18,183	3,852	13,328	19,701	34,632
CRP payments	896	215	1,688	1,172	470
Livestock govt payments	371	1,250	211	79	-
Other government payments	3,259	942	1,989	3,531	6,380
Custom work income	6,016	1,489	4,312	4,557	13,137
Patronage dividends, cash	5,783	221	643	13,818	8,685
Insurance income	3,221	1,112	1,932	3,775	5,918
Cash from hedging accts	-6,093	-	125	-25,613	-162
Other farm income	12,730	8,530	14,280	7,902	19,349
Gross Cash Farm Income	394,389	106,843	249,407	683,287	538,146

Farm Income Statement (Continued)
(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	80	19	21	19	21
Cash Farm Expense					
Seed	24,461	5,250	15,770	28,282	47,076
Fertilizer	32,906	6,597	25,586	30,286	66,398
Crop chemicals	15,410	3,214	9,536	14,330	33,297
Crop insurance	6,047	869	2,359	5,319	15,077
Drying fuel	333	8	524	91	653
Irrigation energy	283	-	1,077	-	-
CCC buyback	36	-	-	-	138
Crop marketing	623	287	144	458	1,555
Crop miscellaneous	1,378	1,768	788	2,584	526
Feeder livestock purchase	26,967	12,745	6,148	81,488	11,326
Purchased feed	68,647	17,936	22,651	211,859	30,951
Breeding fees	842	185	-	3,359	-
Veterinary	4,395	1,430	4,487	8,133	3,601
Supplies	1,896	2,015	1,557	2,562	1,527
Contract production exp.	5,927	-	-	23,583	1,243
Livestock leases	1,573	-	-	6,623	-
Grazing fees	75	316	-	-	-
Livestock marketing	697	237	468	1,867	285
Interest	18,010	8,046	17,522	17,096	28,339
Fuel & oil	17,789	5,380	13,344	17,456	33,763
Repairs	18,207	6,984	13,385	17,885	33,474
Custom hire	4,779	957	2,901	7,669	7,499
Hired labor	18,072	5,197	13,246	35,754	18,547
Land rent	23,512	3,418	15,624	19,387	53,311
Machinery leases	1,327	550	4,301	229	51
Building leases	7,215	-	57	30,315	-
Real estate taxes	2,828	1,454	2,620	2,707	4,390
Personal property taxes	782	395	301	1,475	985
Farm insurance	4,900	2,186	3,884	4,833	8,433
Utilities	6,523	1,743	5,106	13,416	6,030
Dues & professional fees	996	164	442	2,223	1,193
Hedging account deposits	743	-	120	-	2,711
Miscellaneous	8,970	3,413	11,957	8,623	11,326
Total cash 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 Changes					
Crops and feed	31,874	-979	11,971	28,013	84,996
Market livestock	-2,326	-2,244	-4,992	-11,258	8,346
Accounts receivable	4,340	249	1,868	23,794	-7,088
Prepaid expenses and supplies	-3,387	-1,986	-5,044	-16,228	8,621
Accounts payable	816	-1,260	1,014	2,636	849
Total inventory change	31,317	-6,219	4,818	26,957	95,723
Net operating profit	98,556	7,882	58,319	110,351	210,161
Depreciation and Other Capital Adjustments					
Breeding livestock	2,408	-1,863	-2,751	6,082	8,105
Machinery and equipment	-13,283	-5,745	-14,207	-14,038	-18,497
Buildings and improvements	-946	-572	-989	-228	-1,892
Other farm capital	-73	-	-1,479	-351	1,519
Total depr. and other capital adj	-11,894	-8,179	-19,426	-8,535	-10,765
Net farm income	86,662	-297	38,893	101,816	199,396

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	80	19	21	19	21
Net cash farm income	67,239	14,101	53,501	83,394	114,438
Crops and Feed					
Ending inventory	141,386	13,171	66,459	142,267	331,521
Beginning inventory	109,512	14,150	54,488	114,254	246,525
Inventory change	31,874	-979	11,971	28,013	84,996
Market Livestock					
Ending inventory	77,049	17,755	59,143	167,581	66,692
Beginning inventory	79,375	19,999	64,135	178,840	58,346
Inventory change	-2,326	-2,244	-4,992	-11,258	8,346
Accts Receivable & Other Current Assets					
Ending inventory	16,723	2,511	8,278	39,504	17,414
Beginning inventory	12,382	2,262	6,409	15,710	24,502
Inventory change	4,340	249	1,868	23,794	-7,088
Prepaid Expenses and Supplies					
Ending inventory	20,403	949	6,719	13,392	58,031
Beginning inventory	23,790	2,935	11,763	29,620	49,410
Inventory change	-3,387	-1,986	-5,044	-16,228	8,621
Accounts Payable & Accrued Expenses					
Beginning inventory	8,557	2,862	3,959	9,968	17,031
Ending inventory	7,741	4,122	2,945	7,332	16,183
Inventory change	816	-1,260	1,014	2,636	849
Total inventory change	31,317	-6,219	4,818	26,957	95,723
Net operating profit	98,556	7,882	58,319	110,351	210,161

**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	80	19	21	19	21
Net operating profit	98,556	7,882	58,319	110,351	210,161
Breeding Livestock					
Ending inventory	50,127	43,721	73,383	54,632	28,590
Capital sales	49,890	4,557	4,015	14,185	169,085
Beginning inventory	45,504	37,803	69,990	43,278	29,999
Capital purchases	52,105	12,337	10,160	19,457	159,571
Depreciation, capital adjust.	2,408	-1,863	-2,751	6,082	8,105
Machinery and Equipment					
Ending inventory	197,319	78,829	152,982	180,271	364,285
Capital sales	3,844	2,074	1,318	1,469	10,121
Beginning inventory	187,225	79,369	156,051	163,367	337,569
Capital purchases	27,221	7,278	12,456	32,411	55,335
Depreciation, capital adjust.	-13,283	-5,745	-14,207	-14,038	-18,497
Buildings and Improvements					
Ending inventory	58,041	37,540	48,477	59,800	84,563
Capital sales	575	-	2,190	-	-
Beginning inventory	55,417	36,132	50,430	59,561	74,103
Capital purchases	4,145	1,979	1,226	467	12,352
Depreciation, capital adjust.	-946	-572	-989	-228	-1,892
Other Capital Assets					
Ending inventory	40,706	48	5,563	128,771	32,958
Capital sales	40	-	-	170	-
Beginning inventory	25,406	9	6,213	75,095	22,621
Capital purchases	15,413	39	829	54,197	8,818
Depreciation, capital adjust.	-73	-	-1,479	-351	1,519
Total depreciation, capital adj.	-11,894	-8,179	-19,426	-8,535	-10,765
Net farm income	86,662	-297	38,893	101,816	199,396

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	80	19	21	19	21
Profitability (assets valued at cost)					
Net farm income	86,662	-297	38,893	101,816	199,396
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 %
Interest on farm net worth	36,516	14,384	23,601	42,942	63,642
Farm interest expense	18,610	9,015	17,302	17,395	29,698
Value of operator lbr and mgmt.	35,373	13,122	26,030	46,402	54,869
Return on farm assets	69,899	-4,404	30,165	72,810	174,225
Average farm assets	920,013	369,811	692,713	1,032,654	1,543,199
Return on farm equity	51,289	-13,419	12,864	55,415	144,527
Average farm equity	608,603	239,731	393,348	715,697	1,060,706
Value of farm production	335,070	71,327	226,705	436,570	590,227
	<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
Profitability (assets valued at market)					
Net farm income	128,962	27,800	56,325	203,132	226,018
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 %
Interest on farm net worth	53,191	24,477	37,682	59,956	88,557
Farm interest expense	18,610	9,015	17,302	17,395	29,698
Value of operator lbr and mgmt.	35,373	13,122	26,030	46,402	54,869
Return on farm assets	112,199	23,693	47,597	174,126	200,847
Average farm assets	1,197,921	538,038	927,402	1,316,218	1,958,447
Return on farm equity	93,589	14,678	30,295	156,730	171,149
Average farm equity	886,512	407,958	628,036	999,261	1,475,954
Value of farm production	335,070	71,327	226,705	436,570	590,227

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	80	19	21	19	21
Liquidity (cash)					
Net cash farm income	67,239	14,101	53,501	83,394	114,438
Net nonfarm income	28,835	39,258	23,952	22,271	30,227
Family living and taxes	47,964	29,678	42,667	57,843	60,866
Principal due on long term debt	11,467	5,397	5,429	14,917	19,874
Cash available for interm. debt	36,644	18,284	29,357	32,904	63,924
Average intermediate debt	58,656	29,140	45,342	59,082	98,288
Years to turnover interm. debt	1.6	1.6	1.5	1.8	1.5
Expense as a % of income	83 %	87 %	79 %	88 %	79 %
Interest as a % of income	5 %	8 %	7 %	3 %	5 %
Working capital to gross income	43 %	21 %	32 %	36 %	59 %
Liquidity (accrual)					
Total accrual farm income	428,277	103,870	258,255	723,835	624,400
Total accrual operating expense	329,721	95,988	199,936	613,484	414,239
Net accrual operating income	98,556	7,882	58,319	110,351	210,161
Net nonfarm income	28,835	39,258	23,952	22,271	30,227
Family living and taxes	47,964	29,678	42,667	57,843	60,866
Principal due on long term debt	11,467	5,397	5,429	14,917	19,874
Available for intermediate debt	67,961	12,065	34,175	59,862	159,647
Average intermediate debt	58,656	29,140	45,342	59,082	98,288
Years to turnover interm. debt	0.9	2.4	1.3	1.0	0.6
Expense as a % of income	77 %	92 %	77 %	85 %	66 %
Interest as a % of income	4 %	9 %	7 %	2 %	5 %
Working capital to gross income	39 %	21 %	31 %	34 %	51 %

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	80	19	21	19	21
Assets					
Current Farm Assets					
Cash and checking balance	16,760	15,533	6,284	12,380	32,307
Prepaid expenses & supplies	20,403	949	6,719	13,392	58,031
Growing crops	4,405	1,837	4,440	4,767	6,367
Accounts receivable	7,497	19	1,971	23,188	5,594
Hedging accounts	3,047	-	179	11,425	1,093
Crops held for sale or feed	131,761	13,171	66,459	142,267	294,854
Crops under government loan	9,625	-	-	-	36,667
Market livestock held for sale	77,049	17,755	59,143	167,581	66,692
Other current assets	1,773	656	1,688	124	4,360
Total current farm assets	272,320	49,918	146,883	375,125	505,964
Intermediate Farm Assets					
Breeding livestock	50,127	43,721	73,383	54,632	28,590
Machinery and equipment	188,347	73,818	142,909	176,653	347,988
Titled vehicles	8,972	5,011	10,073	3,618	16,298
Other intermediate assets	9,821	48	3,629	6,701	27,678
Total intermediate farm assets	257,267	122,597	229,994	241,605	420,554
Long Term Farm Assets					
Farm land	340,420	163,426	265,381	311,848	601,447
Buildings and improvements	58,041	37,540	48,477	59,800	84,563
Other long-term assets	30,885	-	1,935	122,070	5,280
Total long-term farm assets	429,347	200,966	315,792	493,719	691,290
Total Farm Assets	958,934	373,482	692,669	1,110,448	1,617,808
Total Nonfarm Assets	98,334	105,178	101,379	104,304	83,694
Total Assets	1,057,267	478,661	794,048	1,214,753	1,701,502
Liabilities					
Current Farm Liabilities					
Accrued interest	4,111	3,000	2,081	3,183	7,987
Accounts payable	3,630	1,122	864	4,148	8,196
Current notes	69,840	17,548	55,860	96,190	107,291
Government crop loans	7,527	-	-	-	28,672
Principal due on term debt	18,880	6,183	7,277	27,325	34,332
Total current farm liabilities	103,988	27,853	66,082	130,847	186,479
Total intermediate farm liabs	52,521	25,920	40,233	65,546	77,091
Total long term farm liabilities	156,592	77,914	186,745	143,491	209,477
Total farm liabilities	313,101	131,687	293,060	339,884	473,047
Total nonfarm liabilities	21,616	19,193	31,475	33,605	3,101
Total liabilities	334,717	150,880	324,535	373,489	476,148
Net worth (farm and nonfarm)	722,551	327,780	469,513	841,264	1,225,354
Net worth change	77,940	7,720	20,696	108,468	171,094
Ratio Analysis					
Current farm liabilities / assets	38 %	56 %	45 %	35 %	37 %
Curr. & interm farm liab. / assets	30 %	31 %	28 %	32 %	28 %
Long term farm liab. / assets	36 %	39 %	59 %	29 %	30 %
Total debt to asset ratio	32 %	32 %	41 %	31 %	28 %

Balance Sheet at Market 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	80	19	21	19	21
Assets					
Current Farm Assets					
Cash and checking balance	16,760	15,533	6,284	12,380	32,307
Prepaid expenses & supplies	20,403	949	6,719	13,392	58,031
Growing crops	4,405	1,837	4,440	4,767	6,367
Accounts receivable	7,497	19	1,971	23,188	5,594
Hedging accounts	3,047	-	179	11,425	1,093
Crops held for sale or feed	131,761	13,171	66,459	142,267	294,854
Crops under government loan	9,625	-	-	-	36,667
Market livestock held for sale	77,049	17,755	59,143	167,581	66,692
Other current assets	1,773	656	1,688	124	4,360
Total current farm assets	272,320	49,918	146,883	375,125	505,964
Intermediate Farm Assets					
Breeding livestock	63,460	52,023	93,023	72,645	35,937
Machinery and equipment	231,740	75,027	159,336	244,081	434,766
Titled vehicles	11,963	5,411	10,525	8,366	22,583
Other intermediate assets	15,633	81	4,335	8,997	47,007
Total intermediate farm assets	322,796	132,541	267,218	334,089	540,293
Long Term Farm Assets					
Farm land	554,947	332,732	467,746	502,538	890,617
Buildings and improvements	76,763	40,566	51,889	110,112	104,213
Other long-term assets	31,166	-	2,337	122,807	5,280
Total long-term farm assets	662,875	373,297	521,972	735,457	1,000,109
Total Farm Assets	1,257,992	555,757	936,073	1,444,671	2,046,367
Total Nonfarm Assets	122,279	140,079	133,452	118,738	98,205
Total Assets	1,380,271	695,836	1,069,525	1,563,409	2,144,572
Liabilities					
Current Farm Liabilities					
Accrued interest	4,111	3,000	2,081	3,183	7,987
Accounts payable	3,630	1,122	864	4,148	8,196
Current notes	69,840	17,548	55,860	96,190	107,291
Government crop loans	7,527	-	-	-	28,672
Principal due on term debt	18,880	6,183	7,277	27,325	34,332
Total current farm liabilities	103,988	27,853	66,082	130,847	186,479
Total intermediate farm liabs	52,521	25,920	40,233	65,546	77,091
Total long term farm liabilities	156,592	77,914	186,745	143,491	209,477
Total farm liabilities	313,101	131,687	293,060	339,884	473,047
Total nonfarm liabilities	21,616	19,193	31,475	33,605	3,101
Total liabs excluding deferreds	334,717	150,880	324,535	373,489	476,148
Total deferred liabilities	-	-	-	-	-
Total liabilities	334,717	150,880	324,535	373,489	476,148
Retained earnings	722,551	327,780	469,513	841,264	1,225,354
Market valuation equity	323,004	217,175	275,477	348,656	443,070
Net worth (farm and nonfarm)	1,045,554	544,956	744,990	1,189,920	1,668,424
Net worth excluding deferreds	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
Ratio Analysis					
Current farm liabilities / assets	38 %	56 %	45 %	35 %	37 %
Curr. & interm farm liab. / assets	26 %	29 %	26 %	28 %	25 %
Long term farm liab. / assets	24 %	21 %	36 %	20 %	21 %
Total debt to asset ratio	24 %	22 %	30 %	24 %	22 %
Debt to assets excl deferreds	24 %	22 %	30 %	24 %	22 %

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	80	19	21	19	21
Beginning cash (farm & nonfarm)	12,998	30,656	10,174	-23,466	32,838
Cash From Operating Activities					
Gross cash farm income	394,389	106,843	249,407	683,287	538,146
Net nonfarm income	28,835	39,258	23,952	22,271	30,227
Total cash farm expense	-327,150	-92,742	-195,906	-599,893	-423,708
Apparent family living expense	-44,811	-26,251	-40,150	-55,056	-56,995
Income and social security tax	-3,153	-3,427	-2,517	-2,787	-3,871
Cash from operations	48,110	23,681	34,786	47,822	83,798
Cash From Investing Activities					
Sale of breeding livestock	49,890	4,557	4,015	14,185	169,085
Sale of machinery & equipment	3,568	2,074	267	1,469	10,121
Sale of titled vehicles	276	-	1,051	-	-
Sale of farm land	5,738	-	2,810	21,053	-
Sale of farm buildings	575	-	2,190	-	-
Sale of other farm assets	40	-	-	170	-
Sale of nonfarm assets	357	592	824	-	-
Purchase of breeding livestock	-52,105	-12,337	-10,160	-19,457	-159,571
Purchase of machinery & equip.	-25,711	-6,868	-11,009	-32,411	-51,401
Purchase of titled vehicles	-1,510	-411	-1,448	-	-3,933
Purchase of farm land	-7,175	-4,939	-	-21,053	-3,819
Purchase of farm buildings	-4,145	-1,979	-1,226	-467	-12,352
Purchase of other farm assets	-15,413	-39	-829	-54,197	-8,818
Purchase of nonfarm assets	-5,735	-5,632	-11,009	-2,324	-3,640
Cash from investing activities	-51,352	-24,981	-24,523	-93,033	-64,329
Cash From Financing Activities					
Money borrowed	154,274	25,225	47,122	342,317	208,048
Cash gifts and inheritances	8,873	176	648	30,629	5,283
Principal payments	-148,745	-22,490	-56,083	-291,025	-226,909
Dividends paid	-	-	-	-	-
Gifts given	-558	-776	-275	-142	-1,020
Cash from financing activities	13,843	2,136	-8,588	81,779	-14,598
Net change in cash balance	10,602	835	1,675	36,567	4,871
Ending cash (farm & nonfarm)	23,600	31,491	11,849	13,101	37,709

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	80	19	21	19	21
Liquidity					
Current ratio	2.62	1.79	2.22	2.87	2.71
Working capital	168,332	22,065	80,802	244,278	319,485
Solvency (market)					
Farm debt to asset ratio	25 %	24 %	31 %	24 %	23 %
Farm equity to asset ratio	75 %	76 %	69 %	76 %	77 %
Farm debt to equity ratio	33 %	31 %	46 %	31 %	30 %
Profitability (cost)					
Rate of return on farm assets	7.6 %	-1.2 %	4.4 %	7.1 %	11.3 %
Rate of return on farm equity	8.4 %	-5.6 %	3.3 %	7.7 %	13.6 %
Operating profit margin	20.9 %	-6.2 %	13.3 %	16.7 %	29.5 %
Net farm income	86,662	-297	38,893	101,816	199,396
Repayment Capacity					
Term debt coverage ratio	236 %	113 %	222 %	217 %	283 %
Capital replacement margin	41,257	2,067	21,789	35,299	101,574
Efficiency					
Asset turnover rate (cost)	36.4 %	19.3 %	32.7 %	42.3 %	38.2 %
Operating expense ratio	72.6 %	83.7 %	70.7 %	82.4 %	61.6 %
Depreciation expense ratio	2.8 %	7.9 %	7.5 %	1.2 %	1.7 %
Interest expense ratio	4.3 %	8.7 %	6.7 %	2.4 %	4.8 %
Net farm income ratio	20.2 %	-0.3 %	15.1 %	14.1 %	31.9 %

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	80	19	21	19	21
Acreage Summary					
Total acres owned	426	199	392	394	693
Total crop acres	830	191	541	890	1,645
Crop acres owned	272	53	160	295	564
Crop acres cash rented	260	45	173	222	576
Crop acres share rented	298	93	208	373	506
Total pasture acres	123	68	182	151	89
Average Price Received (Cash Sales Only)					
Soybeans per bushel	5.88	5.70	5.99	5.86	5.87
Corn per bushel	2.50	2.38	2.47	2.46	2.53
Wheat, Winter per bushel	3.46	-	3.53	3.40	3.44
Hay, Mixed per ton	48.67	-	-	-	-
Sorghum, Grain per bushel	2.25	-	-	-	-
Grass Seed, Fescue per lb	0.476	-	-	-	-
Hay, Grass per ton	42.36	-	-	-	-
Average Yield Per Acre					
Soybeans (bushel)	40.17	38.97	33.79	35.75	44.31
Corn (bushel)	127.96	152.13	93.10	116.14	129.35
Wheat, Winter (bushel)	47.41	-	-	31.27	65.18
Pasture (aum)	3.63	-	3.77	-	3.20
Hay, Mixed (ton)	2.31	-	-	-	1.75
Sorghum, Grain (bushel)	79.10	-	-	-	-

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	80	19	21	19	21
Operator Information					
Average number of operators	1.1	1.0	1.0	1.2	1.3
Average age of operators	47.4	47.6	46.3	46.2	49.5
Average number of years farming	25.3	23.3	25.0	23.8	28.7
Results Per Operator					
Working capital	149,962	22,300	77,129	206,279	253,177
Total assets (market)	1,229,640	703,238	1,020,910	1,320,212	1,699,472
Total liabilities	298,189	152,485	309,783	315,390	377,325
Net worth (market)	931,451	550,753	711,127	1,004,821	1,322,147
Net worth excl deferred liabs	931,451	550,753	711,127	1,004,821	1,322,147
Gross farm income	381,539	104,975	246,517	611,239	494,807
Total farm expense	304,334	105,275	209,391	525,260	336,795
Net farm income	77,204	-300	37,125	85,978	158,012
Net nonfarm income	25,688	39,675	22,863	18,806	23,953
Family living & tax withdrawals	42,729	29,993	40,728	48,845	48,234
Total acres owned	379.3	201.4	374.6	332.9	548.8
Total crop acres	739.8	192.6	516.0	751.5	1,303.8
Crop acres owned	242.6	53.1	152.3	248.8	446.9
Crop acres cash rented	231.6	45.4	165.0	187.7	456.2
Crop acres share rented	265.6	94.2	198.7	315.0	400.8
Total pasture acres	109.9	69.1	173.5	127.8	70.7
Labor Analysis					
Number of farms	80	19	21	19	21
Total unpaid labor hours	1,814	1,049	1,692	1,738	2,695
Total hired labor hours	1,510	623	1,148	2,601	1,686
Total labor hours per farm	3,323	1,672	2,840	4,339	4,382
Unpaid hours per operator	1,616	1,060	1,615	1,468	2,136
Value of farm production / hour	100.82	42.66	79.82	100.61	134.70
Net farm income / unpaid hour	47.78	-0.28	22.99	58.57	73.98
Average hourly hired labor wage	15.95	10.37	14.09	20.17	13.18
Partnerships & LLCs					
Number of farms	8	1	1	2	4
Number of operators	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	80	19	21	19	21
Income Statement					
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
Profitability (cost)					
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 %
Profitability (market)					
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 %
Liquidity					
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 %
Solvency (cost)					
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 %
Solvency (market)					
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 %
Nonfarm Information					
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
Crop Acres					
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